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DECLARATION OF CONDOMINIUM
FOR
WASATCH PEAKS RANCH
NORTH VILLAGE CONDOMINIUM
Morgan County, Utah

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DECLARATION

This Declaration of Condominium ("Declaration") is made and executed by Wasatch Peaks Ranch, LLC, a Delaware limited liability company, for itself, its successors, and assigns (individually or collectively, "Declarant") pursuant to the provisions of the Condominium Ownership Act, Utah Code Ann. §57-8-101, *et seq.*, as amended ("Act").

Recitals

A. Declarant holds legal and equitable title to certain real property located in Morgan County ("County"), Utah, which consists of approximately 0.9 acres more particularly described and depicted on the attached Exhibit A (the "Property"), which Property is part of a larger development known as Wasatch Peaks Ranch, a Private Planned Recreational Community ("Community") established pursuant to and organized in accordance with, that certain Master Declaration of Covenants, Conditions, Restrictions and Reservations for Wasatch Peaks Ranch Dated April 6, 2022 and Recorded May 3, 2022 as Entry No. 160853; that certain First Supplemental Declaration for Wasatch Peaks Ranch Dated May 1, 2023 and Recorded May 1, 2023 as Entry No. 163348; that certain Second Supplemental Declaration and First Amendment to Master Declaration for Wasatch Peaks Ranch Dated May 1, 2023 and Recorded May 1, 2023 as Entry No. 163355; that certain Third Supplemental Declaration and Second Amendment to Master Declaration for Wasatch Peaks Ranch dated October 24, 2023 and Recorded on November 8, 2023 as Entry No. 164605 (collectively, the "Master Declaration"), and all plats related thereto.

B. Declarant is, pursuant to the Act, developing a condominium project (the "Project") on the Property which Project shall be commonly known as WPR North Village Condominium.

C. The Project is more particularly described and depicted on that certain plat known as Wasatch Peaks Ranch North Village Condominium, (the "Plat"), which term includes any amended condominium plat which may be Recorded.

D. The Project shall be developed pursuant to and in accordance with the Act, Master Governing Documents, and all Project Governing Documents.

E. Development of the Project will be in keeping with the general character and nature of other projects developed in the Community.

F. The Project contains multiple Units and may include, without limitation, walkways, easement areas, and other amenities and improvements for the benefit of the Owners of the Units.

NOW THEREFORE, Declarant hereby declares, covenants, and agrees that the Property shall be burdened with and benefitted by all covenants, easements, rights of way, conditions, and restrictions contained herein and that the Project shall be developed in full accordance with the following:

**ARTICLE I
DEFINITIONS**

All capitalized terms shall have the meaning ascribed them herein, in the preamble, and in the Recitals. If any capitalized term is not otherwise defined in this Agreement, then such term shall be interpreted using its commonly understood meaning considering its context and this Declaration as a whole.

1.1 Allocated Interest means the undivided interest in the Project Common Areas appurtenant to each Unit, the Assessment liability, and votes in the Association allocated to each Unit as provided on the Allocated Interest Table.

1.2 Allocated Interest Table means the table attached hereto as Exhibit C attached hereto and incorporated herein by this reference ("Allocated Interest Table").

1.3 Amendment and Amendments means any and all supplements and amendments any one or more of the Project Governing Documents.

1.4 Articles means the articles of incorporation of Association, and any Amendments thereto.

1.5 Assessment means the charges imposed or levied against Units, to defray a portion of the Project Common Expenses, as well as Project Special Assessments, Project Specific Assessments, Project Reserve Funds and all corresponding fees, late fees, fines, and interest, as provided in this Declaration.

1.6 Association means Wasatch Peaks Ranch North Village Condominium Owners Association, Inc., a Utah nonprofit corporation, and its successors and assigns.

1.7 Building means a structure constructed as part of the Project, whether such building contains Units, or is auxiliary or appurtenant to the Project.

1.8 Bylaws means the bylaws of Association, an initial copy of which is attached as Exhibit D, as may be amended from time to time in accordance with the Act and the Project Governing Documents.

1.9 Club means Wasatch Peaks Ranch Club, a Utah limited liability company and includes all rights, interest, duties, and obligations of the Club as set forth in the Master Governing Documents, the Project Governing Documents, and other unrecorded agreements between Declarant and Club.

1.10 Declarant Rights means those rights belonging exclusively to Declarant as further set forth herein, which Declarant Rights may be assigned in part or in whole as further detailed in Article IX below.

1.11 Discretion means the subjective, sole, and absolute discretion and authority of the party referenced.

1.12 Director or Directors mean one or more members of Management Committee.

1.13 Governing Documents means the Master Governing Documents and the Project Governing Documents, collectively.

1.14 Guest means any family member, tenant, or invitee of an Owner, or any family member, tenant, or Guest of such a person.

1.15 Improvements means any improvement now or hereafter constructed in the Project and includes anything which is a structure such as a Unit; Building; fence; covered patio; radio or television antenna or receiving dish; tree; shrubbery; paving; sidewalk; curbing; above grade utilities; landscaping; any excavation or fill; and any excavation, fill, ditch, diversion, dam, or other thing or device which affects the natural flow of surface water or the flow of water in a natural or artificial stream, wash or drainage channel.

1.16 Lease means an arrangement under which a tenant occupies an Owner's Unit for thirty (30) days or more in exchange for the Owner of such Unit receiving consideration or benefit, including a fee, service, gratuity, or emolument.

1.17 Management Committee means Management Committee of the Association, as appointed, or elected pursuant to the Project Governing Documents and charged with and having responsibility and authority to make and to enforce the terms and provisions of the Project Governing Documents covering the operation and maintenance of the Project and Units.

1.18 Master Articles means the Articles of Incorporation of Wasatch Peaks Ranch Homeowners Association, Inc. dated January 31, 2022, as may be revised, supplemented, or amended from time to time.

1.19 Master Assessments means the assessments levied by Master Association to pay expenses incurred by Master Association in its maintenance and operation of the Community as further detailed in the Master Declaration and Master Governing Documents.

1.20 Master Association means Wasatch Peaks Ranch Homeowners Association, a Utah nonprofit corporation.

1.21 Master Association Management Committee means Management Committee of the Master Association (regardless of how the same may be referenced in the Master Governing Documents), as appointed, or elected pursuant to the Master Governing Documents and charged with and having responsibility and authority to make and to enforce the terms and provisions of the Master Governing Documents covering the operation and maintenance of the Community.

1.22 Master Bylaws means Bylaws of Wasatch Peaks Ranch Homeowners Association, Inc. as Recorded with the Master Declaration, as may be revised, supplemented, or amended from time to time.

1.23 Master Common Areas means Common Areas and all open space as may be depicted on the Master Plat or described in the Master Declaration.

1.24 Master Common Expenses means all expenses arising out of or related to the administration, maintenance, repair, or replacement of the Master Common Areas and all expenses identified as common assessments in the Master Governing Documents.

1.25 Master Governing Documents means any and all plats, other than the Plat ("Master Plat", whether one or more), Recorded against the Property, Master Declaration, Master Bylaws, Master Articles, and Master Rules, as each document may be revised, supplemented, or amended from time to time.

1.26 Master Plat means any and all plats, other than the Plat, whether one or more, Recorded against the Property as such plat or plats may be revised, supplemented, or amended from time to time.

