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AMENDED AND RESTATED DECLARATION OF CONDOMINIUM
FOR THE BLACKJACK CONDOMINIUM LODGE
A CONDOMINIUM DEVELOPMENT

This Amended and Restated Declaration of Condominium for the Blackjack Condominium Lodge, is made and executed this 5 day of MARCH, 2019, by the Blackjack Owners Association.

RECITALS

A. On February 14, 1977, the Record of Survey Map for the Blackjack Condominium Lodge was recorded in the Office of Recorder for Salt Lake County, State of Utah (the "Salt Lake County Recorder"), as Entry No. 2908738. On February 14, 1977 the Declaration of Condominium for the Blackjack Condominium Lodge was recorded with the Salt Lake County Recorder as Entry No. 2908739 (the "Initial Declaration"). On May 7, 1990, an instrument titled "Amendments to the Declaration of Condominium for the Blackjack Condominium Lodge" was recorded with the Salt Lake County Recorder as Entry No. 4913609. On May 24, 1991, a second instrument titled "Amendment to Declaration of Condominium for the Blackjack Condominium Lodge" (the "Second Amendment") was recorded with the Salt Lake County Recorder as Entry No. 5071803 modifying the Allocated Interests in the Common Area and Facilities and the Association appurtenant to each Unit established in the Initial Declaration. On December 1, 2006, a third instrument titled "Amendment to Declaration of Condominium for Blackjack Condominium Lodge" was recorded with the Salt Lake County Recorder as Entry No. 9926991 (the "Third Amendment"). Among other things, the Third Amendment authorized further amendment of the Initial Declaration with the approval of at least sixty-seven percent (67%) of the total Allocated Interests in the Association.

B. Consistent with the rights and authority of the Association under the Utah Condominium Act and the Initial Declaration, as amended, the Association, having obtained at least sixty-seven percent (67%) of the Allocated Interests necessary to amend, hereby adopts this Amended and Restated Declaration of Condominium for the Blackjack Condominium Lodge to: (a) conform to changes in the Utah Condominium Ownership Act and other Utah laws; (b) streamline and clarify the governance structure and procedures for the Association; (c) clarify and more fully define the respective rights and responsibilities of the Association and the Owners; and (d) establish additional covenants, conditions and restrictions for the benefit of the Association, the Owners and the Development.

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C. This Amended and Restated Declaration of Condominium for the Blackjack Condominium Lodge supersedes the Initial Declaration, as amended by the First, Second, and Third Amendment, and replaces it in its entirety. The terms and conditions herein are established for the mutual benefit and burden of the Association, present and future Owners, Occupants, Lenders and others acquiring any interest in the Development.

D. This Declaration is intended to and shall run with the Subject Land and shall be binding upon the Owners and their respective successors and assigns, and any other Person that now, or hereafter, has any legal, equitable, or beneficial interest in any portion of the Development. By taking title to a Unit, each Owner joins in and accepts the intent, purpose, and objectives of this Declaration and agrees to be bound by it, and acknowledges the benefits received from its existence and accepts the burdens and responsibilities that accompany these benefits.

E. Capitalized terms in this Declaration are defined in Article I or in other Sections of this Declaration.

F. The Condominium Development subject hereof is located at 9021 South Blackjack Road, Alta, Utah and situated upon the following described land, located in Salt Lake County, State of Utah:

Beginning at a point which is North 22°40' East 428.05 feet and North 73°29'05" East 116.41 feet from the surveyed Corner No. 2 of the Hellgate No. 2 Mineral Mining Lode Claim, Survey No. 5282, said claim corner being located South 20°17'44" West 3260 feet, more or less, from the Northeast Corner of Section 6, Township 3 South, Range 3 East, Salt Lake Base and Meridian; and running thence North 73°29'05" East 166.49 feet; thence South 16°32'40" East 36.2 feet; thence South 22°40' West 212.12 feet; thence North 67°20' West 152.0 feet; thence North 22°40' East 135.0 feet to the point of beginning.

G. The Association intends by recording this Declaration to reaffirm the submittal of the Subject Land and all improvements thereon to the provisions of the Utah Condominium Ownership Act, Utah Code Sections 57-8-1 *et seq.*, as a condominium development and to impose upon said property mutually beneficial

restrictions under a general plan of improvement for the benefit of all Units within said Development and Owners thereof.

ARTICLE I
DEFINITIONS

Defined Terms. Capitalized terms as used in this Declaration shall have the meanings set forth in this Article I.

1.01 “**Act**” shall mean and refer to the Utah Condominium Ownership Act codified beginning at Section 57-8-1, Utah Code Annotated.

1.02 “**Allocated Interest**” shall mean and refer to the appurtenant undivided ownership interests in the Common Area and Facilities and proportional share of Common Expenses and voting interests in the Association allocated to each Unit as set forth in the attached Exhibit “A”.

1.03 “**Articles**” shall mean and refer to the Articles of Incorporation or the chartering document of any other legal entity, forming the “Association”.

1.04 “**Assessment**” shall mean and refer to any monetary charge imposed or levied on an Owner by the Association, including, but not limited to, regular and special assessments, individual charges, fines, late fees, interest as provided in this Declaration or authorized by law.

1.05 “**Association**” shall mean and refer to the Blackjack Owners Association, which is organized and operating as a Utah nonprofit corporation, the membership of which shall include and be comprised of each Owner in the Development. Notwithstanding, if the Owners are ever organized as another type of entity or if the Owners act as a group without legal organization, “Association” as used in this Declaration shall refer to that entity or group.

1.06 “**Board of Trustees**” shall mean and refer to the governing board of the Association, appointed or elected in accordance with this Declaration and the Articles of Incorporation and the Bylaws of the Association, which is referred to in the Act as the “Management Committee” and referred to the “Board of Directors” in the Utah Revised Nonprofit Corporation Act, Utah Code Ann. § 16-6a-1601 *et seq.*

1.07 “**Board of Trustees Member**” or “**Board Member**” shall mean and refer to a member of the Board of Trustees, also known as a “Director” or “Management Committee Member.”

1.08 “Building” or “Lodge Building” shall mean and refer to the four-story Blackjack Condominium Lodge building constructed on the Subject Land.

1.09 “Bylaws” shall mean and refer to the Amended Bylaws of the Blackjack Owners Association attached as Exhibit C, and all valid amendments and supplements thereto.

1.10 “Common Area and Facilities” or “Common Area” shall mean and refer to: (a) the land included in the Development described herein or on the Map; (b) all portions of the Development not specifically included as part of the Units or dedicated to the Town of Alta; (c) all foundations columns, girders, beams, supports, main walls, roofs, halls, corridors, lobbies, stairs, stairways, fire escapes, elevators, building entrances and exits, and parking lot, (d) the saunas, locker room, exercise room, laundry facilities, furnished common living room, office, tractor shed, wood shed, and garbage shed; (e) all common area identified on the Map; (f) all apparatuses, installations, systems, and equipment connected with or in any way related to the furnishing of utilities for common use or servicing the Common Area or which serve more than one Unit; (g) any improvements constructed on the Subject Land not part of a Unit; (h) all personal property of the Association, including, without limitation, furnishings, tools, and equipment, and (i) all other parts of the Development necessary or convenient to its existence, maintenance, and safety, or normally in common use.

1.11 “Common Expense” shall mean and refer to the actual and estimated costs for: (a) maintenance, management, operation, repair and replacement of the Common Area and Facilities; (b) management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys, consultants, and employees; (c) security, landscape maintenance, parking area maintenance, snow-removal, and other services; (d) insurance and bonds required or allowed by this Declaration or Utah Law; (e) the establishment of reserves; (f) the Association’s obligation under any reciprocal use and/or shared maintenance agreement for any private roadway serving the Association and neighboring properties; (g) other miscellaneous charges incurred by the Association as provided for or allowed in the Act or the Governing Documents; and (h) any other expenses of the Association arising from the operation of the Association and not otherwise defined or precluded by the Governing Documents or any applicable law.

1.12 “Common Expense Fund” shall mean and refer to the funds held by the Association in one or more accounts into which fund all assessments under Article VIII are deposited.

1.13 “Unit” shall mean and refer to a condominium unit within the Development depicted on the Map and more particularly described herein which may be independently owned and is intended for use and occupancy as a residential dwelling. More than one Unit is referred to herein as “Units.”

1.14 “Declaration” shall mean and refer to this Amended and Restated Declaration for the Blackjack Condominium Lodge, including all attached exhibits, which are incorporated by reference, and any and all valid amendments to this Declaration.

1.15 “Development” shall mean and refer to the Blackjack Condominium Lodge condominium project and all structures and improvements thereon including the Units and the Common Area and Facilities.

1.16 “Governing Documents” shall mean and refer to this Declaration, the Map, the Bylaws, the Articles, the Rules, and any other written instrument through which the Association may exercise power or manage, maintain, or otherwise affect the Development.

1.17 “Lender” or “Mortgagee” shall mean and refer to a holder of a mortgage or deed of trust on a Unit.

1.18 “Limited Common Areas” shall mean any Common Areas designated for exclusive use by the Owner of a particular Unit. Structural separations between Units or the space which would be occupied by such structural separations may become Limited Common Areas for the exclusive use of the Owner or Owners of the Units.

1.19 “Manager” shall mean the Person, if any, engaged from time to time by the Association to manage, in whole or in part, the operations of the Association and the Development.

1.20 “Map” shall mean the Record of Survey Map for The Blackjack Condominium Lodge recorded in the office of the County Recorder for Salt Lake County, state of Utah.

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

1.22 "Nightly Rental" shall mean and refer to any lease or rental term less than thirty (30) days.

1.23 "Nightly Rental Manager" shall mean the Person, if any, engaged from time to time by the Association to provide Nightly Rental Management Services for any Owners desiring to utilize such amenity.

1.24 "Occupant" shall mean and refer to a Person or Persons, other than an Owner, in possession of, using, entering into, or living in a Unit, including, without limitation, family members, tenants, and invitees of an Owner or an Occupant.

1.25 "Owner" shall mean any Person holding record title to a Unit within the Development, as shown on the records of Salt Lake County, State of Utah. The term "Owner" shall not refer to any Mortgagee (unless such Mortgagee has acquired title for other than security purposes) or to any person or entity purchasing a Unit under contract (until such contract is fully performed and legal title conveyed).

1.26 "Person" shall mean and refer to a natural person, corporation, estate, limited liability company, partnership, trustee, association, governmental subdivision or agency, or any other legal entity. More than one Person is referred to herein as "Persons."

1.27 "Rules" shall mean and refer to the rules and regulations adopted by the Association.

1.28 "Subject Land" or "Property" shall mean the land upon which the Development is situated, as more particularly described in Paragraph D of the Recitals above.

