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DOUG CROFTS  
WEBER COUNTY RECORDER  
DEPUTY MH #108

DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS

1997 AUG 26 P 4: 02  
FILED AND RECORDED FOR  
HOME ABSTRACT

PHASE I

13-210-0001 TO 0004 -

This Declaration of Covenants, Conditions and Restric-  
tions, hereinafter called "Declaration" and by the Bylaws which  
are attached hereto and made a part hereof, are made and executed  
in Weber County, Utah this 22 day of August, 1997, by  
MARK and TAMI FERNANDES, dba MTK DEVELOPMENT, hereinafter called  
"Declaration", for itself, its' successors, grantees and assigns,  
pursuant to the provisions of the Utah Condominium Act, Utah Code  
Annotated, § 57-8-1 et seq., (1953) as amended), hereinafter  
referred to as "Condominium Ownership Act";

WITNESSETH

WHEREAS, Declarant is the owner of certain land located  
in Ogden, Weber County, State of Utah, hereinafter referred to as  
the "Land", and more particularly described in Appendix A of this  
Declaration which is attached hereto and made a part hereof; and

WHEREAS, the aforesaid property consists of the land  
above described, together with certain residential buildings and  
certain other improvements heretofore or thereafter to be constr-  
ucted upon said premises; and

WHEREAS, Declarant has constructed or will construct  
residential buildings and other improvements upon the aforesaid  
premises in accordance with the plans and drawings set forth in  
the Record of Survey Map of Canyon Place Condominiums filed con-

currently herewith, consisting of One (1) sheet, prepared and certified by Construction Land Surveyors, a duly registered Utah Land Surveyor; and

WHEREAS, Declarant desires by filing this Declaration and the aforesaid Record of Survey Map to submit the above described real property and the said buildings and other improvements being constructed or to be constructed thereon to the provisions of the Utah Condominium Ownership Act as a condominium project known as Canyon Place Condominiums; and

WHEREAS, Declarant desires and intends to sell the fee title to the individual units contained in said condominium project, together with an undivided ownership interest in the common areas and facilities appurtenant thereto to various purchasers, subject to the covenants, conditions and restrictions therein reserved to be kept and observed; and

WHEREAS, Declarant desires and intends by filing this Declaration and the Record of Survey Map to submit the property to the provisions of the aforesaid Act as a condominium property and to impose upon said property mutually beneficial restrictions under a general plan of improvement for the benefit of said property and the owners thereof;

NOW, THEREFORE, for such purposes, Declarant hereby makes the following Declaration containing covenants, conditions and restrictions relating to this condominium project which, pursuant to the provisions of Utah Code Annotated, § 57-8-10 (19

53, as amended), shall be enforceable equitable servitudes, where reasonable, and shall run with the land;

1. Name of the Condominium Property. The name by which the condominium property shall be known is "Canyon Place Condominiums".

2. Definitions. The terms used herein shall have the meaning stated in the Utah Condominium Ownership Act and as follows, unless the context clearly indicates a different meaning therefor:

A. "Declarant" shall mean MARK and TAMI FERNANDES, dba MTK Development authorized to do business in Utah, which has made and executed this Declaration.

B. The term "The Act" shall mean and refer to the Utah Condominium Ownership Act, Utah Code Annotated, § 57-8-1, et. seq., (1953, as amended).

C. The term "condominium" shall mean and refer to the ownership of a single unit in this condominium project, together with an undivided interest in common areas and facilities of the property.

D. The term "Declaration" shall mean this instrument by which the Canyon Place Condominiums are established.

E. The term "property" shall mean and include, the land, the buildings, and all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith.

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F. The term "condominium project" shall mean and refer to the entire real estate condominium project referred to in this Declaration.

G. The term "Map" or record of survey map shall mean and refer to the "Record of Survey Map of Canyon Place Condominium-Phase I, recorded herewith by Declarant in accordance with Utah Code Annotated § 57-8-13 (1953, as amended).

H. The term "building" means a building, containing units and comprising a part of the property.

I. The term "unit" shall mean that part of the property owned in fee simple by unit owners for independent use and shall include the elements of the condominium property which are not owned in common with the owners of other units as shown on the Map.

J. The term "unit owner" shall mean the person or persons owning a unit in fee simple and an undivided interest in the fee simple estate of the common areas and facilities in the percentage specified and established in the Declaration.

K. The term "unit owners" shall mean and refer to unit owners of Canyon Place Condominiums and include the original purchasers and other who may subsequently become unit owners.

L. The term "association of unit owners" shall mean and refer to all of the unit owners acting as a group in accordance with the Declaration and Bylaws.

M. The term "unit number" shall mean the number,

letter and combination thereof designating the unit in the Declaration and in the Record of Survey Map.

N. The terms "majority" or "majority of the unit owners" shall mean the owners of more than fifty percent (50%) in the aggregate in interest of the undivided ownership of the common areas and facilities.

O. The term "management committee" shall mean and refer to a committee composed of persons duly elected thereto by the association of unit owners, as provided by this Declaration, in accordance with the Bylaws hereto attached as Appendix D. Said committee is charged with and shall have the responsibility and authority to make and to enforce all of the reasonable rules and regulations covering the operation and maintenance of the property.

P. The term "manager" shall mean and refer to the persons, persons or corporation selected by the management committee to manage the affairs of the condominium project.

Q. The term "common areas and facilities" shall mean and refer to:

- (a) the land included within a condominium project;
- (b) The outside surfaces of all structures;
- (c) The yards, garden, parking areas and storage space;
- (d) The premises for lodging janitors or persons in charge of the property, and approved by Ogden City.

(e) The installations of central services such as power, light, gas, hot and cold water, heating, refrigeration, air-conditioning and incinerators;

(f) The elevators, tanks, pumps, motors, fans, compressors ducts and in general all apparatus and installations in existence for common use;

(g) Such community facilities and Public Utilities as are provided within this Declaration; and

(h) All other parts of the property necessary or convenient to the existence, maintenance and safety of the common area, or normally in common use;

(i) All common areas and facilities as defined in the Act, whether or not expressly listed herein except that portion of the condominium project included in the respective units.

R. The term "limited common areas and facilities" shall mean and include refer to those common areas and facilities designated in the Declaration and the Map as reserved for use of a single unit or units to the exclusion of the other units.

S. The term "common expenses" shall mean and include:

(a) All sums lawfully assessed against the unit owners;

(b) Expenses of administration, maintenance, repair, or replacement of the common areas and facilities;

(c) Expenses agreed upon as common expenses by the association of unit owners;

(d) Expenses declared common expenses by provisions of this Act, or by the declaration of the Bylaws.

T. The term "person" shall mean an individual, corporation, partnership, association, trustee or other legal entity.

U. Those definitions contained in the Act, to the extent they are applicable to and not inconsistent herewith, shall be and are hereby incorporated herein by reference and shall have the same effect as is expressly set forth herein and made a part hereof.