1.27 Master Rules means Wasatch Peaks Ranch Homeowners Association Rules & Regulations (including but not limited to the Design Guidelines, if any), as may be revised, supplemented, or amended from time to time, a copy of which is available from the Master Association.

1.28 Mortgage means any mortgage, deed of trust or other security interest encumbering a Unit or any part thereof.

1.29 Mortgagee means any person or entity named as the beneficiary under any Mortgage, including, without limitation, Declarant, as may be applicable.

1.30 Mortgagor means any person or entity named as the trustor under any Mortgage, including, without limitation, Declarant, as may be applicable.

1.31 Nonprofit Act means the Utah Revised Nonprofit Corporation Act, Utah Code Ann. §16-6a-101, *et seq.*, as amended.

1.32 Officer or Officers means one or more of the officers of Management Committee as may be appointed from time to time in accordance with the Act, the Nonprofit Act, and the Project Governing Documents.

1.33 Ordinance and Ordinances means and refers to (a) that certain Development Agreement between Declarant and County Recorded November 17, 2019 as Entry No. 149303 (as may be amended from time to time), (b) all provisions of Title 8 of the County Code containing the County's land use regulation and any and all land uses or entitlements approved pursuant to the same; and (c) all other governmental rules, regulations, or policies in effect now or in the future that touch or concern the Property or the Community as a whole.

1.34 Owner means any person or entity at any time owning a Unit within the Project, or any portion thereof or interest therein. Owner does not mean Declarant, a Mortgagee, or holder of an encumbrance unless such Mortgagee or holder has acquired title to a Unit.

1.35 Period of Administrative Control means the period of administrative control that shall commence on the date of the Recording of this Declaration and end on the earlier of (a) six (6) years after Recordation of the Plat and this Declaration; (b) the conveyance of Units to which

three-fourths of the undivided interest in the Project Common Areas are appurtenant; or (c) such earlier date on which Declarant, at its option and in its Discretion, elects to terminate the Period of Administrative Control by giving written notice to the Association, and Recording notice of the same.

1.36 Person means a natural individual, corporation, estate, partnership, limited liability company, trustee, association, joint venture, government, governmental subdivision or agency, or other legal entity capable of holding title to real property.

1.37 Project Common Areas means the entire Project designated by this Declaration or the Act and as may be shown on the Plat as "common area". Project Common Area specifically excludes Units and Project Limited Common Areas. The undivided interest in the Project Common Areas appurtenant to each Unit is equal to the Allocated Interest.

1.38 Project Common Assessments means the annual assessments levied by the Association to pay the Project Common Expenses.

1.39 Project Common Expenses means all expenses arising out of or related to the administration, maintenance, repair, or replacement of the Project Common Areas and all expenses identified as Project Common Expenses by this Declaration or the Act.

1.40 Project Governing Documents means the Plat, this Declaration, the Articles, the Bylaws, and the Rules, as such may be amended from time to time.

1.41 Project Limited Common Areas means any portion of the Project designated by the Act, Plat, and this Declaration as "limited common area" reserved for the exclusive use of one or more, but not all, Units. The undivided interest in the Project Limited Common Areas appurtenant to any Unit is a percentage for which the numerator is the number of Units appurtenant to and with the right to use each respective Project Limited Common Area and the denominator of which is 100.

1.42 Project Special Assessments means the assessments which the Association may levy from time to time, in addition to the Project Common Assessments, for (a) the costs of the operation, maintenance, repair and replacement of the Limited Common Areas, not otherwise anticipated by or included in the Project Specific Assessments made against each Unit with the appurtenant right to use of the respective Limited Common Area, such Special Assessments being levied equally against only those Units with the appurtenant right to use the respective Limited Common Area; (b) unexpected Project Common Expenses; and (c) all other purposes permitted herein.

1.43 Project Specific Assessments means the assessments which the Association may levy against a particular Unit or Units and the Owner or Owners thereof, when applicable. Project Specific Assessments may be levied in advance of Association providing any services, as further detailed herein.

1.44 Project Reserve Funds means the monies collected to establish a reserve fund as required pursuant to and in accordance with the Act.

1.45 Record, Recordation, Recorded, and Recording means placing or having placed an instrument of public record in the official records of the Morgan County Recorder, Morgan County, Utah. In the event the Property becomes part of a county other than the County, then these terms mean placing or having placed an instrument of public record in the official records of the county in which the Property is situated.

1.46 Restrictions means the covenants, conditions, assessments, easements, liens, and restrictions set forth in this Declaration.

1.47 Rules means the Association Rules & Regulations as may be promulgated by Management Committee with respect to the operation and maintenance of the Project and the Units, as the same may be amended from time to time pursuant to Section 10.9 and the Act.

1.48 Recreational Facilities means privately owned ski lifts, ski runs, ski ways, snowmaking equipment, drainage devices, landscaping, and all improvements, facilities, and equipment for year-round recreational activities.

1.49 Total Votes means the total number of votes pertaining to all Units as described in the Allocated Interests and Section 11.4.

1.50 Unit means an individual portion of the Project designated as a Unit on the Plat and designed for separate ownership and occupancy as described in the Allocated Interest Table and in Article III. "Unit" includes both a physical unit together with its appurtenant and undivided Allocated Interest in the Project Common Areas.

1.51 Unit Number means the number, letter, or combination thereof that describes only one Unit in the Project as such Unit Numbers are indicated on the Plat and in the Allocated Interest Table.

**ARTICLE II
DESCRIPTION OF PROPERTY AND IMPROVEMENTS AND SUBMISSION
TO THE CONDOMINIUM OWNERSHIP ACT**

2.1 Description of the Property. The Property is located in the County as further defined and legally described herein.

2.2 Incorporation of the Plat. The Plat is hereby incorporated into, and made an integral part of, this Declaration and all requirements and specifications set forth on the Plat or are required by the Act are deemed included in this Declaration, including all depictions of Buildings, Unit boundaries, number of Units within the Project, limited common areas, common areas, private areas, ski trails, easements, rights of way, utility easements, other Improvements contained within the project and all other benefits and burdens appurtenant to the Property and which run with the Property.

2.3 Improvements. Declarant has the right, without obligation, to develop the Project to consist of the Improvements, which shall be constructed of materials and to a standard similar to those within the Community. The anticipated location and dimensions of each Building within

the Project are depicted on the Plat. In addition to the Buildings, the Project will include other Improvements as part of the Project Common Areas and Project Limited Common Area.

2.4 Declaration of Restrictions. Declarant hereby makes and declares the Restrictions contained in this Declaration. Declarant hereby submits and subjects the Property to the Master Declaration (to the extent not already so submitted), and this Declaration such that all Units shall be held, conveyed, transferred, sold, leased, mortgaged, encumbered, occupied, used, and improved subject to the Governing Documents, and all Restrictions in the same, which Restrictions shall be enforceable as equitable servitudes and constitute covenants, conditions, and restrictions running with the land and shall be binding upon and inure to the benefit of Declarant, Association, and each Owner, including their respective heirs, executors, administrators, personal representatives, successors, and assigns. and in furtherance thereof.

2.5 Interpretation of Declaration and Applicability of the Act. Declarant intends that the Project shall be governed by the Act, except where Declarant has included specific provisions in this Declaration which legally vary, supersede, or supplement the Act, in which event such specific provisions of this Declaration which are or seem contrary to the Act shall govern the Project.