1.29 "Total Votes of the Association" shall mean the total number of votes appertaining to the Units in the Development, as shown in Exhibit "A" attached hereto.

ARTICLE II

DESCRIPTION OF THE UNITS, LIMITED COMMON AREA, COMMON AREA AND FACILITIES, AND ALLOCATED INTERESTS

2.01 The Unit. The Units are defined as follows:

(a) The distinct Unit number that identifies the Unit on the Map may or may not be consistent with the mailing address of the Unit.

(b) A Unit shall mean an individual air space unit, consisting of enclosed rooms occupying part of the Building and bounded by the interior surfaces of the walls, floors, ceilings, windows, doors, and built-in fireplaces, if any, along the perimeter boundaries of the air space, as said boundaries are shown on the Map, together with all fixtures and improvements therein contained. Paint and other wall, ceiling, or floor coverings on interior surfaces shall be deemed to be a portion of the Unit. Notwithstanding the fact that they may be within the boundaries of such air space, the following are not part of a Unit insofar as they are necessary for the support or use and enjoyment of another Unit: bearing walls, floors, ceilings, and roofs (except the interior surfaces thereof), foundations, ceiling equipment, tanks, pumps, pipes, vents, ducts, shafts, flues, chutes, conduits, wires, and other utility installations, except the outlets thereof when located within the Unit. The interior surfaces of a window or door mean the points at which such surfaces are located when the window or door is closed. Unless the context requires otherwise, reference to a Unit shall include the appurtenant Allocated Interest.

(c) With respect to variances between the Map and as-built construction, except for approved modifications and alterations existing as of the effective date of this Declaration, the original construction shall be the controlling dimension for any Unit. The original construction shall be the first installation of foundations, framing, wallboard, and the like.

2.02 Allocated Interest of Each Unit in the Votes of the Association. The Unit's Owner shall be entitled to vote the Allocated Interest for the Unit for all matters of the Association which Owners are permitted or required to vote or approve. The Allocated Interest for each Unit is based on the approximate size of the Unit as reflected on the Map. Any discrepancy in with regard to actual square footage of the Unit as of the effective date of this Declaration shall not be a basis for alteration or modification of a Unit's Allocated Interest. In the event an Owner acquires adjoining Units and is permitted by the Board to remove or alter the partition between the Units or create an aperture to an adjoining Unit, the Allocated Interests appurtenant to the respective Units shall not be affected.

2.03 Map. The Map and all dimensions, descriptions, and identification of boundaries therein shall be binding on the Development and the Association. If any conflict exists between the Map and any provision of this Declaration, the more specific shall control.

ARTICLE III

NATURE AND INCIDENTS OF CONDOMINIUM OWNERSHIP

3.01 Right to Modify Interior of Units. Each Owner shall have the exclusive right to paint, repaint, tile, wax, paper, carpet, or otherwise decorate the interior surfaces of the walls, ceilings, floors, and doors forming the boundaries of his/her/their Unit and the surfaces of all walls, ceilings, floors, and doors within such boundaries, subject to the Rules adopted by the Board.

3.02 Maintenance of Units. Each Owner shall keep the interior of his/her/their Unit, including, without limitation, interior walls, windows, ceilings, floors, and permanent fixtures and appurtenances thereto, in a clean and sanitary condition and in a state of good repair. In the event that any such Unit should develop an unsanitary or unclean condition or fall into a state of disrepair, and in the event that the Owner of such Unit should fail to correct such condition or state of disrepair promptly following written notice from the Association, the Association shall have the right, at the expense of the Owner and without liability to the Owner for trespass or otherwise, to enter said Unit and correct or eliminate said unsanitary or unclean condition or state of disrepair.

3.03 Right to Combine Units. Subject to the requirements for plat amendment if required by the City, an Owner may, with Board approval, after acquiring an adjoining Unit that shares a common wall or floor with the Owner's Unit, remove or alter a partition between the two Units even if the partition is partly Common Area and Facilities, or create an aperture to the adjoining Unit; provided, however, that the alteration would not impair the structural integrity or the mechanical systems of the Building or either Unit or reduce the support of any portion of the Common Areas and facilities or another Unit, or constitute a violation of the Utah Municipal Land Use, Management and Development Act, Utah Code 10-9a-608, or applicable local ordinance or building code. The Board may require the Owner to submit, at the Owner's sole expense, a licensed professional engineer and/or licensed professional architect's opinion stating that the proposed change will not impair the structural integrity or the mechanical systems of the Building or either Unit or reduce the support of any portion of the Common Areas and facilities or another Unit.

3.04 Title. Title to a Unit within the Development may be held or owned by any Person in any manner in which title to any other real property may be held or owned in the state of Utah, including without limitation, joint tenancy or tenancy in common.

3.05 Nonseverability. The undivided interests in the Common Area and Facilities shall have a permanent character and shall not be altered without the vote or written consent of Owners holding at least sixty-seven percent (67%) of the Allocated Interests in

the Association. The undivided interest in the Common Area and Facilities shall not be separated from the Unit to which it appertains and shall be considered to be conveyed, encumbered, or released from liens with the Unit even if such interest is not expressly included or described in the conveyance or other instrument.

3.06 No Partition. The Common Area and Facilities shall remain undivided and no Owner or any other Person shall bring any action for partition or division thereof, unless the property has been removed from the Provisions of the Act.

3.07 Separate Mortgages by Owners. Each Owner shall have the right separately to mortgage or otherwise encumber his/her/their Unit. No Owner shall attempt to or shall have the right to mortgage or otherwise encumber the Common Area or any part thereof, except the undivided interest therein appurtenant to his/her/their Unit. Any mortgage or other encumbrance of a Unit shall be subordinate to all of the provisions of this Declaration, and in the event of foreclosure the provisions of this Declaration, shall be binding upon any Owner whose title is derived through foreclosure or otherwise.

3.08 Separate Taxation. Each Unit, including each Unit's appurtenant undivided interest in the Common Area and Facilities, shall be deemed to be a parcel and shall be assessed separately for all taxes, assessments, and other charges of the state of Utah or of any political subdivision or of any special improvement district or of any other taxing or assessing authority. For purposes of such assessment, the valuation of the Common Area and Facilities shall be apportioned among the Units in proportion to the undivided interests in Common Areas appurtenant to such Units. All such taxes, assessments, and other charges on each respective Unit shall be separately levied against the Owner thereof. No forfeiture or sale of any Unit for delinquent taxes, assessments, or other governmental charges shall divest or in any way affect the title to any other Unit.

3.09 Conveyance. Every contract for the sale of a Unit and every other instrument affecting title to a Unit within the Development may describe a Unit by its identifying number as shown on the Map. Such description will be construed to describe the Unit, together with the appurtenant undivided interest in the Common Areas, and to incorporate all the rights incident to ownership of a Unit within the Development and all of the limitations on such ownership as described in the Governing Documents.

ARTICLE IV EASEMENTS

4.01 Easements for Encroachments. If any part of the Common Area and Facilities encroaches or shall hereafter encroach upon any Unit, an easement for such

encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Area and Facilities, or upon an adjoining Unit, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered to be encumbrances either on the Common Area and Facilities or the Units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of the Lodge Building or any improvements constructed or to be constructed within the Development, by error in the Map, by settling, rising, or shifting of the earth, or by changes in position caused by repair or reconstruction of the Development or any part thereof.

4.02 Right to Ingress, Egress, and Support. Each Owner shall have the right to ingress and egress over, upon, and across the Common Area as necessary for access to such Owner's Unit and to any Limited Common Area appurtenant to such Unit, and shall have the right to horizontal, vertical, and lateral support of such Unit, and such rights shall be appurtenant to and pass with title to each Unit.

4.03 Access Easements Reserved to the Association. The Association shall have nonexclusive easements with the right of access over, across, and through each Unit and the Common Area and Facilities to make inspections, to prevent or mitigate damage to Common Area and Facilities, and to maintain, repair, replace or effectuate the restoration of the Common Area and Facilities and any other property or improvements for which the Association is responsible for maintaining which are accessible from such Unit. Owners shall provide a key to the Unit to the Manager. The Association shall have the right to grant permission, licenses, and easements upon, across, over, under, and through the Common Area and Facilities for purposes necessary for the proper operation of the Project.

4.04 Utilities Easements. Easements and rights-of-way over, under and through the Development for the installation and maintenance of electrical, telephone, cable television, internet, fiber optics, water, gas, and sewer lines, drainage facilities, telecommunication fixtures and equipment, utility fixtures and equipment, and such other lines, fixtures, or equipment needed or determined by the Board to be helpful in serving the Development, the Units, or the Owners are hereby reserved to the Association, together with the right to grant, alter, and transfer the same; provided, however, such easements and rights-of-way shall not unreasonably interfere with the use and enjoyment of the Common Area and the Units by the Owners or Occupants. The Association shall have the power to grant and convey, in the name of the Association or for all of the Owners as their attorney-in-fact, to any Person, easements and rights-of-way in, on, over or under the Common Area and Units for the purpose of constructing, erecting, operating,

or maintaining lines, cables, wires, wireless transmission or reception equipment, conduits, or other devices for electricity, cable television, power, telecommunications, internet, telephone, public sewers, storm water drains and pipes, water systems, irrigation systems, water heating and gas lines or pipes and any other public, quasi-public, or private improvements or facilities. Each Owner, by taking title to a Unit, expressly consents to such easements and rights-of-way and authorizes and appoints the Association as attorney-in-fact for such Owner to execute any and all instruments conveying or creating such easements or rights-of-way. Such Owner and those claiming by, through or under an Owner agree to execute promptly all such documents and instruments and to do such other things as may be necessary or convenient to effect the same at the request of the Association. However, no easement or right of way can be granted pursuant to this paragraph if it would permanently and materially interfere with the use, occupancy or enjoyment by any Owner of such Owner's Unit

4.05 Nonexclusive Rights to Utilize Common Area and Facilities. Each Owner shall have the nonexclusive right to use and enjoyment of the Common Area and Facilities. This non-exclusive right to use and enjoyment shall be appurtenant to and shall pass with title to the Unit and in no event shall such appurtenant rights be separated therefrom. Authorized Occupants shall have the same non-exclusive right to the use and enjoyment of the Common Area and Facilities as the Owner whose Unit the Occupant is occupying. An Owner's non-exclusive right to use and enjoyment of the Common Area and Facilities shall be subject to any other limitation in the Governing Documents and the following:

- (a) The right of the Association to impose reasonable limitations on the number of Occupants per Owner or guests who at any given time are permitted to use the Common Area and Facilities;
- (b) The right of any governmental or quasi-governmental body having jurisdiction over the Development to access and to have rights of ingress and egress over and across any roadway, parking area, or other area contained within the Development for purposes of providing police and fire protection and providing other governmental or municipal services; and
- (c) The right and authority of the Board to adopt further Rules governing use of the Common Areas and Facilities.