3. Description of Property:

A. Description of Land. That tract or parcel of land in Weber County, State of Utah and more particularly described in Appendix A of this Declaration.

B. General Description of Buildings. The buildings constituting the condominiums are to be built as shown on the Map. Each building will be two stories high and will contain 960 square feet of living space and 440 square feet of garage. Each building is to be constructed with a brick wainscot on at least three (3) sides and wood interior. Each unit is designed for use as a single-family residence, and have the exclusive right to use of a one (1) car garage or covered parking attached. All other details involving the respective descriptions and locations of the buildings and a statement of the number of stories, number of units and other like details are set forth in the Map which is simultaneously filed of record and incorporated herein by reference.

C. Project Development. This Condominium being an expandable Condominium. The real property described in Appendix B may be added to the condominium project. Such additional land need not be added to the condominium project, but at the discretion of the Declarant, may be added as additional phases to the Canyon Place Condominiums project. Said additional lands may be added at different times and various boundaries established as various portions may or may not be added to the condominium project. It being the intent of the Developer herein that there may not be any limitation as to which or any of the portions which may be added to the condominium or the order in which they may be added to the condominium project. Further, there is no assurance as to any limitation as to the location of any improvements that may be made upon any portion of the additional land which may be added to the condominium project. Any additional land or portion thereof that is added to the condominium project shall be restricted exclusively for residential purposes. It is the intent of the Declarant herein to construct only structures on the additional land which will be compatible with the structures on the land originally within the project in terms of quality of construction and principal materials to be used, but there is no assurance given by the declarant herein this will always be the case. The Declarant herein further gives no assurances as to the type of improvements that will or may be made upon any portion of the additional land added to the Condominium project and there is further no



assurance that any units created on any additional land of the condominium project will be substantially identical to the units on the land originally within the project. However, all limited common areas which may be created in connection with any additional land brought into the condominium project shall be compatible with and of the same type of nature as the limited common areas now contemplated in the record of survey Map of Canyon Place Condominiums Phase One.

Declarant shall make any or all determinations as to whether to expand any part of this condominium project within a period of time not to exceed seven years from the date of recording this Declaration. It is discretionary with Declarant which, if any, part or parcel of the real property shall be added to the condominium. If any real property is added to the condominium there is no express requirement that all of the real property be added. No more than twenty eight units may be added in any case.

D. Description of Units. Each unit shall consist of:

1. The space enclosed within the exterior finished surface of its perimeter walls, floors and roof (being in appropriate cases the inner surfaces parallel to the roof plane, of the roof rafters, and the projections thereof), projected, where appropriate, to form a complete enclosure of space.
2. All elements of building except for the exterior surfaces.
3. Nonsupporting interior walls.
4. Windows and doors in the perimeter walls, whether

located within the bounds of a unit or not, but not including any space occupied thereby to the extent located outside the bounds of the units; and

5. All utility pipes or lines or systems, and fixtures or appliances connected thereto, servicing a single unit (or connecting a single unit to a main or central utility to the point of disconnection from such main or central utility) whether located within the bounds of a unit or not, but not including any space occupied thereby to the extent located outside the bounds of the units; and

6. Each unit will be equipped with the following appliances: Range, Dishwasher, Garbage Disposal and Refrigerator.

7. Units forming a part of the condominium property are more particularly described in the Map, which shows graphically all the particulars of the buildings.

8. Each units has immediate access to the common areas and facilities or limited common areas and facilities contiguous to the buildings in which such unit is located.

9. Every contract for the sale of a unit and every other instrument affecting title to a unit may describe that unit by its identifying number or symbol as designated in the Map with the appropriate reference to the Map and to the Declaration, as each shall appear on the records of the County Recorder of Weber County, Utah. 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 owner-

ship of a unit and all the limitations on such ownership as described in this Declaration.

E. Description of Common Areas and Facilities. The common areas and facilities shall consist of all parts of the condominium property except the units. Without limiting the generality of the foregoing, the common areas and facilities shall include the following, whether located within the bounds of a unit or not;

- 1) The outside surfaces of all structures;
- 2) Yards, courts and driveways;
- 3) The roadways contained therein, provided, however, that such roadways shall cease to be part of the common areas and facilities when and if dedicated to public the general use with the consent of the association of unit owners and accepted by the public authority having jurisdiction;
- 4) Any utility pipe or line or system servicing more than a single unit, and all ducts, wires, conduits and other accessories used therewith, but excluding any pipe or line or accessory connecting a single unit to a main or central pipe or line or system or to a pipe or line or system servicing more than a single unit;
- 5) Any playground or recreational items that may be placed on the property;
- 6) All other parties of the condominium property necessary or convenient to its existence, maintenance and safety, or normally in common use, or which have been designated as common

areas and facilities in the drawings;

7) the limited common areas and facilities hereinafter described; and

8) All repairs and replacements of any of the foregoing.

F. Description of Limited Common Areas and Facilities:

Each unit owner is hereby granted an irrevocable license to use and occupy the limited common areas and facilities reserved exclusively for the use of his unit.

4. Submission to Condominium Ownership. Declarant hereby submits the above described property, tract of land, buildings, and other improvements constructed hereon or hereafter to be constructed, together with all appurtenances thereto, to the provisions of the Act and shall be constructed in accordance therein.

5. Reservation of Rights. The Declarant reserves the following rights in connection with the project, subject to an obligation to restore all rights in connection therewith to the joint owners and unit owners association after completion of the project and within the time frame mentioned otherwise in this Declaration:

A. To change the overall plan of the condominium project including alteration and construction of the number of the units and improvements of the property. These changes must be made within two (2) years from the date of the first construction on the project and under the following conditions:

- 1) Modification as mandated by a unit of government.
- 2) The supply of any building materials and/or labor is interrupted for any cause, natural or manmade, specifically through strike, natural disaster or some other occurrence.

B. An easement over and upon the common elements and upon lands appurtenant to the buildings for the purpose of completing improvements which provision is made in this Declaration, provided that only if access thereto is otherwise reasonable available.

C. An easement over and upon the common elements for the purpose of making repairs required pursuant to this Declaration or contracts of sale made with unit purchasers.

D. The right to maintain facilities in the common areas which include sales and management offices, model units, parking areas and advertising signs, all of which are reasonably necessary to market the units.

6. Covenant to Run with the Land. This Declaration containing covenants, conditions, and restrictions relating to the project shall be enforceable equitable servitudes and shall run with the land and this Declaration and servitudes shall be binding upon Declarant, its successors and assigns, and upon all owners or subsequent owners of all or any part of the condominium project, and upon their grantees, mortgagees, successors, heirs, executors, administrators, devisees and assigns.