2.6 Agent for Service of Process. C T Corporation System with a business address of 1108 E South Union Avenue, Midvale, Utah 84047 is the initial registered agent of the Association and is the entity designated to receive service of process for the Project pursuant to the Act, until such time as Management Committee shall duly appoint a new agent and file a supplement hereto.

ARTICLE III DESCRIPTION OF UNITS

3.1 Unit Boundaries. The boundaries of each Unit are set forth on the Plat and include the unfinished interior surfaces of perimeter interior stud walls, floors, and ceilings, bearing walls, uppermost ceiling, lowermost floor, and the interior surfaces of doors and windows, including the garage, porch, balcony, patio, deck, and excepting all Project Limited Common Area and Project Common Area.

3.2 As Constructed. Notwithstanding the foregoing Section, the boundaries of all Units constructed substantially in accordance with this Declaration and the Plat shall be conclusively presumed to be the actual boundaries of the Units. It is acknowledged that the Plat was prepared from architectural drawings of the Project prior to construction and there will be variances between the boundaries and other features of the Project and their actual construction. Declarant has the right, without obligation, in its Discretion to unilaterally Record an amendment to the Plat to show the as-built boundaries of the Units. Should Declarant elect to Record such amendment, no Owner's signature on or consent to such amendment shall be required.

ARTICLE IV DESCRIPTION AND OWNERSHIP OF COMMON AREAS

4.1 Project Common Area. Includes, without limitation, (a) the Building, including the foundations, columns, girders, beams, supports, perimeter and supporting walls, flues, roofs, and attics, if any; (b) the mechanical installations of each Building consisting of the equipment and

materials making up any services such as power, light, gas, hot and cold water, heating, air conditioning, and exterior security lighting, which exist for common uses (including exterior valves or other similar fire control devices, the pipes, vents, ducts, flues, chutes, conduits, wires, and other similar utility installations used in connection therewith); and (c) any amenities and amenity areas, if any, sidewalks, walkways, paths, grass, shrubbery, trees, roads, streets, access ways, parking areas (other than garages which are part of the Units), landscaping, irrigation systems, and gardens, if any, now or hereafter located in the Project; (c) and in general, all Project Common Area and any items designated by Declarant as Project Common Area under other provisions of this Declaration, and all other parts of the Project necessary or convenient to the Project's existence, maintenance or safety, or normally in common use. In the event of a conflict between this Declaration and the Plat, this Declaration will control.

4.2 Calculation of Allocated Interests. The Project Common Area are owned by the Owners of the Units as tenants-in-common on an undivided basis in accordance with their respective Allocated Interest.

ARTICLE V PROJECT LIMITED COMMON AREAS

5.1 Project Limited Common Area. Without limiting the foregoing, the Project Limited Common Area may include, without limitation: (a) driveways; (b) (i) utility, heating, air conditioning and domestic hot water fixtures and equipment, and (ii) audio, visual or telecommunication lines, cables and appurtenances, associated with or providing service to one or more but fewer than all Units; (c) window wells, if any, attached to a Unit; (d) fence(s) existing within the Project, if any, including those attached or appurtenant to any Unit; (e) yard areas, if any; (f) patios, if any; and (g) elevators, if any. Costs of maintaining and operating Project Limited Common Areas shall be born equally between the Owners of all Units appurtenant to and with the right to use each Project Limited Common Area. Such costs shall be assessed against each Unit as a Project Specific Assessment.

5.2 Use of Project Limited Common Area. The Project Limited Common Area shall be used in connection with the applicable Unit(s) to the exclusion of the use thereof by the other Owners, except by invitation and except as otherwise provided in this Declaration. No reference to any Project Limited Common Area need be made in any instrument of conveyance, encumbrance, or other instrument. The Project Limited Common Area allocated to Units as provided in this Section may not be reallocated without the consent of the Owners whose Units are affected.

ARTICLE VI CONSOLIDATION OF ASSOCIATIONS

Declarant anticipates the construction of similar projects ("Additional Projects") within the Community. In the event Declarant develops Additional Projects, Declarant reserves and shall have the right, but not obligation, to unilaterally merge and consolidate the Association with any or all associations established to serve the Additional Projects (the Association and any additional association being each a "Contributing Association", and the resulting association being the "Consolidated Association"). Such merger and consolidation shall be effective upon Declarant

preparing a declaration of consolidation ("Consolidation Declaration"), which Consolidation Declaration shall be signed by Declarant and, to the extent required by applicable law, the then-current president of each Contributing Association, provided, however, that such president may not unreasonably withhold or delay its execution and certification of the Consolidation Declaration. The Consolidation Declaration shall specify the formula used to reallocate the interests of Units in each Contributing Association, and the final allocated interests of all Units within the Consolidated Association. The Consolidation Declaration shall be effective upon recordation of the same in the Official Records. The Consolidated Association shall be the legal successor of all Contributing Associations for all purposes. The operations, activities, rights, interests, duties, and obligations of all Contributing Associations shall be consolidated into the Consolidated Association. The Consolidated Association shall hold all powers, rights, obligations, assets, and liabilities of all Contributing Associations pursuant to the governing documents (as such term is defined in the Act) of the Contributing Associations, and all supplements and amendments to the same.

ARTICLE VII NATURE OF UNIT OWNERSHIP

7.1 Nature of Units. Each Unit is and hereafter shall be a separate parcel of real property which may be held, conveyed, devised, leased, mortgaged, encumbered, occupied, and used in accordance with this Declaration.

7.2 Title to Units. Title to each Unit may be held in any person or entity and in any manner in which title to real property may be lawfully held under the laws of the state of Utah and pursuant to the Act.

7.3 Conveyancing. Subsequent to the Recording of the Plat and Declaration, every contract, deed, Lease, Mortgage, deed of trust, will and every other instrument affecting title to a Unit may legally describe the Unit as follows:

Unit ____, North Village Condominium, as shown on Wasatch Peaks Ranch North Village Condominium, Plat A, a Condominium Project, recorded in the official records of the Morgan County Recorder's Office, Morgan County, Utah ("Official Records") _____ as Entry No. _____, and in the Declaration of Condominium for Wasatch Peaks Ranch North Village Condominium ("Project") recorded in the Official Records _____ as Entry No. _____, together with the undivided ownership interest in the Project's common area, limited common area (if applicable), improvements, and facilities which are appurtenant to said Unit as more particularly described in said declaration, and any supplements and amendments thereto.

7.4 Use of Property. Subject to this Declaration and all Rules, each Owner shall have the exclusive right to occupy and use the Owner's respective Unit together with the non-exclusive right to use any Project Limited Common Area designated for use of the Owner's Unit, and the Project Common Area as further detailed herein.

7.5 Alteration of Units. Each Owner shall have the exclusive right to paint, repaint, tile, wallpaper, carpet, or otherwise decorate the interior surfaces of the Owner's respective Unit. Owners shall not make structural or non-structural alterations (other than as listed herein) to their Units without the prior review and written approval of Management Committee and the Master Association Management Committee. An Owner, who makes or causes to be made any such additions, alterations, or improvements shall hold Association, Declarant, Master Association, and all other Owners harmless from and indemnify them against any liability or damage to the Project Common Area, Project Limited Common Area, and other Units, and expenses arising as a result of such addition, alteration, or improvement.

7.6 No Subdivision or Partition. Title to a Unit within the Project may not be separated from any other part thereof. All conveyances and encumbrances shall be considered a conveyance or encumbrance of an entire Unit, with all appurtenances. No Owner may bring any action for partition or division of all or any portion of a Unit, the Project Limited Common Area, or the Project Common Area.