ARTICLE V
RESTRICTIONS ON USE

5.01 Residential Use. The Units within the Development shall be used for residential and lodging purposes, such purposes to be confined to Units within the Development. No trade or business 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 any other Unit, or the Common Area and Facilities;

(b) the business activity conforms to all zoning and legal requirements for the Development and the business activity;

(c) the business activity does not involve solicitation of Occupants or Owners of the Development;

(d) the business activity does not create parking issues or increased vehicle traffic in the Development from clients, customers, vendors, service providers or other individuals coming into the Development who do not reside in the Development, as determined by the Board, in its sole discretion;

(e) the business activity is consistent with the residential character of the Development and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other Owners and Occupants of the Development;

(f) the business activity is disclosed to the Board before business is commenced along with a description of the business activity, a statement of the amount of space required in the Unit for such activity, and a description of any impact on the Development;

(g) the business activity will not result in the increase of the cost of any of the Association's insurance; and

(h) the Board's ongoing requests for information related to the business as necessary to determine compliance with this paragraph are responded to fully and completely.

No Unit shall be used to accommodate more persons than it was designed to accommodate comfortably. Except as provided above, no Unit shall be used for business or commercial activity; provided, however, that nothing herein shall be deemed to prevent any Owner or his/her duly authorized agent from renting or leasing his/her Unit from time to time, subject to the provisions herein.

5.02 No Noxious or Offensive Activity. No noxious or offensive activity shall be carried on in or upon any part of the Development, nor shall anything be done or placed in or upon any part of the Development which is or may become a nuisance or may cause embarrassment, disturbance, or annoyance to Owners. No activities shall be conducted, nor improvements constructed, in or upon any part of the Development which are or may become unsafe or hazardous to any person or property. Any violation of the Governing Documents and/or any violation of applicable law shall be deemed a nuisance under this Section 5.02.

5.03 Restriction on Signs. No signs, flags, or advertising devices of any nature, including without limitation commercial, political, informational, or directional signs or devices, shall be erected or maintained on any part of the Development, without the prior inspection and written approval of the Association, except as may be temporarily necessary to caution or warn of danger. If the Association consents to the erection of any such signs or devices, the same shall be promptly removed at the request of the Association.

5.04 Restriction on Animals. No animals, birds, fish, reptiles, or pets of any kind shall be brought or allowed to remain in or upon any part of the Development, unless and until written authorization is obtained from the Association. The Association, in the sole discretion of its Board of Trustees, shall have the right to revoke such authorization at any time.

5.05 No Subdivision. No Unit or portion thereof may be divided or subdivided, or a fractional portion thereof sold or conveyed so as to be held in divided ownership.

5.06 No Structural Alterations. No Owner shall, without the prior written consent of the Association, make or permit to be made any structural alteration, improvement, or addition in or to his Unit or to the Common Area and Facilities. No Owner shall, without the prior written consent of the Association, do any act that would impair the structural soundness or integrity of the Lodge Building or the safety of property or impair any easement or hereditament appurtenant to the Development. All construction must be approved by the Board, which approval shall not be unreasonably

withheld. All contractors and workers on approved construction Developments in the Development must check-in with the Board or Manager each day before work begins.

5.07 No Obstructions. There shall be no obstruction of the Common Area and Facilities by any Owner or Occupant. Owners and Occupants may not store nor leave any of their property in the Common Area, except with the prior written consent of the Association.

5.08 Prohibition of Damage and Certain Activities. Except with the prior written consent of the Association, nothing shall be done or kept in any Unit, in the Common Area, or in any other part of the Development which would result in cancellation of the insurance on the Development or any part thereof, nor shall anything be done or kept in any Unit which would increase the rate of insurance on the Development or any part thereof over that which the Association, but for such activity, would pay. Nothing shall be done or kept in any Unit or in the Common Area or any part thereof which would be in violation of any statute or rule, ordinance, regulation, permit, or other validly imposed requirement of any governmental authority. No damage to, or waste of, the Common Area or any part thereof shall be committed by any Owner or guest of any Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by such Owner or his/her guests, lessees, licensees, or invitees.

5.09 Rules and Regulations. The Owners shall comply with each and all of the rules and regulation governing use of the Units and/or Common Area and Facilities, as such rules and regulations may from time to time be adopted, amended, or revised by the Association. The Board may make temporary exceptions to the Rules provided those exceptions are reasonable and do not negatively impact other Owners. In considering an exception to the Rules, the Board of Trustees shall first consider: damage to Common Area, safety to other Owners, quiet enjoyment of the other Owners, and impact, if any, on insurance policies maintained by the Association.

5.10 Reasonable Accommodations. Notwithstanding anything to the contrary in this Declaration, the Association, upon receipt of a written opinion from its counsel that such action is required, may make or permit reasonable accommodations or modifications to the Project that are otherwise prohibited by the Governing Documents, as required under Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act) as amended, and/or the Utah Fair Housing Act, Utah Code 57-21-1 *et seq.*, to accommodate an Owner or Occupant with a disability (as defined by federal law at the time the accommodation is requested). Reasonable accommodations or modifications may include modifications to a Unit, the Common Area and Facilities, or deviations from provision of the Governing

Documents. Any such modification and accommodation made under this section shall not act as a waiver of the provisions of the Governing Documents with regard to anyone else.

ARTICLE VI THE ASSOCIATION

6.01 Organization of Association. The Association shall serve as the organizational body for all Owners. In the organization, reorganization, or amendment of any documents related to the legal organization of the Association, the terms in all such documents shall, to the extent possible under the applicable law, be consistent with the terms in the Declaration and the Bylaws or any lawful amendment thereto. If the legal entity should ever expire or be dissolved for any reason as required or permitted by law, in any reorganization or reinstatement of the entity, the Association shall adopt, to the extent possible and subject to any then-existing legal requirements, documents consistent with the terms of this Declaration and Bylaws.

6.02 Membership. Membership in the Association at all times shall be comprised exclusively of the Owners. Each Owner shall be a member of the Association so long as such Owner has an ownership interest in a Unit and such membership shall automatically terminate when the Owner ceases to have an ownership interest in a Unit. Upon the transfer of an ownership interest in a Unit, the new Owner succeeding to such ownership interest shall likewise succeed to such membership in the Association. If title to a Unit is held by more than one Person, the membership appurtenant to that Unit shall be shared by all such Persons in the same proportional interest and by the same type of tenancy in which title to the Unit is held.

6.03. Availability of Documents.

(a) Except as otherwise permitted by law, the Association shall make available to the Owners copies of the Governing Documents and the corporate records, meeting minutes, books, and financial statements related to the operations of the Association consistent with the requirements of the Act and §§ 16-6a-1601 through 1603, 16-6a-1605, and 16-6a-1606 of the Utah Revised Nonprofit Corporation Act.

(i)The term “available” as used in this Section 6.03(a) above shall mean available for inspection or copying at the Association’s principal place of business or the offices of the Manager not later than five (5) business days after receipt of a proper written request, during normal business hours and under other reasonable conditions, except that annual

financial statements requested by an Owner may be provided to an Owner within fifteen (15) days of receipt of such request.

(ii) If an Owner elects to have the Association produce hard copies or electronic of requested documents or records, the Association may assess the Owner reasonable copying or scanning costs not to exceed ten (10) cents per page and fifteen dollars (\$15.00) per hour of the Manager's or other agent's time consistent with the Act.

(b) Subject to any legal requirements otherwise, the Association shall make available to Lenders and insurers of any Lender, copies of the Governing Documents and copies of corporate records, meeting minutes, books, and financial statements related to the operations of the Association within thirty (30) days of receipt of a written request.

(c) Notwithstanding anything to the contrary in this Section 6.03, the Association may redact from any document produced for inspection or copying any information subject to attorney-client privilege and any other information that the Board, in good faith, determines would reveal sensitive personal or financial information of an Owner or agent of the Association, including, without limitation, bank account numbers, social security numbers, and email addresses.

6.04. Board of Trustees. The governing body of the Association shall be the Board of Trustees elected pursuant to the Bylaws. The Board shall consist of three (3) members.

6.05 Board Acts for Association. Except as otherwise provided in this Declaration, Bylaws, or the Articles of Incorporation, the Board, in all instances, shall act on behalf of the Association. Any reference to an act, right, or obligation of the Association in the Governing Documents may only be exerted by the Board.

6. Board of Trustees Members.

(a) Qualification. To serve on the Board of Trustees, an individual must be an Owner, must be over the age of eighteen (18) and current on payment of Assessments, provided, however, that if an Owner is a corporation, estate, limited liability company, partnership, trust, or other legal entity, an officer, principal, shareholder, partner, member, manager, trustee, or beneficiary of such Owner shall be eligible to serve on the Board of Trustees.

(b) Reasonable Ongoing Requirements for Board of Trustees Members. The Bylaws may place reasonable obligations and requirements on existing Board of Trustees members to retain their membership on the Board, such as a requirement that a Board Member attend a specified number of meetings. The Bylaws may further provide for a procedure for removal of any Board Member who fails to comply with the reasonable requirements.

7. Limitation on Authority of Owners, Board of Trustees Members, and Officers.

(a) Except as provided herein or in the Bylaws, neither any individual Board of Trustees member nor any individual Owner shall have authority to or is authorized to act on behalf of the Association to:

- (i) amend or terminate any Governing Document;
- (ii) elect or remove a Board Member;
- (iii) establish or change the qualifications, powers and duties, requirements, or terms of Board Members; or
- (iv) authorize or agree to any deviation or exception from the Terms and Conditions.

6.08 No Estoppel or Reliance on Actions or Authorizations Contrary to Governing Documents. No one may rely upon any authorization (from a Board Member or anyone else) contrary to the terms of the Governing Documents regardless of the circumstances under which it is given, and no claim or defense of estoppel or waiver or similar equitable or legal claim or defense may be raised by anyone asserting any such reliance. It is the responsibility of anyone interacting with, visiting, occupying, or purchasing a Unit in the Development to verify that anything that the Association does, does not do, or authorizes related to the Development and that the Association is in compliance with the terms of the Governing Documents.

6.09 Registration with the State. In compliance with the Act, the Association shall be registered with the Utah Department of Commerce and shall update its registration to keep any required information current as required under the Act.

ARTICLE VII
GENERAL RIGHTS AND RESPONSIBILITIES OF THE ASSOCIATION

7.01 Responsibilities of the Association. The Association shall have the rights and responsibilities set forth in this Article VII in addition to any others set forth in the Governing Documents or provided by law. This includes, but is not limited to, setting budgets and collecting assessments, enforcing use restrictions, adopting rules, obtaining insurance, giving notice, holding meetings, and any other right or obligation given to the Association or the Board in this Declaration.