7. Statement of Purposes, Use and Restrictions.

A. Purposes. The purposes of the condominium property are to provide housing and recreational facilities for the unit owners and their respective families, tenants, guest and servants in accordance with the provisions of the Utah Condominium Ownership Act.

B. Restrictions on Use. The units and common areas and facilities shall be used and occupied as follows:

- 1) No part of the condominium property shall be used for other than single family dwellings as defined in the Ogden City Zoning Ordinance and the related common purposes for which the condominium property was designed.
- 2) There shall be no obstruction of the common areas and facilities nor shall anything be stored in the common areas and facilities without the prior written consent of the association of unit owners except as is otherwise provided herein.
- 3) Nothing shall be done or kept in any unit or in the common areas and facilities which will increase the rates of insurance on the buildings or contents thereof beyond that customarily applicable for residential use, without the prior written consent of the association or unit owners. No unit owners shall permit anything to be done or kept in this unit or in the common areas and facilities which will result in the cancellation of insurance on any building, or the contents thereof, or

which would be in violation of any law or regulation of any governmental authority. No waste shall be committed in the common areas and facilities.

4) No unit owner shall cause or permit anything (including without limitation, a sign, awning, canopy, shutter, storm door, screen door, radio or television antenna) to hang, be displayed or otherwise affixed to or placed on the exterior walls or roof or any part thereof, or the outside of windows or doors, without the prior written consent of the association or unit owners.

5) No animals or birds of any kind shall be raised, bred or kept in any unit or in the common areas and facilities, except that dogs, cats and other household pets may be kept in units, each unit owner is allowed (1) household pet and it will not be kenneled or tied outside of units, and otherwise subject to the rules adopted by the association of unit owners, provided that they are not kept, bred, or maintained for any commercial purpose; and provided further, that any such pet causing or creating a nuisance or disturbance shall be permanently removed from the condominium property upon ten (10) days' written notice from the association of unit owners.

6) No noxious or offensive activity shall be carried on in any unit or in the common areas and facilities,

nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other unit owners or occupants.

7) Nothing shall be done in any unit or in, on or to the common areas and facilities which will impair the structural integrity of the buildings or any part or which would structurally change the buildings or any part thereof except as is otherwise provided herein.

8) No clothes, sheets, blankets, laundry or any kind or other articles shall be hung out or exposed on any part of the common areas and facilities. The common areas and facilities shall be kept free and clear of all rubbish, debris and other unsightly materials.

9) Except in areas specifically designed and intended for such purposes, there shall be no playing, lounging or parking or placing of baby carriages, playpens, bicycles, wagons, toys, vehicles, benches or chairs in or on any part of the common areas and facilities.

10) No industry, business, trade, occupation, or profession of any kind, whether for commercial religious, educational, charitable or other purposes shall be conducted, maintained, or permitted on any part of the condominium property except such as may be permitted by the association of unit owners and subject to the rules, nor shall any "for Sale" or "For Rent" signs or other window displays or advertising be maintained or



permitted by any unit owner on any part of the condominium property or in any unit therein, except that:

(i) the Declarant may perform or cause to be performed such work as is incident to the completion of the development of the condominium property, or to the sale or lease of units owned by the Declarant;

(ii) the Declarant or its agent, may place "For Sale" or "For Rent" signs on any unsold or unoccupied units and may place such other signs on the condominium property as may be required to facilitate the sale or lease of unsold units;

(iii) the association of unit owners or management committee or its agent or representative may place "For Sale" or "For Rent" signs on any unit or on the condominium property for the purpose of facilitating the disposal of units by any unit owners; and

(iv) a unit owner with respect to a unit, and the association of unit owners or management committee or its agent or representative with respect to the common areas and facilities, may perform or cause to be performed any maintenance, repair or remodeling work, or other work, required or permitted by this Declaration.

8. Ownership and Use.

A. Ownership and Use. Except with respect to any of the common areas and facilities located within the bounds of a unit, each owner shall be entitled to the exclusive ownership and possessions of his unit and to the ownership or an undivided interest in the common areas and facilities in the percentage expressed in Appendix B hereof.

B. Prohibition Against Subdivision of Unit. No unit owner shall, by deed, plat or otherwise, subdivide or in any manner cause his unit to be separated into tracts or parcels

smaller than the whole unit as shown on the Map.

C. Ownership of Common Areas and Facilities. The common areas and facilities shall be owned by the unit owners as tenants in common, and ownership thereof shall remain undivided. No action for partition of any part of the common areas and facilities shall be maintainable, except as specifically provided in the Utah Condominium Ownership Act, nor may any unit owner otherwise waive or release any rights in the common areas and facilities; provided however, that if any unit shall be owned by two or more co-owners as tenants in common or as joint tenants, nothing therein contained shall be deemed to prohibit a voluntary or judicial partition of such unit ownership as between such co-owners.

D. Use of Common Areas and Facilities. Except with respect to limited common areas, each unit owner may use the common areas and facilities in accordance with the purposes for which they are intended, but subject to this Declaration, the Bylaws, which right of use shall be appurtenant to and run with his unit.

E. Interest in Common Areas and Facilities. The percentage of interest in the common areas and facilities of each unit has been determined by the Declarant on the basis of the percentage of individual owners to the amount of common area in accordance with the Utah Condominium Ownership Act which percentages are contained in Appendix B hereof.

F. Use of Limited Common Areas and Facilities. A unit owner's use and occupancy of the limited common areas and facilities reserved for his unit shall be subject to and in accordance with this Declaration and the Bylaws. The Association of Unit Owners shall maintain all limited common areas and facilities.

9. Agent for Service of Process. Until such time as Declarant transfers the right and responsibility to elect a management committee to the owners as provided by the Laws, the name and address of the person in Weber County, State of Utah appointed as the agent to receive service of process in matters pertaining to the property as provided under the Utah Condominium Ownership Act is:

Mark Fernandes  
575 South 925 West  
Layton, UT 84041

10. Percentage of Ownership and Voting Rights. The percentage of ownership in the common areas and facilities of the condominium shall be for all purposes, including voting. The common expenses shall be allocated among the unit owners in accordance therewith. The percentage of ownership in the common areas and facilities shall be as set forth in Appendix C, it being the intent that the aggregate percentage of ownership in the common areas and facilities shall equal one-hundred percent (100%).

The Declarant shall have all rights of ownership and voting rights in those units which are constructed and unoccupied, until such time that Declarant is able to persuade a sale for each particular unit, when all rights in connection with that unit shall pass to the then unit owners, subject to any other provisions in this Declaration at the option of the Declarant regarding management.

11. Easements.

A. The association of unit owners may hereafter grant easements for utility purposes for the benefit of the condominium property, including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, cable television wires and equipment, telephone wires and equipment, and electrical conduits and wires over, under, along, on and through any portion of the common areas and facilities; and each unit owner by his acceptance of a deed to his unit agrees, from time to time, to execute, acknowledge, deliver, and record for

and in the name of such unit owners, such instruments (with dower rights released) as may be necessary to effectuate the foregoing.