7.7 Labor Performed; No Mechanic's Liens. No labor performed, materials furnished for use, or both arising from and related to improvements or alterations to any Unit shall be the basis for the filing of a lien against any other Unit, unless an Owner of another Unit expressly consents to or requests the same, or against any interest in the Project Common Area except as to the Allocated Interest appurtenant to the Unit of the Owner for whom such labor shall have been performed or such materials furnished. Each Owner indemnifies and holds harmless each of the other Owners and Association from and against any liability or loss arising from the claim of any mechanic's lien against the Unit of any other Owner, the Project Common Area, or any part thereof, for labor performed, materials furnished, or both in work on the first Owner's Unit.

7.8 Right to Mortgage. Each Owner shall have the right to encumber its interest in a Unit with a Mortgage, provided that no Owner shall have the right to encumber the Project Common Area or Project Limited Common Area or any part thereof except for the undivided interest appurtenant to the Owner's Unit. All Mortgages shall be subordinate to the provisions of this Declaration, and, in the event of a foreclosure, this Declaration shall be binding upon any Owner whose title is derived from any judicial sale, foreclosure, or otherwise.

7.9 Notice of Ownership and Address. Each new Owner shall promptly provide to Management Committee a photocopy of the deed pursuant to which such Owner derives title, along with an address and email address pursuant to which Association may send notices.

ARTICLE VIII RESERVATION OF EASEMENTS

8.1 Easements. In addition to easements granted or reserved herein and in the Master Declaration, including those which may be detailed elsewhere in this Declaration, or which are required by law, the following Sections describe easements to which the Property is or may be subject.

8.2 Project Easements.

(a) Completion of Improvements. Declarant hereby reserves an easement for the benefit of Declarant and Association and their agents, employees and contractors in, under, and through the Property for a period of twenty (20) years from the date of Recordation of this Declaration, in the location, type, and nature determined by Declarant in its Discretion, for purposes of completing the Improvements contemplated by this Declaration and the Plat.

(b) Easement for Maintenance. Declarant reserves and dedicates for the benefit of Association and its agents, employees and contractors, a nonexclusive right and easement on, over, across and through such Owner's Unit and the Project Limited Common Areas appurtenant to such Unit for maintenance, repair, replacement, reconstruction, or other services as provided in this Declaration, including to utility companies, their contractors, agents and employees, for access related to or arising from inspection, maintenance, repair and replacement of utility meters and their appurtenances; all fire protection and other service providers, their contractors, agents and employees, for access to, inspection, maintenance, repair and replacement of fire sprinkler and alarm systems and related equipment that serve the Units; and for and incidental to enforcement of any term or provision of any of the Project Governing Documents. If damage is inflicted, or a strong likelihood exists that it will be inflicted, on the Project Common Areas, any Unit, or any other property, the Owner responsible for the damage or expense to avoid damage is liable for the cost of prompt repair or avoidance of damage. The rights and easements granted in this Section may be exercised only during reasonable hours after reasonable notice to the Owner(s) or occupant(s) of any affected Unit or Project Limited Common Area; except that no such notice shall be required in connection with any exterior, non-intrusive maintenance, repair and/or replacement; and except that in emergency situations entry upon a Unit or Project Limited Common Areas may be made at any time provided that the Owner(s) or occupant(s) of each affected Unit or Project Limited Common Area shall be notified of emergency entry as early as is reasonably possible.

(c) Easement for Use and Enjoyment of Common Areas. Declarant reserves and hereby grants to and for the benefit of each Owner, Declarant, and Association, its agents, employees and contractors, a nonexclusive easement on, over, across and through Project Limited Common Areas and Project Common Areas appurtenant to each Unit if and as necessary for access to, enjoyment of, and use of such Project Limited Common Areas and Project Common Areas in accordance with the terms, provisions, and restrictions pursuant to the Act and this Declaration.

8.3 Utility Easements. Declarant hereby reserves a blanket easement upon, across, over and under the Property for utilities and the installation, replacement, repair, and maintenance of utilities, including without limitation water, sewer, gas, telephone, electricity, computer cable, and master television antenna or cable or satellite television systems, if any ("Utility Facilities"). By virtue of this blanket easement, it shall be expressly permissible to erect and maintain Utility Facilities within the Property and to affix, repair, and maintain water and sewer pipes, gas, electric, telephone, computer and television wires, cables, circuits, conduits, and meters. In the event any utility or quasi utility company furnishing a service covered by the general easement created herein requests a specific easement by separate Recordable document, Declarant reserves the right and authority to grant such easement upon, across, over or under any part or all of the Property without

conflicting with the terms hereof; provided, however, that such right and authority will automatically terminate upon the earlier of: the thirtieth (30th) anniversary date of the date of Recording of this Declaration or eight (8) years following such time as neither Declarant nor any Affiliate of Declarant owns any portion of the Property. The easement provided for in this Section shall in no way affect, avoid, extinguish, or modify any other Recorded easement(s) encumbering the Property.

8.4 Easement for Encroachments. To the extent that any Unit, Project Common Area, Project Common Area, or any Improvement thereon, encroaches on any other portion of the Property, a valid easement for the encroachment shall exist for the duration of the encroachment.

8.5 Drainage Easement. An easement is hereby reserved by Declarant for the use and benefit of Declarant, Association, their respective Directors, Officers, members, partners, agents, employees, successors and assigns, to enter upon, across, over, in and under the Property for the purpose of changing, correcting or otherwise modifying the grade or drainage channels on and over the Property so as to maintain or improve drainage to, through, or from the Property.

8.6 Sign Easement. Declarant hereby reserves a nonexclusive easement for the benefit of Declarant, Association, their respective Directors, Officers, members, partners, agents, employees, successors, and assigns, to erect, maintain, repair, and replace monument, directional or other signs on the Property identifying the Project, roads, and any portion or part of the Community. Such signs shall conform in all respects with applicable laws and any Rules promulgated by Master Association or Association and applicable to signage.

8.7 Structural Support Easements. Each Unit, the Project Limited Common Areas, and the Project Common Areas are subject to and the beneficiary of nonexclusive easements for structural support in all walls, columns, joists, girders, and other structural components located in or passing through the Property, including all Units. No Owner shall, without the consent of the adjoining Unit Owner and the Association (a) alter its Unit or impose any weight on other Units, the Project Limited Common Areas, or the Project Common Areas; (b) remove or alter a partition between the Units or create an aperture to any Unit if the action would impair the structural integrity or mechanical systems of another Unit the Project Limited Common Areas, or the Project Common Areas; (c) reduce the support of any portion of either Unit; (d) or if the action would constitute a violation of the Governing Documents, or to any local government land use ordinances or building codes. Before removing or altering any partition between Units or creating an aperture, the Owner must submit, at the Owner's expense, obtain a registered professional engineer's or registered professional architect's opinion stating that the proposed change will not impair the structural integrity or mechanical systems or reduce the structural support of either adjoining Unit, the Project Limited Common Areas, or the Project Common Areas.

8.8 Emergency Easement. Declarant hereby reserves a nonexclusive easement for the benefit of each Owner, Declarant, Association, their respective Directors, Officers, members, partners, agents, employees, successors and assigns, for police, sheriff, fire protection, ambulance, and all other similar emergency agencies or persons to enter upon the Property as reasonably necessary to perform any and all emergency services and duties.