7.02 Maintenance. The Association shall make provisions for completing all maintenance, repair, and replacement requirements and obligations of the Association. This shall include the right to modify, remove fixtures from, add fixtures and structures to, place signs upon, and otherwise modify the Common Area. The Association shall do all such other and further acts that the Board deems necessary to preserve and protect the Common Area and the Development, in accordance with the general purposes specified in this Declaration.

7.03 Paying Expenses. The Association shall provide for the payment of the Common Expenses.

7.04 Setting and Collecting Assessments. The Association shall establish, collect, and account for Assessments as necessary to operate the Development consistent with the requirements of the Governing Documents.

7.05 Adopting and Enforcing Rules. The Association may adopt Rules for the regulation and operation of the Development. If Rules are adopted, they shall be consistently and uniformly enforced. The Rules may address any issues including those addressed in any other Governing Documents. The Rules may supplement, clarify, and add detail to issues or items addressed in the other Governing Documents so long as the Rules do not contradict the same. The Board of Trustees' determination as to whether a particular activity being conducted or to be conducted violates or will violate the Rules shall be conclusive, subject to a judicial determination, if any is timely sought. The standard for adoption of Rules is one of reasonableness. A Rule must be reasonable in light of the circumstances pertaining to the situation or issue addressed by the Rule.

7.06 Hiring Managers and Delegating Responsibilities. The Association may engage an on-site Manager to assist the Board in the management and operation of the Development and may delegate some of its powers and obligations in the Governing Documents to the Manager or other agents as it deems appropriate; provided, however,

that only the Board shall have the right to approve Association budgets, and regular and special Assessments, and to provide a hearing requested to dispute a fine. Any powers and duties delegated to any Manager or other Person may be revoked by the Board at any time, with or without cause. Any Manager engaged by the Board may be retained as an independent contractor or may be an employee of the Association or the Board. No Owner shall be engaged to be the Manager. The services of any Manager retained by the Association shall be paid for with funds from the Common Expense Fund. While the Board shall have power to negotiate the terms of the contract with a Manager, the contract with the Manager shall provide that the Manager will, if Manager is an entity:

(a) Be current in its registration with the Utah Division of Corporations and Commercial Code and operate in accordance with Utah law;

(b) Maintain liability and other insurance in amounts and form acceptable to the Board, with the Association and Board named as "additional insureds" and/or "loss payees";

(c) Not be acting on behalf of other Owners, the Association or the Board when engaging as a rental or leasing agent for any Owner or Owners;

(d) Indemnify and hold the Owners, the Association and the Board harmless from any claims made by any Owner or other third party relating to Manager's activities as a rental or leasing agent for any Owner;

(e) Document the time the Manager spends on (i) managing the Development, and (ii) rental or leasing activities for Owners; and

(f) Be subject to termination by the Board upon thirty (30) days prior written notice.

7.07 Hiring Nightly Rental Manager. The Association may engage an on-site Nightly Rental Manager as an Association amenity. Any Nightly Rental Manager engaged by the Board shall be retained as an independent contractor whose entity shall be current in its registration with the Utah Division of Corporations and Commercial Code and operate in accordance with Utah law; maintain liability and other insurance in amounts and form acceptable to the Board, with the Association and Board named as "additional insureds" and/or "loss payees"; indemnify and hold the Owners, the Association and the Board harmless from any claims made by any Owner or other third party relating to the Nightly Rental Manager's activities as a rental or leasing agent for any Owner; be subject to termination by the Board upon thirty (30) days prior written

notice. No Owner shall be engaged to be the Nightly Rental Manager. The services of any Nightly Rental Manager retained by the Association shall be paid for with funds from a percentage of nightly rental revenue as contracted with Owners. Owners may but need not engage the services of the Nightly Rental Manager for any Nightly Rental of the Owner's Unit; provided, however, that any Owner who opts not to contract with the Association's Nightly Rental Manager who nevertheless requests or receives services from the Nightly Rental Manager or manager or whose Nightly Rental guest(s) request or receive services from the Nightly Rental Manager or manager may be assessed by the Association for the value of the services.

7.08 Other Necessary Rights. The Association shall have all other rights and authority reasonably necessary to carry out its obligations and to enforce the Terms and Conditions of the Governing Documents.

7.09 Enforcement Rights. In addition to any other remedies allowed or provided in the Governing Documents for any violation of the Governing Documents, the Association may, in accordance with Utah law and the Act: (a) impose fines; (b) collect rents directly from a non-Owner Occupant under a lease agreement if Owners fail to pay Assessments; (c) suspend voting rights; (d) suspend rights to utilize the parking area and other common amenities; and (e) take any other action or seek any other remedy allowed by the Act or other applicable Utah law.

7.10 Discretion in Enforcement.

(a) Subject to the discretion afforded in this Section, the Board shall uniformly and consistently enforce and implement the Terms and Conditions in the Governing Documents.

(b) The Board shall use its business judgment to determine whether to exercise the Association's powers and authority granted herein and/or under the Act, including whether to: (i) impose sanctions; (ii) pursue legal action for a violation of the Governing Documents; (iii) compromise a claim made by or against the Board or the Association; and (iv) pursue a claim for an unpaid Assessment.

(c) Consistent with Subsection (b) of this Section 7.10, the Association may not be required to take enforcement action if, after fair review and acting in good faith and without conflict of interest, the Board determines that under the particular circumstances: (i) the Association's legal position does not justify taking any or further enforcement action; (ii) the covenant, restriction, or rule in the

Governing Documents is likely to be construed as inconsistent with current law; (iii) a minor or technical violation has or may have occurred and the violation is not material as to a reasonable individual or does not justify expending the Association's resources; or (iv) it is otherwise not in the Association's best interests to pursue an enforcement action, based upon hardship, expense, or other reasonable criteria.

(d) Subject to Subsection (e) of this Section 7.10, if the Board decides under Subsection (c) above to forego enforcement, the Association is not prevented from later taking enforcement action.

(e) The Board shall not be arbitrary, capricious, or act against public policy in taking or not taking enforcement action.

7.11 Reserve Fund. The Association shall maintain a reserve fund and shall obtain and update a Reserve Analysis as required hereby and by Utah law.

7.12 Preventing Conflicts with Service Providers and Vendors. The Association shall not allow any paid services or materials reasonably valued at more than \$2,500 to be performed or provided for the Association by (a) any Board Member; (b) any relative of any Board Member, officer, Manager or Nightly Rental Manager (except for responsibilities within the Manager or Nightly Rental Manager's contract) or (c) any business or entity in which any Board Member, Manager, or employee, officer, or owner of any Manager or any relative of the same is employed or has more than a 10% ownership or beneficial interest without prior written disclosure of the relationship to the Board and a written agreement executed by the parties. For the purpose of this Section 7.12, a relative is any natural individual known to be related by blood, adoption, or marriage. Services covered under this Section 7.12 shall include, but are not limited to, managers, insurance brokers, investment or financial advisors, accountants, landscapers, and contractors.

7.13 Establishing Hearing Procedures. The Board shall have the authority to create a reasonable hearing process applicable in case the Association shall take adverse action related to any particular Owner or group of Owners or in case a hearing process is required by law. The Board shall not be under any obligation to offer a hearing process, except as required by law or by the Governing Documents, and in any such process, shall have the authority to designate the procedure related to any such hearing and to make any and all final determinations of issues subject to the hearing process. The Board may establish the hearing process on an as-needed basis for particular matters as they arise or may set forth a process in the Rules applicable generally to such matters that it

designates. Any such hearing process shall provide, at a minimum for: (a) at least two weeks' notice of the hearing to the Owners, and (b) a reasonable time period under the circumstances for the Owner(s) to present his/her/their own testimony, the testimony of others, argument, authority, evidence, and other information the Owner deems relevant to the disputed issue.

7.14 Annual Meeting. The Association shall arrange for and conduct an annual meeting of the Owners as provided for in the Bylaws and shall arrange for and conduct such other meetings of the Association that are properly requested pursuant to the Governing Documents or the law.

7.15 Payoff Information Fees. The Association is specifically authorized to establish a fee to provide payoff information related to the transfer, refinance or closing of a Unit. The payoff fee shall be fifty dollars (\$50.00); however, the Board may increase or decrease the fee amount if the new amount is identified in the Rules and is consistent with Utah law.

7.16 The Common Areas. The Association, subject to the rights and duties of the Owners as set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and Facilities and all improvements thereon and shall keep the same in a good, clean, attractive, safe, and sanitary condition, order, and repair; provided, however, that each Owner shall keep the Limited Common Areas designated for use in connection with his Unit, if any, in a good, clean, safe, sanitary, and attractive condition. The Association shall be responsible for the maintenance and repair of the exterior of the Lodge Building and the grounds, including without limitation painting thereof, repair and replacement of exterior trim and roofs, and maintenance of landscape, walkways, and driveways. The Association shall also be responsible for maintenance, repair, and replacement of Common Areas within the Lodge Building, including without limitation hallways, elevators, utility lines, and all Common Facilities, improvements, or other material located within or used in connection with the Common Areas. The specification of duties of the Association with respect to particular Common Areas shall not be construed to limit its duties with respect to other Common Areas, as set forth in the first sentence of this Section. All goods and services procured by the Association in performing its responsibilities under this Section shall be paid for with funds from the Common Expense Fund.

7.17 Miscellaneous Goods and Services. The Association may obtain and pay for the services of such personnel as the Association shall determine to be necessary or desirable for the proper operation of the Development, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom

or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Development or the enforcement of this Declaration. In addition to the foregoing, the Association shall acquire and pay for out of the Common Expense Fund water, sewer, garbage collection, electrical, gas, and other necessary or desirable utility services for the Common Areas (and for the Units to the extent not separately metered or billed), and insurance, bonds, and other goods and services common to the Units.

7.18 Personal Property. The Association may acquire and hold personal property of all types for the use or benefit of all of the Owners and may dispose of such property by sale or otherwise. All such property shall be paid for out of the Common Expense Fund and all proceeds from the disposition thereof shall be part of such Common Expense Fund.

7.19 Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration or by law, and every other right or privilege reasonably implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

ARTICLE VIII ASSESSMENTS

8.01 Agreement to Pay Assessments. Owners, for each Unit owned within the Development, hereby covenant and agree that each Owner of any Unit by the acceptance of instruments of conveyance and transfer therefor, whether or not it be so expressed in said instruments, shall be deemed to covenant and agree with each other and with the Association to pay to the Association all assessments made by the Association for the purposes provided in this Declaration. Such assessments shall be fixed, established, and collected from time to time as provided in this Article VIII.