B. In the event that, by reason of the construction, reconstruction, settlement or shifting of any building, any part of the common areas and facilities encroaches or shall hereafter encroach upon any part of any unit or any part of any unit encroaches or shall hereafter encroach upon any part of the common areas and facilities or any other unit, valid easements for such unit and the common areas and facilities, as the case may be, so long as all or pry part of the building containing any such unit shall remain standing; provided, however, that in no event shall a valid easement for any encroachment be created in favor of any unit owner or in the favor of the unit owners as owners of the common areas and facilities if such encroachment occurred due to the willful conduct of such unit owner or owners.

12. Management. The business property and affairs of Canyon Place Condominiums shall be managed by a management committee consisting of not less than three (3) or more than seven (7) members who are unit owners in the project to be elected as provided in the Bylaws. Such management committee shall have all the powers, duties and responsibilities as are now or many hereafter be provided by the Act, this Declaration, the bylaws, and/- or any amendments subsequently filed hereto; provided however, that the management committee may engage the services of a professional manager and fix and pay a reasonable fee or compensation therefor. Notwithstanding anything herein contained to the

contrary, Declarant at its option, may act as the management committee until the completion and sale of all units in Phase I, or until two years from the date of recording this Declaration whichever shall first occur.

The management committee shall be responsible for the control, operation and management of the project in accordance with the provision of the Act, this Declaration and such administrative, managements and operation rules, and regulations as it may adopt from time to time as herein provided, and all agreements and determinations lawfully made and entered into by the committee.

The management committee shall have the authority to provide such facilities, in addition to those for which provision has already been made as it may deem to be in the best interest of the unit owners and to effect the necessary amendment of documents and maps in connection therewith, except those items shown on record of Survey Maps.

The management committee shall be known by such name or designation as it, or the unit owners, at any meeting may assign.

13. Change in Ownership. Whenever there is a change or ownership or a residential unit and its appurtenant rights, for whatever reason, the management committee or the manager may require, as condition to recognizing the new unit owner or owners as such, that the new unit owner or owners meet the following:

- A. Furnish evidence substantiating the new ownership;
- B. Sign an agreement accepting and agreeing to be

bound by this Declaration, the Bylaws and the rules and regulations and all amendments thereto.

14. Assessments. Every unit owner shall pay this proportionate share of the common expenses. Payment thereof shall be in such amounts and at such times as the management committee determines in accordance with the Act, the Declaration or the Bylaws. Water service will be discontinued and a lien for nonpayment of common expenses are provided by Utah Code Annotated § 57-8-20 (1953, as amended).

In assessing unit owners or requiring them to pay for the building improvements and other improvements of the common areas and facilities following the execution of the Declaration, it is agreed that no assessment for a single improvement in the nature of capital expenditure exceeding the sum of Five Hundred Dollars (\$500.00) in cost shall be made without the same having been first voted on and approved by owners of fifty-one percent (51%) or more, of the undivided interests to the common areas and facilities. The foregoing sentence shall not apply in connection with the replacement or reconstruction occasioned by fire or other casualty.

15. Destruction or Damage. In the event the condominium project is destroyed or damaged to the extent of seventy-five percent (75%) or less of the value thereof, the management committee shall be responsible for repairing, rebuilding and/or restoring the same to the condition it was in immediately prior to such destruction or damage, and the management committee shall,

in this connection, be entitled to use the proceeds of any and all insurance policies which it may have had in force on said premises as of the date of such destruction or damage. In the event the condominium project is destroyed or damaged to extent of more than seventy-five (75%) of the value thereof, the association of unit owners shall, at a meeting duly called by the management committee for that purpose, determine whether or not said premises should be rebuilt, repaired, or disposed of. Unless owners representing not less than eighty percent (80%) of the undivided interest in the common areas and facilities agree to the withdrawal of the condominium project from the provisions of the Act and to its subsequent disposal, the premises shall be repaired, rebuilt and restored to the same condition they were in immediately prior to said destruction or damage. In the event the cost of such repairing rebuilding, or restoring the condominium project shall exceed the amount realized by the management committee from the proceeds of any insurance policy or policies as therein provided, the unit owners shall contribute to such cash in relation to their percentage or undivided ownership in the common area and facilities.

16. Taxes. It is understood that under Utah Code Annotated, Section 57-8-27 (1953, as amended), each unit, and its percentage of undivided interest in the common areas and facilities in the project are subject to separate assessments and taxation by each assessing unit and the special district for all types of taxes authorized by law, and that as a result thereof,



not axes will be assessed or payable against the project as such. Each unit owner will, accordingly, pay and discharge any and all taxes which may be assessed against him and his percentage of undivided interest in the common areas and facilities.

17. Insurance. The management committee shall secure and maintain the following insurance coverage on the condominium project:

A. Flood, Fire and Extended Coverage. A policy or policies of flood and fire insurance, with extended coverage endorsement, for the full insurable replacement value of the buildings, units and common areas and facilities, which said policy or policies shall provide for a separate loss payable in favor of the mortgagees of each unit, if any.

B. Liability Coverage. A policy or policies insuring the management committee, the manager and their agents and employees, the unit owners and their lessees, tenants, or occupants against any liability to the public or to the unit owners, incident to the ownership and/or use of the condominium project, and including the personal liability exposure of the unit owners. Limits of liability under such insurance shall not be less than \$100,000/\$300,000 for bodily injury and shall not be less than \$10,000 for personal damage for each occurrence. Such limits and coverage shall be reviewed at least annually by the management committee and changed at its discretion. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross-liability endorsement wherein the rights of the named

insured under the policy or policies shall not be prejudiced as in respect to his, her, or their action against another named insured.

C. Workmen's Compensation. Workmen's compensation to the extent necessary to comply with applicable law.

D. Insurance for such other risks of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other condominium projects similar in construction, design and use.

E. Exclusive authority to adjust losses under policies hereafter in force in the project shall be vested in the management committee or its authorized representative.

F. Each unit owner may obtain additional insurance at his own expense; provided, however, that no unit owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the management committee, in behalf of all the unit owners, may realize under any insurance policy which the management committee may have in force on the project at any particular time.

18. Payment of Expenses. Each unit owner shall pay the management committee his allocated portion of the cash requirement deemed necessary by the management committee to manage and operate the condominium project, including the recreation facilities thereof, upon the terms, at the time, and in the manner herein provided without any deduction on account of any set-off or claim which the owner may have against the management com-

mittee, and if the unit owner shall fail to pay any installment within one month of the time when the same becomes due, the owner shall pay interest thereon at the rate of twelve percent (12%) per annum from the date when such installment shall become due to the date of the payment thereof.