8.9 Other Easements. All other easements and rights related to the same as depicted, described, or otherwise mentioned or defined on the Master Plat or Plat.

ARTICLE IX DECLARANT RIGHTS

9.1 Expiration of Period of Administrative Control. The expiration of Period of Administrative Control is set forth in the definition of Period of Administrative Control. While in the Period of Administrative Control, Declarant has authority to appoint or remove members of Management Committee, and exercise power or authority assigned to Association under the Project Governing Documents and those specific Declarant Rights set forth in this Article IX. Upon the expiration of Period of Administrative Control, the process of transferring control of Association from Declarant to the Owners shall commence and be completed within a reasonable period of time. This process shall include the Owners' election of Management Committee and shall be considered completed on the date of the initial meeting of Management Committee elected by the Owners. The Owners' election of Management Committee may be conducted at a regular or special meeting of Association, by a mailed or electronic balloting procedure, or by any other process then permitted or required pursuant to and in accordance with the Act. Declarant may voluntarily terminate the Period of Administrative Control, but, in that event, Declarant may require that specified actions of Association or Management Committee taken prior to such turnover date, as described in a Recorded instrument executed by Declarant, be approved by Declarant before they become effective.

9.2 Sales Office and Marketing. Declarant reserves the right to maintain a sales and marketing office at the Project, including without limitation, in any Unit owned by Declarant, Association and its agents, employees and contractors or any other location in the Project (excepting only those Units that have been conveyed to a third party purchaser), and to display signage advertising the same, for a period of twenty (20) years from the date of Recordation of this Declaration.

9.3 Amendment of Plat and Adjustment of Boundaries. Declarant may unilaterally amend the Plat at any time and shall enjoy power as attorney-in-fact to sign an amendment to the Plat effectuating changes for and on behalf of any then-existing Owner or Owners. Such amendment of the Plat includes, without limitation, "as-built" specifics upon completion of part or all of the Project, minor boundary adjustments, and realignments of Project boundaries, including Unit boundaries as to those Units not yet constructed.

9.4 Appearance and Design. So long as Declarant retains the Declarant Rights hereunder, Declarant may unilaterally promulgate rules concerning the design, appearance, and maintenance of the Project. From and after the termination of the Period of Administrative Control, the Association shall have the right to promulgate and enforce such rules.

9.5 Right to Develop. Prior to termination of the Period of Administrative Control, there shall be no limitations on Declarant's right to modify or implement its plan of development, including without limitation, obtaining zoning determinations and other governmental approvals, so long as such actions do not materially, adversely affect the rights of any then-existing Owners of Units other than Declarant or the Association. Neither Association, Management Committee,

nor the Owners may take any action or adopt any rule or regulation which interferes with Declarant's rights hereunder.

9.6 Right to Assign. Declarant, in its Discretion, at any time, and without requiring notice to or consent of any Owner, has the right to unilaterally assign any portion or all of the Declarant Rights to any Person acquiring title to all or a portion of the Property for the purposes of developing the Project.

**ARTICLE X
RESTRICTIONS ON USE**

10.1 Residential Use Only. Each Unit shall be used for single-family residential living purposes only.

10.2 Leasing. All Leases shall be in writing. Any and all Leases of Units shall be for the entirety of a Unit and may not lease portions of a Unit to separate Persons or individuals.

(a) Leases Subject to Governing Documents. Each Lease is subject, in all respects, to the Governing Documents. Tenants shall be considered residents and shall be subject to the Governing Documents and all other documents regulating the Project and the Property. Any failure by such Owner or any lessee to comply with the terms of the Governing Documents shall be a default under the Lease. Liability for the conduct of tenants of an Owner's Unit resides wholly with the Owner who rents or leases its Unit.

(b) Leasing to Club Members Only. No Owner may enter into a Lease with any Person who is not a member of the Club, or to any member of the Club who is in default under any and all Club agreements and requirements or otherwise not in good standing with the Club. Owner shall be responsible and liable for any damage to the Property caused by its tenants.

10.3 Nuisances. No noxious or offensive activity, nor any use, activity or practice which interferes with the peaceful enjoyment or possession and use of the Project or any portion thereof shall be carried out upon any Unit nor shall anything be done or placed on any Unit that is or may become a nuisance or cause significant embarrassment, disturbance, or annoyance to others. No nuisance is permitted in the Project. Such prohibition includes each violation and all violations of the Master Governing Documents, the Project Governing Documents, or both. Owners shall not engage in any behavior on or use of the Property which causes material embarrassment, disturbance, or annoyance to others within the Project and the Community.

10.4 Restrictions on Signs. With the exception of a sign no larger than six (6) square feet identifying the architect and a sign of similar dimension identifying the prime contractor to be displayed only during the course of construction, and a sign no larger than three (3) square feet for the Owner to advertise the Owner's Unit for sale, no signs or advertising devices, including, without limitation, commercial, political, informational or directional signs or devices, shall be erected or maintained on any of the Units, Project Limited Common Areas, or Project Common Areas.

10.5 Maintenance of Unit. All Units shall be kept and maintained by the Owner thereof in a clean, safe, attractive, and sightly condition, and in all respects in good repair.

10.6 No Annoying Lights, Sounds, or Odors. No light that is unreasonably bright or causes unreasonable glare or does not comply with the Rules shall be emitted from any Unit. No sound that is unreasonably loud or annoying including, without limitation, speakers, horns, whistles, bells, or other sound devices shall be emitted from any Unit, except security and fire alarm devices used exclusively to protect the Project or Improvements thereon. No odors shall be emitted from any Unit that are noxious or offensive to others. In the event that there any such annoyances emitting from any such Unit, Declarant and Association have the right to inquire regarding the same, assess fines or fees for ongoing violations of this Section, and, if reasonably necessary, to enter into Units to investigate and remedy such violations.

10.7 No Hazardous Activities. No activities that are or might be unsafe or hazardous to any Person or property shall be conducted in any Unit or on the Property. Without limiting the generality of the foregoing, no firearms shall be discharged upon the Property and no open fires shall be lighted or permitted on the Project except in an interior fireplace or a contained barbecue unit while attended and in use for cooking purposes.

10.8 No Unsightliness. No unsightliness shall be permitted upon any of the Property without the prior written consent of Management Committee. Without limiting the generality of the foregoing, this restriction is effective against and applies to, without limitation, (a) any unsightly equipment, satellite dishes, antennas, tools, objects and conditions that are not screened from view as required by the Rules or Management Committee, except equipment and tools when in actual use for construction, maintenance or repairs; (b) trailers, mobile homes, tractors, truck campers, or trucks (other than pickup trucks used by individual Owners or their Guests); (c) vehicles, boats, or other vehicles or equipment being constructed, reconstructed, repaired or abandoned; (d) lumber, grass, shrub or tree clippings, plant waste, metals, bulk materials or scrap on the Property, including the Units; (e) refuse, garbage and trash not within a Unit or placed in designated trash containers within the Property; (f) hanging, drying or airing of clothing or household fabrics visible from any other area on the Project (including Units); (g) personal property of any kind belonging to any Owner not within an Owner's respective Unit, except for a doormat outside the entrance to such Owner's Unit, which shall be neatly kept, no larger than 24" x 36", and reasonably compatible with the décor of the Project.