8.02 Regular Assessments. Regular Assessments shall be computed and assessed against all Units in the Development as follows:

(a) Common Expense. Regular Assessments shall be based upon the Association's actual expenses, and/or upon advance estimates of the Association's cash requirements to provide for payment of estimated expenses, arising out of or connected with maintenance and operation of the Common Areas and provision of utility services (to the extent not separately metered or billed) and other common items to the Units. Such actual expenses and estimated expenses may include, among other things, the following: Expenses of management; taxes and special

assessments, unless Units are separately assessed; premiums for all insurance that the Association is required or permitted to maintain hereunder; repairs and maintenance; wages for Association employees, if any; fees for a Manager, if any; utility charges (including charges for utility services to the Units to the extent not separately metered or billed); legal and accounting fees; any deficit remaining from a previous period; creation of a reasonable contingency reserve, surplus, and/or sinking fund; and any other expenses and liabilities which may be incurred by the Association for the benefit of all of the Owners or by reason of this Declaration. Such shall constitute the Common Expense, and all funds received from assessments under this Section 8.02 shall be part of the Common Expense Fund.

(b) Apportionment. Expenses attributable to the Common Expense or to the Development as a whole shall be apportioned among and assessed to all Owners in proportion to their respective undivided interests in the Common Area and Facilities.

(c) Notice and Payment. Regular Assessments shall be made on such installment basis as may be determined by the Board, in its discretion. The Association shall give written notice to each Owner setting forth the Regular Assessment against such Owner's Unit and that payment of the same is due. Payment not received within thirty (30) days of the date due shall be deemed late and may be subject to late payment fees as established by the Board in the Rules. All unpaid portions of each Regular Assessment shall bear interest at the rate of one and one-half percent (1-1/2%) per month from the date such portions become due until paid. The failure of the Association to give notice of any Regular Assessment shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of any Owner from the obligation to pay such assessment or any other assessment.

(d) Inadequate Funds. In the event that the Common Expense Fund proves inadequate at any time for whatever reason, including nonpayment of any Owner's assessment, the Association may levy additional assessments in accordance with the procedure set forth in Section 8.03 below, except that the vote therein specified shall not be necessary.

8.03 Special Assessments. In addition to the Regular Assessments authorized by this Article, the Association may levy, at any time and from time to time, upon affirmative vote of at least fifty-one percent (51%) of the total votes of the Association, Special Assessments, payable over such periods as the Association may determine, for the

purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Development or any part thereof, or for any other expenses incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Association to incur expenses but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections or Articles hereof. Any amounts assessed pursuant hereto shall be assessed to Owners in proportion to their respective undivided interests in the Common Areas. Notice in writing of the amount of such Special Assessments and the time for payment thereof shall be given promptly to the Owners. Payment not received within fifteen (15) days of the date due shall be deemed late and may be subject to late fees. All unpaid portions of any Special Assessment shall bear interest at the rate of one and one-half percent (1-1/2%) per month from the date such portions become due until paid. All funds received from assessments under this Section shall be part of the Common Expense Fund.

8.04 Lien for Assessments. All sums assessed to Owners of any Unit pursuant to the provisions of this Article VIII, together with interest thereon as provided herein, shall be secured by a lien on such Unit in favor of the Association. To evidence a lien for sums assessed pursuant to this Article VIII, the Association may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Unit, and a description of the Unit. Such a notice shall be signed and acknowledged by a duly authorized officer of the Association and may be recorded in the office of the County Recorder for Salt Lake County, State of Utah. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in Utah. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding, including reasonable attorneys' fees, and such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Unit which shall become due during the period of foreclosure. The Association shall have all rights of foreclosure granted by the Act, both judicially and non-judicially. The Association appoints Matthew B. Hutchinson as trustee, who qualifies under Utah Code Ann. § 57-1-21(1)(a)(i). The Association hereby conveys and warrants pursuant to Utah Code Ann. § 57-1-20 and the Act to Matthew B. Hutchinson, with power of sale, the Unit and all improvements to the Unit for the purpose of securing payment of Assessments under the terms of the Declaration. The Association may appoint a qualified successor trustee by executing and recording a substitution of trustee form. The Association shall have the right and power to bid in at any foreclosure sale, and to hold, lease, mortgage, or convey the subject Unit.

8.05 Personal Obligation of Owner. The amount of any Regular or Special Assessment against any Condominium Unit shall be the personal obligation of the Owner of such Condominium Unit to the Association. A lawsuit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish any such personal obligation by waiver of the use and enjoyment of any of the Common Areas or by abandonment of his/her Condominium Unit or by waiving any services or amenities provided for in this Declaration. In the event of any suit to recover a money judgment for unpaid assessments hereunder, the involved Owner shall pay the costs and expenses incurred by the Association in connection therewith, including reasonable attorneys' fees.

8.06 Statement of Account. Upon payment of a reasonable fee not to exceed \$25.00 and upon written request of any Owner, Lender, prospective Lender, or prospective purchaser of a Condominium Unit, the Association shall issue a written statement setting forth the following: The amount of the unpaid assessments, if any, with respect to such Condominium Unit; the amount of the current Regular Assessment and the date such assessment becomes or became due; credit for advanced payments or prepaid items, including without limitation the Owner's share of prepaid insurance premiums. Such statement shall be conclusive upon the Association in favor of persons who rely thereon in good faith.

8.07 Personal Liability of Purchaser. Subject to the provisions of Section 8.06, a purchaser of a Condominium Unit shall be jointly and severally liable with the seller thereof for all unpaid assessments against such Condominium Unit up to the time of the grant or conveyance; provided, however, that the provisions of this Section shall not prejudice the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

8.08 Amendment of Article. This Article VIII shall not be amended unless the Owners of the requisite number of Condominium Units in the Development described in Section 14.05 below, consent and agree to such amendment by instruments duly recorded.

ARTICLE IX
RESERVES

1. **Requirement for Reserves.** The Association shall obtain a reserve analysis and shall maintain a reserve fund for the maintenance, repair, and replacement of the Common Area and Facilities, pursuant to the following provisions:

(a) **Collection.** Reserve funds may be collected as part of regular or special Assessments.

(b) **Amount.** In formulating the Association's annual budget, the Association shall include a reserve fund line item for Common Area and Facilities in an amount the Board determines, based on the reserve analysis, to be prudent. For purposes of this Section 9.1, a reserve fund line item means the line item in the Association's annual budget that identifies the amount to be placed into the reserve fund.

(c) **Owner Veto.** Within forty-five (45) days after the day on which the Association adopts the annual budget, the Owners may veto the reserve fund line item by a fifty-one percent (51%) vote of the total Allocated Interests in the Association at a special meeting called by the Owners for the purpose of voting whether to veto a reserve fund line item. If the Owners veto a reserve fund line item and a reserve fund line item exists in a previously approved annual budget of the Association that was not vetoed, the Association shall fund the reserve account in accordance with that prior reserve fund line item.

(d) **Surplus Monies Applied to Reserves.** The Association may retain surplus Association money as additional reserves rather than refund it to the Owners or credit it to future Assessments.

(e) **Segregation of Reserves.** The Association shall segregate money held for reserves from regular operating and other accounts.

(f) **Reserve Analysis.** The Association shall cause a reserve analysis with an onsite evaluation to be conducted no less frequently than every six (6) years. The Association shall review and, if necessary, update a previously conducted reserve analysis no less frequently than every three (3) years. The Reserve analysis shall include, at a minimum: (i) a list of the components identified in the reserve analysis that will reasonably require reserve funds; (ii) a statement of the probable remaining useful life, as of the date of the reserve

analysis, of each component identified in the reserve analysis; (iii) an estimate of the cost to repair, replace, or restore each component identified in the reserve analysis; (iv) an estimate of the total annual contribution to a reserve fund necessary to meet the cost to repair, replace, or restore each component identified in the reserve analysis during the component's useful life and at the end of the component's useful life; and (v) a reserve funding plan that recommends how the Association may fund the annual contribution set forth in the reserve analysis. The reserve analysis and updates shall make predictions for a minimum of thirty (30) years into the future.

(g) Qualifications for Person Preparing Reserve Analysis. The reserve analysis shall be prepared by a Person or Persons with: (i) experience in current building technologies; (ii) a solid working knowledge of building-cost estimating and life-cycle costing for facilities; and (iii) the tools and knowledge to prepare a report. Preferably, the Person preparing the reserve study shall have the Reserve Specialist (RS) designation available through the Community Association Institute (CAI), the Professional Reserve Analyst (PRA) designation offered through the Association of Professional Reserve Analysts (APRA), or other designations by similar professional associations establishing that the Person has some formal training related to preparing a reserve analysis.

(h) Summary and Copies of Reserve Analysis. The Association shall annually provide Owners a summary of the most recent reserve analysis or update and provide an opportunity for Owners to discuss reserves and to vote on how to fund the reserves and in what amount. The Association shall provide a copy of the complete reserve analysis or update to an Owner who makes a written request for a copy.

ARTICLE X
INSURANCE

10.01 **Insurance Requirement.** The Association shall obtain insurance as required in this Declaration and as required by applicable law and shall include the cost of such insurance as part of the Common Expense. The Association may obtain insurance that provides more or additional coverage than the insurance required in this Declaration. Different policies may be obtained from different insurance carriers, and standalone policies may be purchased instead of or in addition to embedded, included coverage, or endorsements to other policies.

10.02 **Property Insurance.** The Association shall maintain a blanket policy of property insurance covering the entire Project to include the Building and other structures and the fixtures, betterments, and equipment. The blanket policy shall exclude land and other items not normally and reasonably covered by such policies. The blanket policy shall be an "all in" or "all inclusive" insurance as those terms are used in the insurance industry, and shall include insurance for any fixture, improvement, or betterment installed in or to the Unit or otherwise permanently part of or affixed to Common Areas and Facilities. At a minimum, the blanket policy shall afford protection against loss or damage by: (a) fire, windstorm, hail, riot, aircraft, vehicles, vandalism, smoke, and theft; and (b) all other perils normally covered by "special form" or "all risks" property coverage. The blanket or guaranteed replacement cost policy shall be in an amount not less than one hundred percent (100%) of current replacement cost of all property covered by such policy (including the Units) at the time the insurance is purchased and at each renewal date. The actual replacement cost of the property shall be determined by using methods generally accepted in the insurance industry.

(a) **Owner Responsibility for Payment of Deductible.** If a loss occurs that is covered by a property insurance policy in the name of the Association and another property insurance policy in the name of an Owner:

(i) The Association's policy provides primary insurance coverage; and

(ii) Notwithstanding Subsection 10.2(a)(i) above and subject to Subsection 10.2(a)(iii) below, the Owner is responsible for the Association's insurance deductible; and the property insurance portion of

the Owner's insurance policy applies to that portion of the loss attributable to the Association's insurance policy deductible.

(iii) As used in this Subsection (a):

(1) An Owner who owns a Unit that has suffered Unit Damage (as defined in the Act) as part of a Covered Loss (defined in the Act) is responsible for an amount calculated by applying the Unit Damage Percentage (defined in the Act) for that Unit to the amount of the deductible under the Association's property insurance policy.