The cash requirements above referred to for each year, or portions of the year, are hereby defined and shall be deemed to be such aggregate sum as the management committee from time to time shall determine, in its judgment, is to be paid by all the owners of condominium project then in existence to enable the management committee to pay all estimated expenses and outlays of the management committee to the close of such year, growing out or in connection with the maintenance and operation of such land, buildings and improvements, recreational areas and facilities, which sum may include, among other things, the cost of management, special assessments, fire, casualty, and public liability insurance premiums, common lighting, landscaping and the care of grounds, repairs and renovations to common areas and facilities, recreational facilities, snow removals, wages, water and charges, legal and accounting fees, management fees, expenses and liabilities incurred by the management committee under or by reason of this Declaration, the payment of any deficit remaining for the previous period, the creation of a reasonable contingency or other necessary reserve or surplus fund, as well as all other costs and expenses relating to the condominium project. It is specifically mandated that there shall be an adequate reserve

fund for the periodic maintenance, repair and replacement of the common elements, which fund shall be maintained out of regular assessments for common expenses. Further, a working capital fund must be established for the initial months of the project's operation equal to at least two (2) months estimated common area charges for each unit. The management committee may, from time to time, up to the close of the year for which such case requirements have been so filed or determined, increase or diminish the amount previously fixed or determined for such year. It may include in the case requirements for any year, any liabilities or items of expense which accrued or became payable in the previous year, or which might have been included in the cash requirements for a previous year, but where not included therein; and also any sums which the management committee may deem necessary or prudent to provide a reserve against liabilities or expenses then accrued or thereafter to accrue although not payable in that year.

That portion payable by the unit owner in and for each year or for a portion of a year shall be a sum within the limits and on the conditions hereinabove provided bearing to the aggregate amount of such cash requirements for such year, or portion of year, determined as aforesaid, the same ration as the unit owners owns an undivided interest in the common areas and facilities, and such assessments, together with any additional sums accruing under this Declaration shall be payable monthly in advance, or in such payments and installments as shall be required by the management committee, and at such times as shall be pro-

vided by the management committee.

The management committee shall have discretionary power to prescribe the manner of maintaining and operating the condominium project and to determine the cash requirements or the management committee to be paid as aforesaid by the owners under this Declaration. Every such reasonable determination by the management committee within the bounds of the Act, and this Declaration shall be final and conclusive as to the owners, and any expenditures made by the management committee, within the bounds of the Act and this Declaration shall as against the owner be deemed necessary and properly made for such purpose.

If the owner shall at any time let or sublet the unit and shall default for a period of one (1) month in the payment of any assessments, the management committee may, at its option, so long as such default shall continue, demand and receive from any tenant or sub-tenant of the owner occupying the unit the rent due or becoming due and payment of such rent to the management committee shall be sufficient payment and discharge of such tenant or sub-tenant and the owner to the extent of the amount so paid.

Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the owners against whom the same are assessed at the time the assessment is made and shall be collectable as such. Discontinuance of water service by the management committee a suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the line securing the

same. The amount of any assessment, whether regular or special, assessed to the owner plus interest at twelve percent (12%) per annum, and cost, including reasonable attorney's fees, shall become a lien upon such unit upon recordation of a notice of assessment as provided by the Act. The said lien for non-payment of common expenses shall have priority over all other liens and encumbrances, recorded or unrecorded, except only:

A. Tax and special assessment liens on the unit in favor of any assessment unit, and special district; and

B. Encumbrances on the owner's interest in the unit (and common areas and facilities) recorded prior to the date such notice is recorded which my law would be a lien prior to subsequently recorded encumbrances

A certificate executed and acknowledged by a majority of the management committee stating the indebtedness secured by the line upon any condominium created hereunder, shall be conclusive upon the management committee and the owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any owner or encumbrance or prospective encumbrance of a condominium up request at a reasonable fee not to exceed Ten Dollars (\$10.00). Unless the request for a certificate of indebtedness shall be complied within ten (10) days, all unpaid common expenses which become due prior to the date of making of such request shall be subordinate to the line held by the person making the request. Any encumbrance

holding a lien on a condominium may pay any unpaid common expenses payable with respect to such condominium and upon such payment such encumbrance shall have a lien on such condominium for the amounts paid of the same rank as the lien of his encumbrance.

Upon payment of a delinquent assessment concerning which certificate has been so recorded, or other satisfaction thereof, the management committee shall cause to be recorded in the same manner as the certificate of indebtedness a further certificate stating the satisfaction and release of the lien thereof. Such lien for nonpayment of assessment may be enforced by sale of the condominium unit by the management committee or by a bank or trust company or title insurance company authorized by the management committee, such sale to be conducted in accordance with the provisions of the law applicable to the exercise of powers or sale or foreclosure in deeds of trust or mortgages or in any manner permitted by law. In any foreclosure sale, the unit owner shall be required to pay the costs and expenses of such proceedings including reasonable attorney's fees.

In the event of foreclosure, the unit owner shall be required to pay a reasonable rental for the condominium and the plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The management committee or manager shall have the power to bid on the condominium at foreclosure or other sale and to hold, lease, mortgage and convey the condominium.

19. Mortgage Protection. Notwithstanding all other provisions hereof:

A. The liens created hereunder upon any condominium unit shall be subject and subordinate to, and shall not affect the rights of the holder of the indebtedness secured by any recorded first mortgage (meaning a mortgage or a trust deed with first priority over other mortgages) upon such interest made in good faith, and for value, provided that after the foreclosure of any such mortgage there may be a lien created pursuant to paragraph 18 hereof on the interest of the purchaser at foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such purchaser as an owner after the date of such foreclosure sale, which said lien, if any claimed, shall have the same effect and be enforced in the same manner as provided herein. However, said lien shall be limited to dues or charges assessed for only six months prior to said foreclosure.

B. No amendment to this paragraph shall affect the rights of the holder of any such mortgage recorded prior to recordation of such amendment which does not join in the execution thereof;

C. By subordination agreement executed by a a majority of the management committee, the benefits of A and B above may be extended to mortgages not otherwise entitled thereto.

20. Maintenance of Units. Each unit owner at his own expenses shall keep the interior of his unit and its equipment and appurtenance in good order, condition and repair and in a



clean and sanitary condition, and shall do all redecorating and painting which may at any time be necessary to maintain the good appearance of his unit. Except to the extent that the management committee is protected by insurance against such injury, the unit owner shall repaid all injury or damages to the unit, or condominium project caused by the act, negligence or carelessness of the unit owner or that of any lessee or sub-lessee or any member of the unit owner's family or of the family of any lessee or sub-lessee and all such repairs, redecorating and painting shall be of a quality and kind equal to the original work. In addition to decorating the keeping the interior in good repair, the unit owner shall be responsible for the maintenance or replacement or any plumbing, fixtures, refrigerators, air-conditioning and heating equipment, dishwashers, disposal, range, etc., that may be in or connected with the unit. The unit owner shall be entitled to the exclusive use and possession of the patios, carport, garage, attached or assigned to his unit and shall be responsible for the maintenance and upkeep of same, provided however, that without the written permission of the management committee first had and obtained, the unit owner shall not make or permit to be made any structural alteration, improvement or addition in or to the unit balcony, carport, and garage, or in or to the exterior of the building, and shall not paint or decorate any portion of the exterior of the building in which his unit is located.