10.9 Association Rules. All Owners are given notice that use of their Units, the Project Limited Common Areas, and the Project Common Areas is limited by the Rules as may be modified from time to time in Management Committee's Discretion. No form of the Rules, amendments, additions, or replacements of the same shall be Recorded. The adoption, amendment, and enforcement of the Rules do not require a vote of the Owners.

10.10 Notice to Owners; Owner's Acknowledgements and Consents.

(a) Construction Activities. As of the date of this Declaration, the Project is located in an area that is subject to or near ongoing construction activities (the "Construction Activities"). The Construction Activities are expected to generate an unpredictable amount of visible, audible, and odorous impacts and disturbances. The Construction Activities may include, without limitation: (i) construction traffic (including, without limitation, construction vehicles, equipment and vehicles used or owned by adjacent landowners, Declarant, Association, their respective Directors, Officers, members, partners, agents, employees, successors and assigns,

general contractors, and the employees, agents and contractors of any of them); and (ii) construction activities (including, without limitation, grading, excavation, clearing, site work, overhead cranes, relocation of roadways and public utilities, and construction of Improvements) relating to the Project or nearby properties. Each Owner, by acquiring an interest in the Condominium Project, acknowledges that the Construction Activities and the impacts and disturbances generated by the Construction Activities may occur in and around the Project, and may occur during daytime or nighttime and may be temporarily or permanently interrupted, discontinued, or modified, in whole or in part, from time to time. Each Owner, by acquiring an interest in the Project, forever waives and releases any actions or claims the Owner and its successors and assigns may have against adjacent landowners, Declarant, Association, their respective Directors, Officers, members, partners, agents, employees, successors and assigns, general contractors, and the employees, agents and contractors of any of them, which in any way arise out of the existence, occurrence, or the temporary or permanent interruption, discontinuance or modification of the Construction Activities and such impacts and disturbances.

(b) Noise between Units. Each Owner, by taking title to a Unit, (a) acknowledges, understands, agrees, and consents that (i) its Unit is adjacent to, above and/or below one or more other Units, Project Limited Common Area, Project Common Areas, or any combination of the same; (ii) noise from such Project areas, as well as other sources, will be transmitted into the Owner's Unit; (iii) noise from the Owner's Unit will be transmitted into other such Project areas (including Units); (iv) the Units are not soundproof; and (b) accepts whatever noise may be transmitted to the Unit from whatever source.

(c) Security. Declarant, Association, their respective Directors, Officers, members, partners, agents, employees, successors and assigns, general contractors, and the employees, agents and contractors of any of them shall not in any way be considered insurers or guarantors of security within the Project, and none of the foregoing shall be held liable for any loss or damage by reason of failure to provide adequate security, ineffectiveness of security measures undertaken, or acts of third parties. Each Owner, for itself and its Guests, as applicable, acknowledges that Association, Management Committee, Declarant, their affiliates and contractors, and committees established by any of the foregoing entities, are not insurers and that each Owner, for itself and its Guests, as applicable, assumes all risk of loss or damage to persons, Units, the contents of Units, and all Owner's and its Guests' personal property. Further, each Owner, for itself and its Guests, as applicable, acknowledges that Association, Management Committee, Declarant, their affiliates and contractors, and committees established by any of the foregoing entities have made no representations or warranties, nor has any other Owner, or its Guests relied upon any representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any security measures recommended or undertaken.

(d) Recreational Facilities. Owner, by acquiring a Unit, acknowledges that the Community includes privately owned and operated Recreational Facilities, including, without limitation, ski trails, ski facilities, recreational hiking and biking trails, equestrian facilities and trails, and hunting facilities and trails. The Recreational Facilities and planning, development, installation, construction, maintenance, and operations of the same may create an unpredictable amount of odorous, audible, and visible impacts and disturbances at all times of day and night. This includes, without limitation, vehicles which transport Owners and Guests to, from, and around

the Recreational Facilities and the Community, construction vehicles and equipment, snowmaking equipment and operations, snow removal measures, grading and earthmoving, and activities relating to the Recreational Facility such as skiing, snowboarding, horseback riding, hiking, bicycling, and other recreational and organized activities and events.

(e) Other Properties. Owner, by acquiring a Unit, acknowledges that other projects are or will be located adjacent to and in the general vicinity of the Project (the "Other Properties") and that the Other Properties may be developed pursuant to the Ordinances. This includes, without limitation, agricultural land adjacent to the Community. Association, Management Committee, Declarant, their affiliates and contractors, and committees established by any of the foregoing entities do not make any representations concerning the planned uses of the Other Properties, and no Owner may claim otherwise. Each Owner further acknowledges that the zoning for the Project and the Other Properties is established and governed by the Ordinances. Any amendment of the Ordinances requires approval of the applicable governmental entity. By acquiring a Unit, each Owner acknowledges that it has not relied upon any statements or representations regarding the Project or the Other Properties, including, without limitation, any representations made by Declarant or any agents or employees of Declarant or any real estate agency or any agent, except for those statements and representations expressly set forth in this Declaration and the Ordinances.

(f) No View Easement. Notwithstanding anything contained in this Declaration to the contrary, each Owner, for itself and its Guests, as applicable, acknowledges and agrees that there is no easement or other right (express, or implied) for the benefit of any Unit or other portion of the Property for light, view, or air included in or created by this Declaration or as a result of ownership of the respective Owner's Unit. Further any view, sight lines, or openings for light or air available from the Unit, or anywhere else on the Property, may be blocked or altered in whole or in part in the future by virtue of natural or unnatural causes, including but not limited to future construction or expansion of commercial or residential buildings or facilities, natural or artificial growth, loss or other alteration of vegetation or the surrounding landscape. EACH OWNER, FOR ITSELF AND ITS GUESTS, AS APPLICABLE, BY ACQUIRING AN INTEREST IN THE PROJECT, HEREBY DISCLAIMS ANY AND ALL REPRESENTATIONS, WARRANTIES, OBLIGATIONS OR LIABILITIES CONCERNING SUCH EASEMENTS OR OTHER RIGHTS, WHETHER EXPRESS OR IMPLIED, FOR LIGHT, AIR, OR VIEW IN SUCH OWNER'S UNIT OR ANY OTHER PORTION OF THE PROPERTY. EACH OWNER, BY ACQUIRING AN INTEREST IN THE PROJECT, HEREBY ACCEPTS SUCH DISCLAIMER, AND AGREES THAT DECLARANT AND ITS AFFILIATES WILL NOT HAVE ANY OBLIGATION OR LIABILITY FOR, AND WAIVES ANY CLAIM AGAINST DECLARANT OR ITS AFFILIATES, AND THEIR CONTRACTORS OR AGENTS, RELATED TO ANY LOSS OF LIGHT, AIR, OR VIEW THAT MAY AFFECT THE UNIT OR THE PROJECT.