(2) If an Owner does not pay the amount required under Subsection (10.2)(a)(iii)(1) within thirty (30) days after substantial completion of the repairs to the Unit, the Association may levy an Assessment against the Owner for that amount.

(b) Association's Right to Not Tender Claims that are under the Deductible. If, in the exercise of its business judgment, the Board determines that a covered loss is likely not to exceed the Association's property insurance policy deductible, and until it becomes apparent the covered loss exceeds the Association's property insurance deductible and a claim is submitted to the Association's property insurance insurer: (i) the Owner's policy is considered the policy for primary coverage for any loss to the Owner's Unit, to the amount of the Association's policy deductible; (ii) the Association is responsible for any loss to any Common Area and Facilities; (iii) an Owner who does not have a policy to cover the damage to that Owner's Unit is responsible for that damage and the Association may recover any payments the Association makes to remediate that Unit; and (iv) the Association need not tender the claim to the Association's insurer.

(c) Notice Requirement for Deductible. The Association shall provide notice to each Owner of the Owner's obligation under this Article X for the Association's policy deductible and of any change in the amount of the deductible. If the Association fails to provide notice of the initial deductible, it may be responsible for the entire deductible in case of any loss. If the Association fails to provide notice of any increase in the deductible, it shall be responsible for paying any increased amount that would otherwise have been assessed to the Owner. The failure to provide notice shall not invalidate or affect any other provision in this Declaration.

10.03 Comprehensive General Liability ("CGL") Insurance. The Association shall obtain CGL insurance insuring the Association, the agents and employees of the

Association, and the Owners, against liability incident to the use, repair, replacement, maintenance, or ownership of the Common Area and Facilities and the Owner's membership in the Association. The coverage limits under such policy shall not be less than one million dollars (\$1,000,000) covering all claims for death of or injury to any one individual or property damage in any single occurrence. Such insurance shall contain a Severability of Interest Endorsement or equivalent coverage which would preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or another Owner.

10.04 Director's and Officer's Insurance. The Association shall obtain Directors' and Officers' liability insurance protecting the Board, the officers of the Association, and the Association against claims of wrongful acts, mismanagement, failure to maintain adequate reserves, failure to maintain books and records, failure to enforce the Governing Documents, and breach of contract (if available). This policy shall: (a) include coverage for volunteers and employees; (b) include coverage for monetary and non-monetary claims; (c) provide for the coverage of claims made under any fair housing law or similar state or federal statute or that are based on any form of discrimination or civil rights claims; and (d) provide coverage for defamation. In the discretion of the Board, the policy may also include coverage for any Manager and any employees of the Manager and may provide that such coverage is secondary to any other policy that covers the Manager or any employees of the Manager.

10.05 Insurance Coverage for Theft and Embezzlement of Association Funds. The Association shall obtain insurance covering the theft or embezzlement of funds that shall: (a) provide coverage for an amount of not less than the sum of three months regular Assessments in addition to the prior calendar year's highest monthly balance on all operating and reserve funds; and (b) provide coverage for theft or embezzlement of funds by: (i) Officers and Board Members; (ii) employees and volunteers of the Association; (iii) any Manager; and (iv) officers, directors, and employees of any Manager.

ARTICLE XI DAMAGE OR DESTRUCTION

11.01 Association as Attorney in Fact. All of the Owners irrevocably constitute and appoint the Association their true and lawful attorney in fact in their name, place, and stead for the purpose of dealing with the Development upon its damage or destruction as hereinafter provided. As attorney in fact, the Association shall have full and complete authorization, right, and power to make, execute, and deliver any contract, deed, or other instrument with respect to the interest of an Owner which may be necessary or appropriate to exercise the powers herein granted in this Article XI, including specifically Section 11.04.

11.02 General Authority of Association. Repair and reconstruction of the improvements as used herein means restoring the Development to substantially the same condition in which it existed prior to damage, with each Unit and the Common Areas having substantially the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction, unless the Owners, upon the affirmative vote of at least sixty-seven percent (67%) of the total votes of the Association, agree within one hundred (100) days after such destruction or damage in accordance with the provisions set forth hereinafter not to rebuild.

11.03 Estimate of Costs. As soon as practicable after an event causing damage to or destruction of any part of the Development, the Association shall obtain complete and reliable estimates of the costs of repair or reconstruction of that part of the Development damaged or destroyed.

11.04 Repair or Reconstruction. As soon as practicable after receiving said estimates, the Association shall diligently pursue to completion the repair or reconstruction of that part of the Development damaged or destroyed. The Association may take all necessary or appropriate action to effect repair or reconstruction, as attorney in fact for the Owners, and no consent or other action by any Owner shall be necessary in connection herewith. The Development shall be restored or repaired to substantially the same condition in which it existed prior to the fire or other disaster, with each Unit and the Common Area having the same vertical and horizontal boundaries as before.

11.05 Funds for Reconstruction. The proceeds of any insurance collected or maintained by the Association shall be available to the Association for the purpose of repair or reconstruction. If the proceeds of the insurance are insufficient to pay the estimated or actual cost of such repair or reconstruction, the Association may levy in advance a Special Assessment sufficient to provide funds to pay such estimated or actual costs of repair or reconstruction. Such Special Assessment shall be allocated and collected as provided in Section 8.03 hereof, except that the vote therein specified shall not be necessary. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair or reconstruction.

11.06 Disbursement of Funds for Repair or Reconstruction. The insurance proceeds held by the Association and any amounts received from assessments made pursuant to Section 11.05 hereof shall constitute a fund for the payment of costs of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for cost of repair or reconstruction shall be made from insurance proceeds; if

there is a balance after payment of all costs of such repair or reconstruction, such balance shall be distributed to the Owners in proportion to their respective percentages of ownership of the Common Areas.

11.07 Partition and Distribution. In the event that Owners holding at least sixty-seven percent (67%) of the total votes of the Association agree, within one hundred (100) days after destruction of or damage to the Lodge Building, not to repair or rebuild, the Association shall file with the County Recorder for Salt Lake County, state of Utah, a notice setting forth such facts. Upon filing of such notice, the following shall occur:

(a) The Development shall be deemed to be owned in common by the Owners;

(b) The undivided interest in the Development owned in common which shall appertain to each Owner shall be the percentage of undivided interest previously owned by such Owner in the Common Areas;

(c) Any liens affecting any of the Units shall be deemed to be transferred, in accordance with the existing priorities, to the undivided interest of the respective Owner in the Development; and

(d) The Development shall be subject to an action for partition at the suit of any Owner, in which event the net proceeds of any sale resulting from such suit for partition, together with the net proceeds of the insurance on the Development, if any, shall be considered as one fund and shall be divided among all the Owners in a percentage equal to the percentage of undivided interest owned by each respective Owner in the Common Areas, as set forth in Exhibit "A" hereto, after first paying out of the respective share of each Owner, to the extent sufficient for the purposes, all liens on the undivided interest in the Development owned by such Owner.

11.08 Sale of Development. Notwithstanding all other provisions hereof, the Owners may, by an affirmative vote of at least sixty-seven percent (67%) of the total votes of the Association, at a meeting of Owners duly called for such purpose, elect to sell or otherwise dispose of the Development. Such action shall be binding upon all Owners and it shall thereupon become the duty of every Owner to execute and deliver such instruments and to perform all acts in such manner and form as may be necessary to effect such sale. The proceeds of any such sale shall be divided among all Owners in proportion to the undivided interest in the Common Areas owned by each respective Owner, as set forth in Exhibit "A" hereto, after first paying out of the respective share of

each Owner, to the extent sufficient for the purposes, all liens on the interest of such Owner in the Development.

ARTICLE XII CONDEMNATION

12.01 Condemnation. If at any time or times during the continuance of condominium ownership pursuant to this Declaration all or any part of the Development shall be taken or condemned by any public authority under power of eminent domain, the provisions of this Article shall apply. A voluntary sale or conveyance of all or any part of the Development in lieu of condemnation, but under threat of condemnation, shall be deemed to be a taking by power of eminent domain.

12.02 Proceeds. All compensation, damages, and other proceeds from any such taking by power of eminent domain (hereinafter the "condemnation award") shall be made payable to the Association and shall be distributed by the Association as herein provided.

12.03 Complete Taking. In the event the entire Development is taken by power of eminent domain, condominium ownership pursuant hereto shall terminate and the condemnation award shall be allocated among and distributed to the Owners in proportion to their respective undivided interests in the Common Areas. Such distribution shall be made by check payable jointly to the respective Owners and their respective Mortgagees, as appropriate.

12.04 Partial Taking. In the event less than the entire Development is taken by power of eminent domain, the following shall occur:

(a) Allocation of Award. As soon as practicable, the Association shall, reasonably and in good faith, apportion the condemnation award between compensation, severance damages, or other proceeds, and shall allocate such apportioned amounts and pay the same to the Owners as follows:

(i) The total amount apportioned to taking of or injury to the Common Areas shall be allocated among and distributed to all Owners (including Owners whose entire Units have been taken) in proportion to their respective undivided interests in the Common Areas;

(ii) The total amount apportioned to severance damages shall be allocated among and distributed to the Owners of those Units that have not

been taken, in proportion to their respective undivided interests in the Common Areas;

(iii) The respective amounts apportioned to the taking of or injury to a particular Unit shall be allocated and distributed to the Owner of such Unit;

(iv) The total amount apportioned to consequential damages and any other takings or injuries shall be allocated and distributed as the Association determines to be equitable under the circumstances;

(v) If apportionment or allocation is already established by negotiation, judicial decree, statute, or otherwise, the Association shall employ such apportionment and allocation to the extent it is relevant and applicable; and

(vi) Distribution of allocated proceeds shall be made by check payable jointly to the respective Owners and their respective Mortgagees, as appropriate.

(b) Continuation and Reorganization. If less than the entire Development is taken by power of eminent domain, condominium ownership pursuant hereto shall not terminate, but shall continue. If any partial taking results in the taking of an entire Unit, the Owner thereof shall cease to be a member of the Association. The Association shall reallocate the voting rights and the undivided interest in the Common Areas appertaining to such Unit in accordance with the Act.

(c) Reconstruction or Repair. Any reconstruction or repair necessitated by condemnation shall be governed by the procedures specified in Article XI hereof for cases of Damage or Destruction.

ARTICLE XIII COMPLIANCE WITH GOVERNING DOCUMENTS

13.01 Compliance. Each Owner shall comply with the provisions of this Declaration, the Articles and Bylaws of the Association, rules and regulations promulgated by the Association, and the decisions and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums

due and for damages or injunctive relief or both, maintainable by the Association or, in a proper case, by an aggrieved Owner.