21. Right of Entry. The management committee and its duly authorized agents shall have the right to enter any and all

of the units in case of an emergency originating in or threatening such unit or any other part of the project, whether or not the unit owner or occupant thereof is present at the time. The committee and its duly authorized agents shall also have the right to enter into any and all of said units at all reasonable times as required for the purpose of making necessary repairs upon the common areas and facilities of the project for the purpose of performing emergency installations, alterations, or repairs to the mechanical or electrical devices or installations located therein or thereon; provided, however, such emergency installations, alterations, or repair are necessary to prevent damage or threatened damage to other units in the project, and provided further, that the unit owner affected by such entry shall first be notified thereof if available and if time permits.

22. Administrative Rule and Regulations. The management committee shall have the power to adopt and establish by resolution, such building management and operational rules as it may deem necessary of the maintenance, operation, management and control of the project. The committee may, from time to time by resolution, alter, amend and repeal such rules. When a copy of any amendment or alteration or provision for repeal or any rule or rules has been furnished to the unit owners, such amendment, alteration and provision shall be taken to be a part of such rules. Unit owners shall at all times obey such rules and see that they are faithfully observed by those persons over whom they have or may exercise control and supervision, it being understood

that such rules shall apply and be binding upon all unit owners and/or occupants of the condominium.

23. Obligation to Comply Herewith. Each unit owner, tenant, or occupant of a unit shall comply with the provisions of the Act, this Declaration, the Bylaws and the rules and regulations, all agreement and determinations lawfully made and/or entered into by the management committee or the unit owners, when acting in accordance with their authority, and any failure to comply with any of the provisions thereof, shall be grounds for an action by the management committee to recover any loss or damage resulting therefrom or injunctive relief.

24. Indemnification of Management Committee. Each member of the management committee shall be indemnified and held harmless by the unit owners against all costs expenses and liabilities whatsoever, including, without limitation, attorney's fees, reasonably incurred by him in connection with any proceeding to which he may become involved by reason of his being or having been a member of the committee.

25. Amendment. The unit owners shall have the right to amend this Declaration and/or the Map upon the approval and consent of unit owners representing not less than two-thirds (2/3) of the undivided interests in the common areas and facilities, which approval and consent shall be duly recorded instruments.

26. Severability. The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections hereof shall

not affect the remaining portions of this instrument or any part thereof, all of which are inserted conditionally on their being held valid in law and in the event that one or more of the phrases, sentences, clauses, paragraphs or sections contained herein should be invalid or should operate to render this agreement invalid, this instrument shall be construed as if such invalid phrase, or phrases, sentence or sentences, clause or clauses, paragraph or paragraphs, section or sections has not been inserted.

27. Gender. The singular, wherever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

28. Topical Headings. The topical headings of the paragraphs contained in this Declaration are for convenience only and do not define, limit or construe the contents of the paragraphs or of the Declaration.

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

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IN WITNESS WHEREOF, the undersigned being the Declarant herein, has hereunto set its hand and seal this 25 day of August, 1997.

DECLARANTS:

Mark Fernandes  
MARK FERNANDES

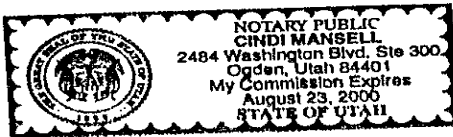
Tami Fernandes  
TAMI FERNANDES

MTK DEVELOPMENT

BY: Mark Fernandes (MTK Development)

STATE OF UTAH )  
                  : SS  
COUNTY OF WEBER)

On the 25th day of August, 1997 personally appeared before me Mark Fernandes and Tami Fernandes individually and dba MTK Development who being by me duly sworn did say that he is an officer and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors and the seal affixed is the seal of said corporation.



Cindi Mansell  
Notary Public

APPENDIX A

LEGAL DESCRIPTION

A PART OF THE NORTHEAST QUARTER OF SECTION 21, TOWNSHIP 6 NORTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN: BEGINNING AT A POINT WHICH BEARS N.00°44'07"E. 481.80 FEET (NORTH 7.3 CHAINS) AND S.89°15'53"E. 980.10 FEET (EAST 14.85 CHAINS) FROM THE SOUTHWEST CORNER OF SAID QUARTER SECTION;

AND RUNNING THENCE S.0°44'07"W. 107.98 FEET, THENCE N.76°58'00"E. 147.31 FEET, THENCE S.30°15'35"E. 39.39 FEET, THENCE N.76°58'00"E. 66.81 FEET TO A POINT ON A CURVE, THENCE ALONG THE ARC OF A 1.50 FOOT RADIUS CURVE TO THE LEFT 1.47 FEET, THENCE ALONG THE ARC OF A 3.00 FOOT RADIUS CURVE TO THE RIGHT 2.95 FEET, THENCE N.76°58'00"E. 17.00 FEET TO THE WEST LINE OF MONROE BLVD., THENCE N.13°02'00"W. 25.00 FEET ALONG SAID MONROE BLVD. THENCE S.76°58'00"W. 17.00 FEET TO A POINT OF CURVE, THENCE ALONG THE ARC OF A 3.00 FOOT RADIUS CURVE TO THE RIGHT 4.71 FEET, THENCE N.13°02'00"W. 20.00 FEET, THENCE S.76°58'00"W. 68.00 FEET, THENCE N.13°02'00"W. 69.95 FEET, THENCE N.89°15'53"W. 138.76 FEET TO THE POINT OF BEGINNING.  
CONTAINING 17,224 SQ. FT./ 0.40 ACRE, MORE OR LESS.