(g) Unit Size. There are several ways to measure the square footage of a condominium unit, such as measurements from the outside, inside, or mid-point of perimeter walls. Statements of approximate dimensions, floor areas, ceiling heights or volumes (collectively, "Area") of a Unit may be made in construction drawings, marketing materials or other items reviewed by an Owner. Those statements of Area are based on measurements that, in some instances, are measured to the mid-point or outside of the perimeter walls of the Unit, as opposed to the actual boundary of the Unit, as defined in this Declaration and on the Plat. This may result

in the Area of the Unit as stated in this Declaration (or any other documents) being lower than the Area of the Unit as stated in such construction drawings, marketing materials or other items that an Owner may have reviewed. BY TAKING TITLE TO A UNIT, EACH OWNER FOR ITSELF AND ITS GUESTS, AS APPLICABLE, EXPRESSLY ACKNOWLEDGES AND AGREES THAT THE CONSTRUCTION DRAWINGS AND MARKETING MATERIALS FOR THE UNIT MAY REFLECT AREA THAT IS LARGER OR INCLUDES MORE SQUARE FOOTAGE THAN WHAT MAY BE THE ACTUAL "AS-BUILT" AREA. DECLARANT HEREBY DISCLAIMS ANY AND ALL REPRESENTATIONS, WARRANTIES, OBLIGATIONS OR LIABILITIES CONCERNING THE AREA OF THE UNIT AND COMMON AREAS. DECLARANT, GENERAL CONTRACTOR AND THEIR AFFILIATES WILL NOT HAVE ANY OBLIGATION OR LIABILITY FOR DISCREPANCIES RELATED TO THE AREA OF THE UNIT OR THE COMMON AREAS. BY TAKING TITLE TO A UNIT, EACH OWNER FOR ITSELF AND ITS GUESTS, AS APPLICABLE, EACH OWNER WAIVES ANY AND ALL CLAIMS RELATED TO OR ARISING FROM THE SAME.

ARTICLE XI CONDOMINIUM ASSOCIATION

11.1 Membership in Association. Each Owner shall be, in conjunction with all other Owners, members of Association, the characteristics and nature of which shall be governed in accordance with the Act and applicable law.

11.2 Management Committee. The management and maintenance of the Project and Units shall be governed by Management Committee. Management Committee shall consist of at least three (3) and not more than five (5) natural persons as set forth in the Bylaws and Articles. After the Period of Administrative Control, Management Committee shall be elected in accordance with the Articles and Bylaws.

11.3 Operations and Maintenance. Except to the extent any such functions are the responsibility of Master Association, Association shall be responsible for the operation, management, regulation, repair, replacement, and maintenance of the Project Limited Common Areas and Project Common Areas. In addition, Association may operate, manage, regulate, repair, replace, and maintain other areas and facilities within the Project as Management Committee may determine to be in the best interests of the Owners and the Project generally or as may be necessary to comply with any Ordinance. Such maintenance and operation shall include without limitation, cleaning, painting, periodic resurfacing, snow removal, sanding, salting, trash removal, speed regulation, revegetation, and the placement of signs and monuments.

Without limiting the foregoing, Association is obligated to operate, manage, regulate, maintain, repair, and replace all Project Limited Common Areas and Project Common Areas now in existence or that may be designated as such in the future.

11.4 Voting Rights. Association shall have two (2) classes of membership, "Class A Members" and a "Class B Member" as each is described below.

(a) Class A Members shall be all Owners (including Declarant, after the termination of Period of Administrative Control). Class A members shall be entitled to a vote equal

to that listed on the Allocated Interest Table for such Unit. When more than one (1) Person owns an interest in a Unit, each such Person shall be a member of Association and each such co-Owner shall be entitled to the vote allotted to the Unit, as reflected on the Allocated Interest Table, by the number of co-Owners for such Unit, but in no event shall more than the vote for each Unit as reflected on the Allocation Interest Table be cast with respect to any Unit. The voting rights appurtenant to each Unit shall vest upon execution and Recording of this Declaration. The number of votes appurtenant to each Unit shall have a permanent character, and, except as otherwise permitted and provided for in this Declaration, shall not be altered except as may be permitted in accordance with and pursuant to the Act.

(b) The Class B Member is Declarant. Declarant, as the Class B Member, shall have the exclusive right to control Association and has the exclusive right (either directly or through a person designated by Declarant) to elect, appoint, and remove the members of Management Committee and Officers until the termination of Period of Administrative Control. The Class B Member shall have the right to vote the interests of all unconstructed Units and all Units not otherwise conveyed to Association or a third party.

(c) Upon the expiration of Period of Administrative Control, Declarant shall retain the voting rights of a Class A Member even though the special voting and control rights of the Class B Member have ceased and terminated.

ARTICLE XII ASSESSMENTS

12.1 Assessments and Reinvestment Fee. Association shall have the right to levy and collect Project Common Assessments, Project Specific Assessments, and Project Special Assessments as provided in this Section.

(a) Project Common Assessments.

(i) Purpose of Project Common Assessments. The Project Common Assessments levied by Association shall be used (A) for the payment of all estimated expenses connected with the operation of Association to promote the common health, safety, benefit, recreation and welfare of the Owners, (B) to meet any obligations imposed on, incurred or assumed by Association, and (C) to cover costs, including overhead and administrative costs for the operation of Association and the operation, management, maintenance, repair, and replacement of the Project Common Areas. Such costs may include, without limitation, utilities serving the Property, expenses for snow removal, taxes, premiums for all insurance that Association is required or permitted to maintain pursuant hereto, repairs and maintenance, wages for Association employees, consideration for service agreements with local service districts, compensation of a property manager, legal and accounting fees, the establishment of adequate Project Reserve Funds, surplus funds, sinking funds, capital items and other purposes, and any other expenses and liabilities that may be incurred by Association for the benefit of the Owners and the Project. Project Common Assessments shall be levied against each Unit and the Owner thereof and shall be payable in such manner and at such times, including monthly or quarterly installments, as Management Committee may determine.

(ii) Basis of Project Common Assessments. The total Project Common Assessments shall be determined on the basis of a fiscal year beginning January 1 and ending December 31 next following, provided the first fiscal year shall begin on the date this Declaration is Recorded and end on December 31 of that year. On or before November 1 of each year thereafter, Management Committee shall prepare and furnish to each Owner or cause to be prepared and furnished to each Owner, an operating budget for the upcoming fiscal year which has been duly adopted by Management Committee (the "Adopted Budget"). The Adopted Budget shall itemize the estimated Project Common Expenses for such fiscal year, anticipated receipts (if any) and any deficit or surplus from the prior operating fiscal year. The Adopted Budget shall serve as the supporting document for the Project Common Assessments for the upcoming fiscal year and as the major guideline under which the Project shall be operated during such fiscal year. Management Committee shall present the Adopted Budget to Owners at a meeting of members. No vote shall be required to approve the Adopted Budget, but the Adopted Budget may be disapproved by a vote of Owners holding at least fifty-one percent (51%) of all the allocated voting interests of the Owners taken at a special meeting of Owners held (A) for the purpose of holding a vote to disapprove the Adopted Budget; and (B) within forty-five (45) days of the date of the meeting at which Management Committee presented the Adopted Budget to the Owners; provided, however, that during Period of Administrative Control, Owners may not disapprove an Adopted Budget.

(iii) Project Reserve Funds. Project Common Assessments may include reasonable amounts as determined by Management Committee collected as Project Reserve Funds for the future periodic maintenance, repair and replacement of all or a portion of the Project Common Areas, or for any other purpose as determined by Management Committee. All amounts collected as Project Reserve Funds, whether pursuant to this Section or otherwise, shall be deposited by Management Committee in a separate bank account to be held in trust for the purposes for which they are collected. Said amounts shall be segregated from and not commingled with any other funds of Association. Such Project Reserve Funds shall be deemed a contribution to the capital account of Association by the Owners. No Owner is or shall be entitled to a refund of any Assessment, even if such Assessment is made in whole or in part to fund the Project Reserve Funds, even if Owner does not, prior to conveying its Unit to a new owner, enjoy any benefit from the Project Reserve Funds.