13.02 Enforcement and Remedies. The obligations, provisions, covenants, restrictions, and conditions contained in the Governing Documents shall be enforceable by the Association or by any Owner by a proceeding for a prohibitive or mandatory injunction.

ARTICLE XIV GENERAL PROVISIONS

14.01 Interpretation. The provisions of this Declaration, and any Amended Declaration, shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of the Development.

14.02 No Waiver. Failure to enforce any provision, restriction, covenant, or condition in this Declaration, or in any Amended Declaration, shall not operate as a waiver of any such provision, restriction, covenant, or condition or of any other provisions, restrictions, covenants, or conditions.

14.03 Construction. The provisions of this Declaration shall be in addition and supplemental to the Act and to all other provisions of law. Wherever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders. The Article and Section headings set forth herein are for convenience and reference only and are not intended to describe, interpret, define, or otherwise affect the content, meaning, or intent of this Declaration or any Article, Section, or provision hereof. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof.

14.04 Obligation to Supply Current Contact Information. Each Owner shall provide the Association his/her current mailing address and email address and shall promptly provide notice to the Association of any change. All notices or demands intended to be served upon any Owner may be sent by email, first class U.S. mail, postage prepaid, addressed to the Owner at his/her registered mailing address, or, if no address has been registered, to the Unit of such Owner. All notices or demands intended to be served upon the Association may be sent by first class U.S. Mail, postage prepaid, addressed to the Association at its offices at Alta, Utah 84092, to the email address of the Association's President or Manager, or to such other address as the Association may

hereafter furnish to the Owners in writing. Any notice or demand delivered by mail shall be deemed effective when deposited in the U.S. Mail. Notice or demand by email shall be deemed effective upon sending.

14.05 Audit/Review. Any Owner may at any reasonable time, upon appointment and at his/her own expense, cause an audit or inspection to be made of the books and records maintained by the Association, except that in the event that any such audit reveals a discrepancy of greater than five percent (5%), the Association shall reimburse the Owner for such audit from the Common Expense Fund. The Association, at the expense of the Common Expense Fund, shall obtain a Review, by certified public accountants, of all books and records pertaining to the Development at no greater than three-year intervals, as well as an Audit by certified public accountants of all books and records pertaining to the Development at no greater than twelve year intervals and copies thereof shall be furnished to the Owners.

14.06 Amendment. Except as otherwise provided herein, this Declaration may be amended if Owners holding at least sixty-seven percent (67%) of the Allocated Interests in the Association consent and agree to such amendment by instruments duly recorded in the office of the County Recorder for Salt Lake County, State of Utah.

14.07 Effective Date. This Declaration shall take effect upon recording.

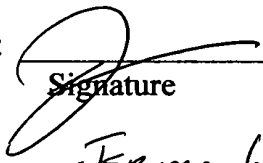
14.08 Agent for Service. The agent for service of process under the Act shall be as provided for in the filings and registrations for the Association.

14.09 Owner's Obligations Not Affected by Lease, Listing, or Pending Sale. All obligations of an Owner under and by virtue of the provisions contained in this Declaration shall continue, notwithstanding that he/she/they may be leasing, renting, or selling under contract his/her/their Unit. An Owner shall have no obligation for expenses or other obligations accruing after he/she/they conveys such Condominium.

[Remainder of this page intentionally left blank
Signature page follows]

Dated this 5 day of MARCH, 2019.

BLACKJACK OWNERS ASSOCIATION

By: 
 Signature

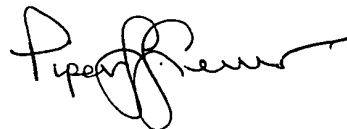
Jerome Wile
 Printed

Its: PRESIDENT

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

On this 5th day of MARCH, 2019, before me
PIPER LEVER, a notary public, personally appeared

JEROME WILE (name of document signer), proved on the basis of satisfactory evidence and who by me duly sworn/affirmed, did state that he/she/they is the duly authorized representative of the corporation and that said instrument was signed by him/her/they on behalf of such corporation with all necessary authority, acknowledged to me that said corporation executed the same.



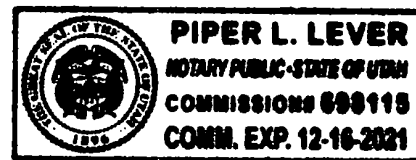


EXHIBIT A
DECLARATION OF CONDOMINIUM
FOR
THE BLACKJACK CONDOMINIUM LODGE
A CONDOMINIUM DEVELOPMENT

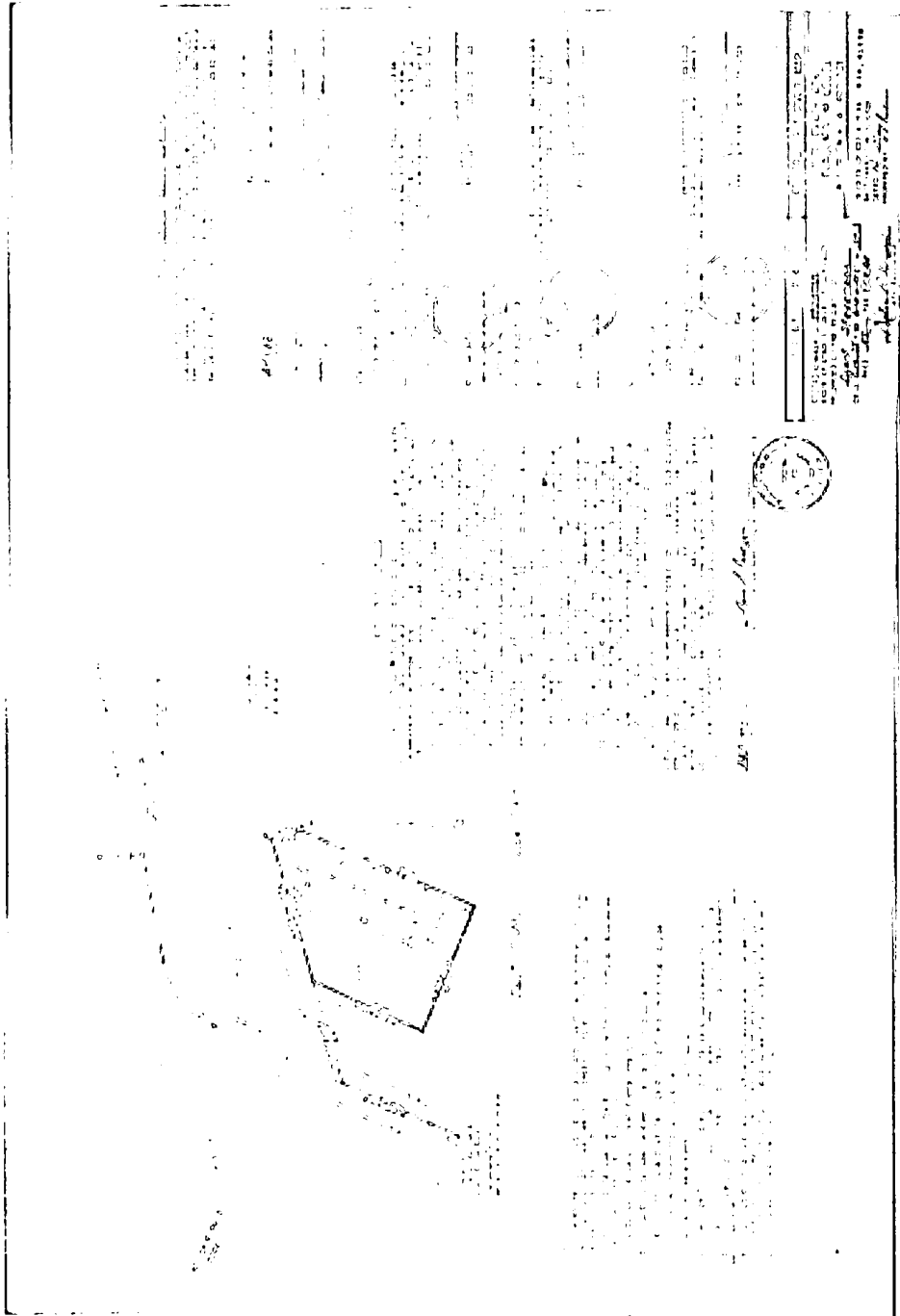
<u>UNIT NO.</u>	<u>SIZE*</u> <u>(Square Feet)</u>	<u>UNDIVIDED OWNERSHIP**</u> <u>(Percentage)</u>	<u>VOTES</u>
1A	1500	6.2	62
1B	1150	4.7	47
1C	845	3.5	35
1D	415	1.7	17
1E	900	3.7	37
2A	1805	7.4	74
2B	845	3.5	35
2C	845	3.5	35
2D	415	1.7	17
2E	900	3.7	37
2F	735	3.0	30
3A	1500	6.2	62
3B	1150	4.7	47
3C	845	3.5	35
3D	370	1.5	15
3E	945	3.9	39
3F	735	3.0	30
3G	550	2.3	23
3H	850	3.5	35
4A	1500	6.2	62