APPENDIX B

A PART OF THE NORTHEAST QUARTER OF SECTION 21, TOWNSHIP 6 NORTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, BEGINNING AT A POINT WHICH BEARS N.00°44'07"E. 481.80 FEET (NORTH 7.3 CHAINS) AND S.89°15'53"E. 980.10 FEET (EAST 14.85 FEET) FROM THE SOUTHWEST CORNER OF SAID QUARTER SECTION; AND RUNNING THENCE S.00°44'07"W. 220.01 FEET (SOUTH 228.9 FEET), MORE OR LESS TO THE SOUTH BANK OF MILL CREEK, THENCE EIGHT COURSES ALONG SAID SOUTH BANK AS FOLLOWS: N.83°42'57"E. 24.09 FEET, S.62°57'37"E. 26.59 FEET, S.34°34'17"E. 50.74 FEET, S.35°36'43"E. 56.78 FEET, S.52°59'50"E. 15.57 FEET, S.54°00'51"E. 43.76 FEET, S.38°45'49"E. 90.10 FEET AND S.30°24'29"E. 25.91 FEET MORE OR LESS TO THE NORTH SIDE OF CANYON ROAD, THENCE S.86°47'00"E. (EAST) 91.72 FEET ALONG SAID ROAD, THENCE N.85°13'01"E. 7.68 FEET ALONG SAID RROAD TO A 520.104 FOOT RADIUS CURVE TO THE LEFT, THENCE 50.77 FEET ALONG THE ARC OF SAID CURVE BEING ON THE WEST SIDE OF MONROE BLVD. (LONG CHORD BEARS N.10°14'13"W. 50.75 FEET), THENCE N.13°02'00"W. 415.66 FEET (412.19 FEET) ALONG SAID MONROE BLVD. TO A POINT WHICH BEARS S.89°15'53"E. (EAST) OF THE POINT OF BEGINNING, THENCE N.89°15'53"W. 226.19 FEET (WEST 222.04 FEET) TO THE POINT OF BEGINNING.

CONTAINING 2.2 ACRES, MORE OR LESS.

APPENDIX C  
CANYON PLACE CONDOMINIUMS

| <u>Building No.</u> | <u>Unit Number</u> | <u>Percent Ownership<br/>in Common Area*</u> |
|---------------------|--------------------|--|
| 1                   | 1                  | 25%  |
| 1                   | 2                  | 25%  |
| 1                   | 3                  | 25%  |
| 1                   | 4                  | 25%  |

\* Ownership in the common areas as constituted by the By-Laws. May change as additional phases are added and additional units sold. (Also determinative of Voting Rights and prorata share of common expenses.)



ADDENDUM TO  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This Declaration of Covenants Conditions and Restrictions of Canyon Place Condominium as previously prepared and executed are hereby amended to specify the order of construction of the units hereof, and the individual phases as follows:

Phase One: Comprised of the units in Building 1.

Phase Two: Comprised of the units in Buildings 2 and 3.

Phase Three: Comprised of the units in Buildings 4 and 5.

Phase Four: Comprised of the units in Building 6 and 7.

IN WITNESS WHEREOF, the undersigned being the Declarant herein, has hereunto set his hand and seal this 22 day of August, 1997.

DECLARANTS:

  
MARK FERNANDES

  
TAMI FERNANDES

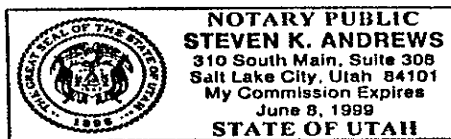
MTK Development

By: 

STATE OF UTAH )  
                  ): SS  
COUNTY OF WEBER)

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On the 22<sup>nd</sup> day of August, 1997, personally appeared before me Mark Fernandes and Tami Fernandes, who being by me duly sworn did say that they are officers and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors and the seal affixed is the seal of said corporation.



  
NOTARY PUBLIC

BYLAWS OF CANYON PLACE CONDOMINIUM HOMEOWNER'S ASSOCIATION

ARTICLE I

PLAN OF OWNERSHIP

Section One - Ownership. The project located at Ogden, Utah, known as Canyon Place Condominiums is submitted to the provisions of Utah Law.

Section Two - Bylaws Applicability. The provisions of these bylaws are applicable to the project.

Section Three - Personal Application. All present or future owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these bylaws.

The mere acquisition or rental of any of the family units, referred to as units, of the project, or the mere act of occupancy of any of the units, will signify that these bylaws and provisions of the regulatory agreement are accepted, ratified, and will be complied with.

ARTICLE II

VOTING; MAJORITY; QUORUM; PROXIES

Section One - Voting. Voting shall be on a percentage basis, and the percentage of the vote to which the owner is entitled is the percentage assigned to such owner's family unit or units in the master deed.

Section Two - Majority of Owners. As used in these bylaws, the term "majority of owners" shall mean those owners holding 51 percent (51%) of the votes in accordance with the percentages assigned in the master deed.

Section Three - Quorum. Except as otherwise provided in these bylaws, the presence in person or by proxy of a "majority of owners" as defined in the preceding paragraph of this article shall constitute a quorum.

Section Four - Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the secretary before the appointed time of each meeting.

ARTICLE III

ADMINISTRATION

Section One - Association Responsibilities. The owners of the unites will constitute the Canyon Place Condominium Homeowner's Association, referred to as association, who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments, and arranging for the management of the project pursuant to an agreement containing provisions relating to the duties, obligations, removal, and compensation of the management agent. Except as otherwise provided, decisions and resolutions of association shall require approval by a majority of owners.

Section Two - Place of Meetings. Meetings of association shall be held at the principal office of the project or such other suitable place convenient to the owners as may be designated by the board of directors.

Section Three - Annual Meetings. The first annual meeting of association shall be held on August 1st, 1998. Thereafter, annual meetings shall be held on the 1st of August or each succeeding year. At such meetings there shall be a elected by ballot a board of directors in accordance with the requirements of Section Five of Article IV of these bylaws. The owners may also transact such other business of association of as may properly come before them.

Section Four - Special Meetings. It shall be the duty of the president of the board of directors to call a special meeting of the owners as directed by resolution of the board of directors or on a petition signed by a majority of the owners had having been presented to the secretary, or at the request of the federal housing commissioner or a duly authorized representative. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths of the owners present, either in person or by proxy.

Section Five - Notice of Meetings. It shall be the duty of the secretary to mail a notice of each annual or special meeting, stating the purpose as well as the time and place of the meeting, to each owner of record, at least five but not more than 10 days prior to such meeting. The mailing of notice in the manner provided in this section shall be considered notice served. Notices of all meetings shall be mailed to the director of the local insuring office of the Federal Housing Administration.

Section Six - Adjourned Meetings. If any meeting of owners cannot be organized because a quorum has not attended, the

owners who are present either in person or by proxy may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

Section Seven - Order of Business. The order of business at all association meetings shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notices.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Federal Housing Administration representative, if present.
- (f) Report of committees.
- (g) Election of inspectors of election.
- (h) Election of directors.
- (i) Unfinished business.
- (j) New business.

#### ARTICLE IV

#### BOARD OF DIRECTORS

Section One - Number and Qualification. Association's affairs shall be governed by a board of directors composed of five persons, all of whom must be owners of units in the project.

Section Two - Powers and Duties. The board of directors shall have the powers and duties necessary for the administration of associations' affairs and may do all such acts and things as are not by law or by these bylaws directed to be exercised and done by the owners.

Section Three - Other Duties. In addition to duties imposed by these bylaws or by resolutions of association, the board of directors shall be responsible for the following:

- (a) Care, upkeep, and surveillance of the project and common areas and facilities and the restricted common areas and facilities.
- (b) Collection of monthly assessments from the owners.

(c) Designation and dismissal of the personnel necessary for the maintenance and operation of the project, the common areas and facilities, and the restricted common areas and facilities.

Section Four - Management Agent. The board of directors may employ for association a management agent at a compensation established by the board to perform such duties and services as the board shall authorize, including, but not limited to, the duties listed in Section Three of this article.

Section Five - Election and Term of Office. At the first annual meeting of association the term of office of two directors shall be fixed for three years. The term of office of two directors shall be fixed at two years, the term of office of one director shall be fixed at one year. At the expiration of the initial term of office of each respective directors, a successor shall be elected to serve a term of three years. The directors shall hold office until their successors have been elected and hold their first meeting.

Section Six - Vacancies. Vacancies in the board of directors caused by any reason other than the removal of a director by a vote of association shall be filled by vote of the majority of the remaining directors, even through they may constitute less than a quorum and each person so elected shall be a director until a successor is elected at association's next annual meeting.

Section Seven - Removal of Directors. At any regular or special meeting duly called, any one or more of the directors may be removed with or without cause by a majority of the owners, and a successor may then and there be elected to fill the vacancy thus created. Any directors whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

Section Eight - Organization Meeting. The first meeting of the newly elected board of directors shall be held within 10 days of election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, provided a majority of the whole board shall be present.

Section Nine - Regular Meetings. Regular meetings of the board of directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the board of directors shall be given to each director, personally or by mail,

telephone, or telegraph, at least three days prior to the day named for such meeting.

Section Ten - Special Meetings. Special meetings of the board of directors may be called by the president on three days' notice to each director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the board of directors shall be called by the president or secretary in like manner and on like notice on the written request of at least three directors.

Section Eleven - Waiver of Notice - Before or at any meeting of the board of directors, any director, in writing, may waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the board shall be a waiver of notice by such director of the time and place of the meeting. If all the directors are present at any meeting of the board, no notice shall be required and any business may be transacted at such meeting.

Section Twelve - Quorum. At all meetings of the board of directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the quorum shall be the acts of the board of directors. If, at any meeting of the board of directors, there be less than a quorum present, the members present may adjourn the meeting from time to time. At any such meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section Thirteen - Fidelity Bonds. The board of directors shall require that all officers and employees of association handling or responsible for association funds shall furnish adequate fidelity bonds. The premiums of such bonds shall be paid by the association.

## ARTICLE V

### OFFICERS

Section One - Designation. The principal officers of association shall be a president, a vice-president, a secretary, and a treasurer, the later two of which may be the same person, all of whom shall be elected by and from the board of directors.

Section Two - Election of Officers. The officers of association shall be elected annually by the board of directors at the organization meeting of each new board and shall hold office at the pleasure of the board.

Section Three - Removal of Officers. On an affirmative vote of a majority of the members of the board of directors, any officer may be removed, either with or without cause, and a successor elected at any regular meeting of the board of directors, or at any special meeting of the board called for such purpose.

Section Four - President; The president shall be the chief executive officer of the association. The president shall preside at all meetings of the association and of the board of directors. The president shall have all of the general powers and duties that are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the owners from time to time as the president may decide is appropriate to assist in the conduct of association's affairs.

Section Five - Vice-President. The vice-president shall take the place of the president and perform duties whenever the president shall be absent or unable to act,. If neither the president nor the vice-president is able to act, the board of directors shall appoint some other member of the board to do so on an interim basis. The vice-president shall also perform such other duties as shall from time to time be imposed by the board of directors.

Section Six - Secretary. The secretary shall keep the minutes of all meetings of the board of directors and the minutes of all meetings of association; shall charge of such books and papers as the board of directors may direct; and shall, in general, perform all the duties incident to the office of secretary.

Section Seven - Treasurer. The treasurer shall have responsibility for association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursement in books belonging to association. The Treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit of, association inn such depositories as may from time to time be designated by the board of directors.

## ARTICLE SIX

### OBLIGATIONS OF OWNERS

Section One - Assessments. All owners are obligated to pay monthly assessments imposed by association to meet all project communal expenses, which may include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction work in case of hurricane, fire,

earthquake, or other hazard. The assessments shall be made pro rate according to the value of the unit owned, as stipulated in the master deed.

Section Two - Maintenance and Repair.

(a) Every owner must perform promptly all maintenance and repair work within the individual unit which, if omitted, would affect the project in its entirety or in a part belonging to other owners, being expressly responsible for the damages and liabilities that failure to do so may engender.

(b) All the repairs of internal installations of the unit such as water, light, gas, power, sewage, telephones, air conditions, sanitary installations, doors, windows, lamps and all other accessories belonging to the unit area shall be at the owners' expense.

(c) An owner shall reimburse association for any expenditures incurred in repairing or replacing any common area and facility damaged through such owner's fault.

Section Three - Use of Family Units - Internal Changes.

(a) All units shall be utilized for residential purposes only.

(b) An owner shall not make structural modifications or alterations in a unit or installations in a unit or installations located herein without previously notifying association in writing through the management agent. Association shall have the obligation to answer within twenty days, and failure to do so within the stipulated time shall mean that there is no objection to the proposed modifications or alteration.

Section Four - Use of Common Areas and Facilities and Restricted Common Areas and Facilities.

(a) An owner shall not place or cause to be placed in the lobbies, vestibules, stairways, elevators, and other project areas and facilities of a similar nature, both common and restricted, any furniture, packages, or objects of any kind. Such areas shall be used for no other purpose than for normal transit through them.



Section Five - Right of Entry.

(a) An owner shall grant the right of entry to the management agent or to any other person authorized by the board of directors or association in case of any emergency originating in or threatening the owners' unit, whether the owner is present at the time or not.

(b) An owner shall permit other owners, or their representatives, when so required, to enter the unit for the purpose of installing, altering, or repairing the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of an emergency, such right of entry shall be immediate.

Section Six - Rules of Conduct.

(a) No resident of the project shall post any advertisements or posters of any kind in or on the project except as authorized by association.

(b) Residents shall exercise extreme care in making noises or using musical instruments, radios, television, and amplifiers that may disrupt other residents. Keeping of domestic animals will be in accordance with municipal sanitary regulations.

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

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

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

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

ARTICLE VII

AMENDMENTS TO PLAN OF OWNERSHIP

Section One - Bylaws. These bylaws may be amended by association in a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by owners representing at least sixty-six percent (66%) of the total value of all units in the project as shown in the master deed.

ARTICLE VIII

These bylaws are set forth to comply with the requirements of Utah Code §57-8-15 and 16. In case any of these bylaws conflict with the provisions of that statute will apply.

DATED this 15th day of May, 1997.

Mud Fawah

Sami Ferrandez