4B	1150	4.7	47
4C	845	3.5	35
4D	415	1.7	17
4E	900	3.7	37
4F	735	3.0	30
4G	550	2.3	23
4H	850	3.5	35

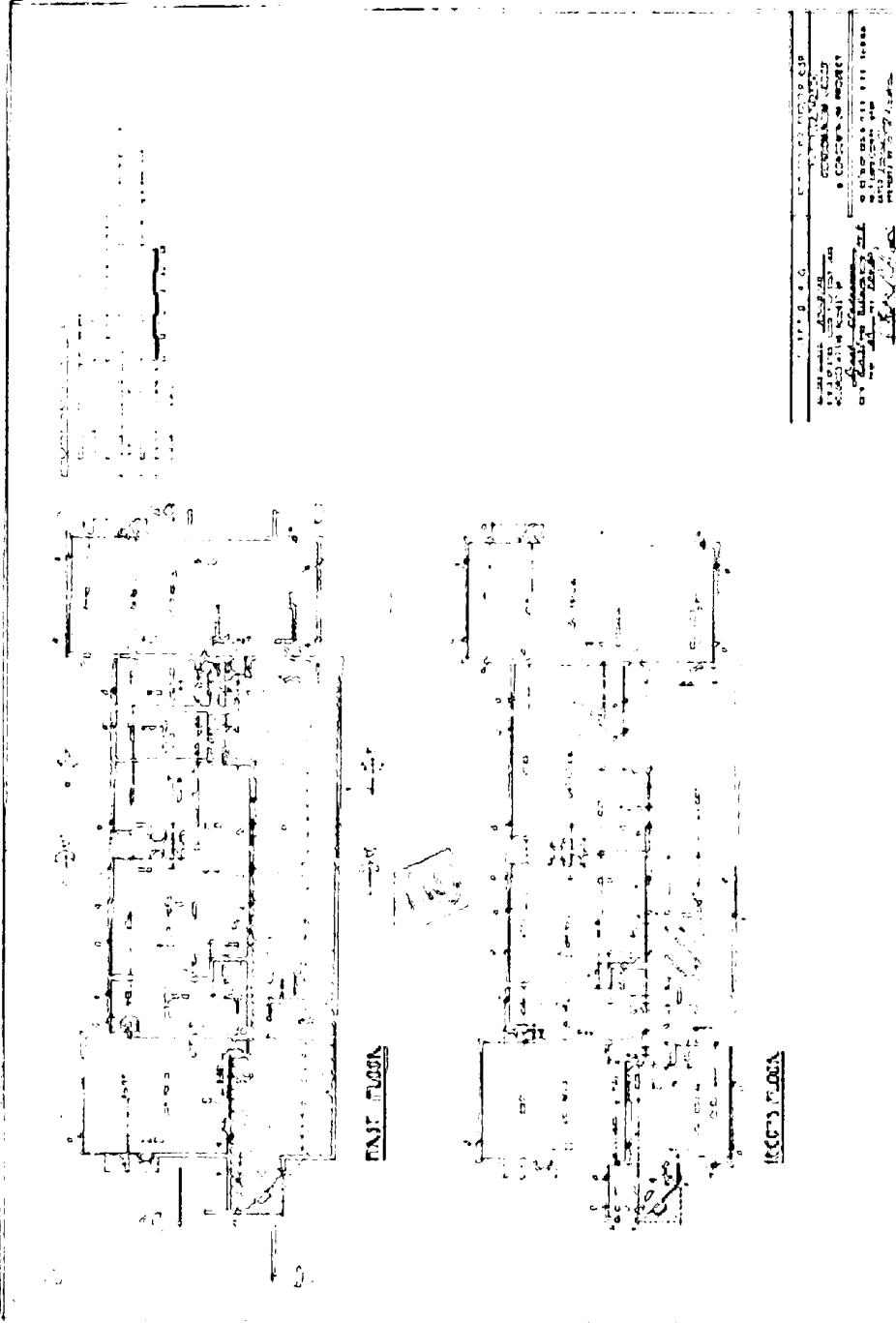
*Size has been determined on the basis of the approximate number of square feet of floor space within each respective Unit, as shown on the Map and rounded off.

**Undivided Ownership Percentages have been computed on the basis of the relative sizes of the Units, as shown above and rounded off.

77-2-42 JCF

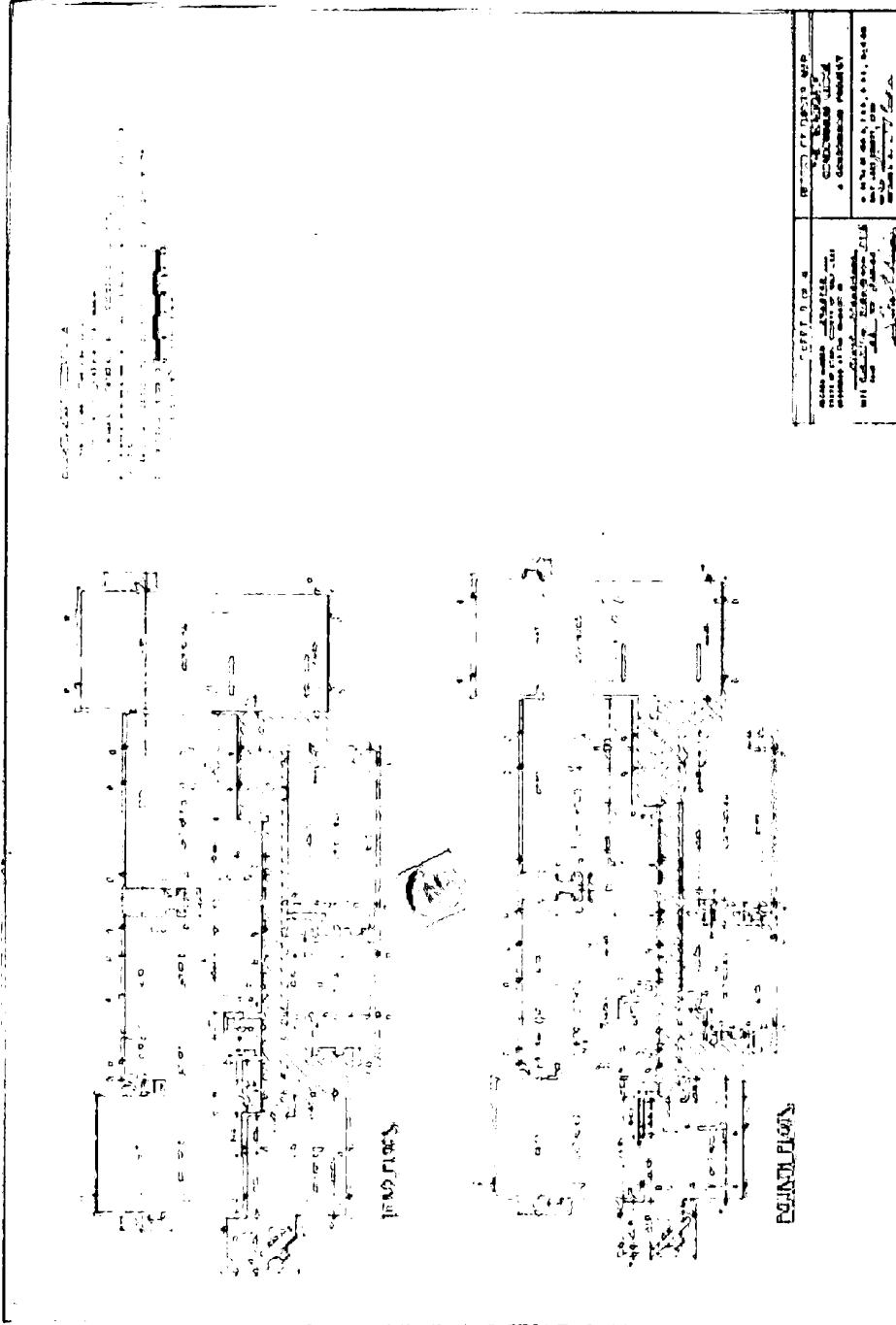


77-2-42 2 of 4



U.S. G. O. ARCHITECTURAL DRAWING
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BY: [Signature]
CHECKED BY: [Signature]
TITLE: [Illegible]
PROJECT: [Illegible]

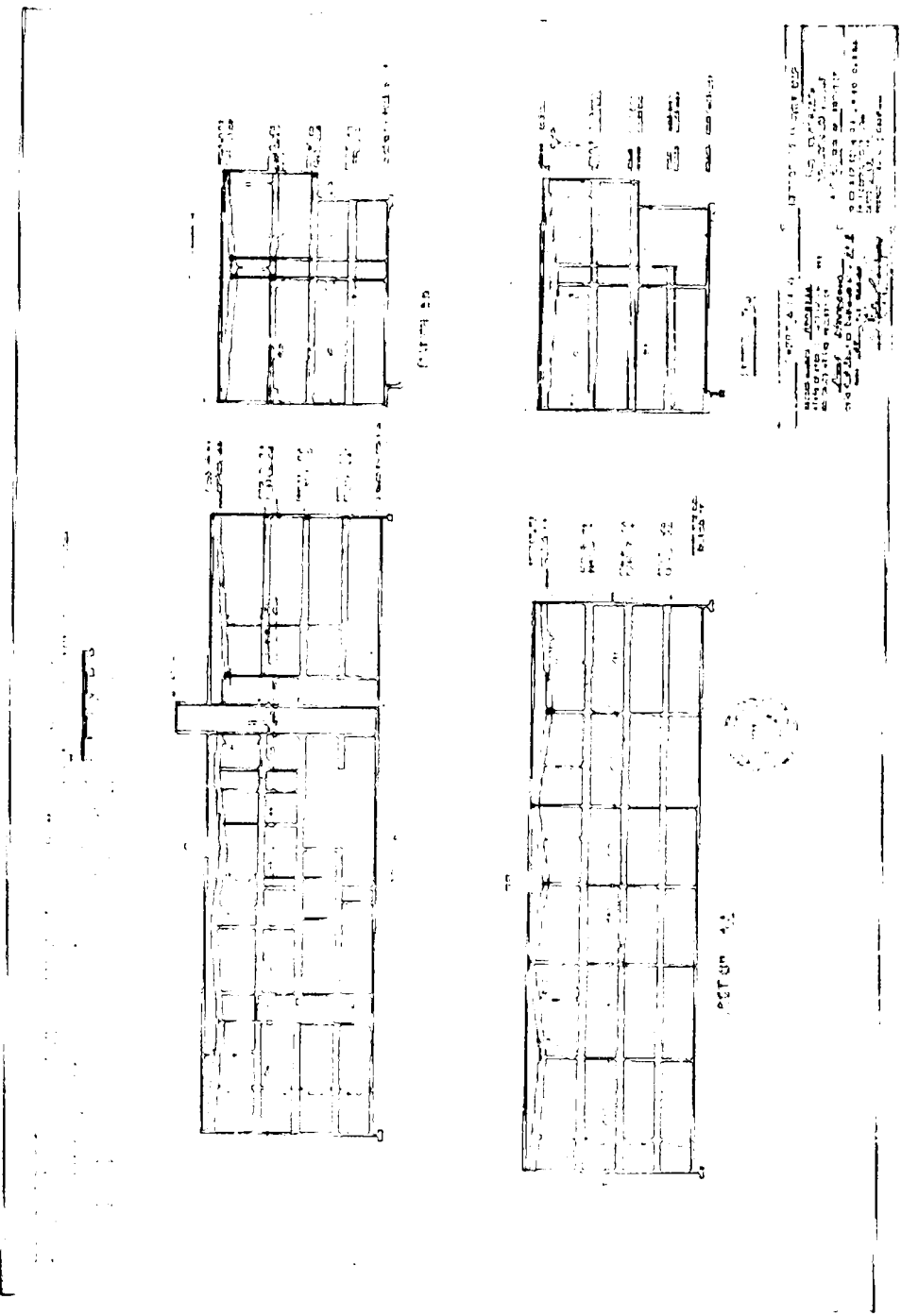
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PLAN OF THE SOUTH SIDE OF THE BUILDING AS SHOWN IN THE PHOTOGRAPH ATTACHED TO THIS REPORT.

CITY OF LOS ANGELES
COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS
DIVISION OF ENGINEERING
PLANNING AND DESIGN
1100 SOUTH MAIN STREET
LOS ANGELES, CALIFORNIA 90015

77-2-42 p. 3 of 4



1. Kitchen
 2. Bathroom
 3. Hall
 4. Room
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