(b) Project Specific Assessments. Association may impose and levy Project Specific Assessments at any time during the calendar year against a particular Unit and the Owner thereof, when applicable. Project Specific Assessments may be levied in advance of Association providing any services (as further detailed below) and may cover any and all costs, including overhead and administrative costs and attorney's fees and costs related to and arising from the following:

(i) Planning, installation, construction, maintenance, repair, and operation of the Limited Common Areas appurtenant to the respective Unit, which costs shall be borne by and assessed equally against only those Units appurtenant to the respective Limited Common Area and whose Owners thereby have the exclusive use thereof;

(ii) Providing particular services, items, or benefits to a Unit at the request of the Owner thereof pursuant to a list of special services that Management Committee may authorize from time to time including, without limitation, snow removal, landscape maintenance, and handyperson services;

(iii) Enforcing any provision of the Articles, Bylaws, this Declaration, and the Master Governing Documents, against the Owner, or of bringing any Unit into compliance with such requirements; and

(iv) Maintenance, repairs, or replacements of or within the Project arising out of or caused by the willful or negligent act or commission of an Owner or its Guests.

(c) Purpose of Project Special Assessments. Association may impose and levy Project Special Assessments from time to time to cover unbudgeted expenses in excess of those budgeted and for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement of or within (i) the Project or (ii) the Property, including fixtures and personal property related thereto; provided, however, that any Project Special Assessment in excess of Two Hundred Fifty Thousand Dollars and 00/100 (\$250,000.00) in the aggregate (not specific to a particular Unit) shall require the affirmative vote or written consent of a simple majority (51% or more) of Owners. Project Special Assessments shall be levied against each Unit and the Owner thereof and shall be payable in such manner and at such times, including installments over time, as Management Committee may determine.

(d) Notification of Sale, Reinvestment Fee, and Other Fees. Prior to or concurrently with the consummation of the sale or other transfer of any Unit, the parties to such transaction shall notify Association in writing of such transfer. In addition to all other Assessments, and upon the transfer or conveyance of Unit, there shall be a Reinvestment Fee (as defined in the Master Declaration) and a fee for payoff information as to any unpaid Assessments relative to the Unit ("Payoff Fee"). The Reinvestment Fee shall be levied against the transferee. The Payoff Fee shall be paid by either Owner or the transferee as specified in and in accordance with the purchase and sale agreement entered into relative to the respective Unit. Master Association may, in its Discretion and in accordance with a written agreement with the Association, distribute part or all of the Reinvestment Fee to Association. The Reinvestment Fee, or any portion thereof, received by Association may be used to benefit the Project in accordance with state law, the Master Declaration, this Declaration, and the applicable Notice of Reinvestment Fee as Recorded against the Property.

12.2 Uniform Percentage. The Project Common Assessments and Project Special Assessments shall be fixed at a uniform rate and in accordance with the Allocated Interest for each Unit and shall be in an amount sufficient to meet the expected needs of Association. Project Specific Assessments for costs arising from the maintenance and operation of Project Limited Common Areas shall be fixed at a uniform percentage for all Units appurtenant to and served by the Project Limited Common Areas to which the Project Specific Assessments apply. In the event that a Project Specific Assessment applies to some but not all Units or Owners, the full Project Specific Assessment shall be assessed against only such Units equally. In the event that a Project

Specific Assessment applies to a single Unit or Owner, the full Project Specific Assessment shall be assessed only against that Owner and Unit.

12.3 Creation of the Lien and Personal Obligation of Assessments. Excepting Declarant during the Period of Administrative Control, each Owner of any Unit, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay Assessments, and fees, costs, interest, and fines levied as provided herein, and each such Assessment, fee, cost, interest, fine, or any combination of the foregoing (which include all costs and are not limited by those costs that may be awarded under the Utah Rules of Civil Procedure) and reasonable attorneys' fees for the collection thereof, shall be a charge on the Unit and shall, pursuant to applicable law, be a continuing lien upon the Unit against which such Assessment is made. In accordance with and pursuant to the Act, Association may impose a fine for violation of this Declaration and the Rules, as provided in the Project Governing Documents, and Association has a lien on each Unit for all such Assessments, fees, costs, interest, and fines assessed against an Owner or a Unit by Association. Upon an Owner's failure to pay any Assessment, fee, cost, interest, or fine, Association may, but need not, Record a notice of lien on a Unit ("Notice of Lien"). Each such Assessment fee, cost, interest, fine, or any combination of the foregoing, together with reasonable attorneys' fees, shall also be the personal obligation of the Person who was the Owner of such Unit at the time when the Assessment, fee, cost, interest, fine, or any combination of the foregoing fell due. If a Unit is purchased by or transferred to a corporation, trust, limited liability company, partnership or other entity, at least one financially responsible individual who is a shareholder, member or partner of such entity, shall sign and deliver to Management Committee a personal guarantee in a form approved by Management Committee and agree to guaranty payment of all Assessments, fees, costs, interest, fines, and any combination of the foregoing against such Unit, as well as any other financial obligation of the Owner arising from this Declaration, Bylaws or Rules, provided however, that this does not apply to any Unit owned by Declarant until the transfer of such Unit to an Owner. An Owner may appeal an Assessment fee, cost, interest, fine, or any combination of the foregoing only as permitted in accordance with and pursuant to the Act.

12.4 Power to Collect Assessments on Behalf of Master Association. The Project and each Unit therein is subject to the Master Declaration and all Owners are members of the Master Association. Association shall have the power, with the consent of Master Association, to collect all Master Assessments, fees, costs, interest, fines, and any combination of the foregoing levied by Master Association in accordance with the Master Declaration, as though such rights and obligations were specifically set forth herein. Such Master Assessments, to the extent assessed and collected by Association, shall be considered for all intents and purposes an Assessment, as such term is defined herein, and Association shall have all remedies afforded it herein for the collection and enforcement of such Assessments, including, without limitation, Recording a Notice of Lien on a Unit, the Owner of which has failed to pay any such Assessment on the day and time that such Assessment is due and payable. Should an Owner fail to pay only one or more Master Assessments, the Recorded Notice of Lien shall indicate that the lien benefits both the Association and the Master Association.

12.5 Adjustment of Assessments. All Assessments shall be adjusted to accurately reflect the respective Allocated Interest appurtenant to each Unit. In the event that any Plat is revised, or any new Plat is filed, approved, and Recorded, Declarant, during the Period of Administrative

Control, and Management Committee after the termination of the Period of Administrative Control, shall adjust Assessments in accordance with any adjusted Allocated Interest appurtenant to each Unit.

12.6 No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation, a claim that (i) Association is not properly exercising its duties and powers as provided in this Declaration, or (ii) an Owner has made or elects to make no use of the Project Common Areas.

12.7 Homestead Waiver. Each Owner, to the extent permitted by law, does hereby waive, to the extent of any liens created pursuant to this Declaration, whether such liens are now in existence or are created at any time in the future, the benefit of any homestead or exemption laws of the State of Utah now in effect from time-to-time hereafter.

12.8 Date of Commencement of Assessments. Project Common Assessments and Project Special Assessments shall not be assessed against Units owned by Declarant until such Units have been sold and conveyed to third-party purchasers. Common and Special Assessments shall commence as to all other Units on the first day of the month following the earlier of (a) the first conveyance of Project Common Areas to Association or (b) 180 days after the Recording of the first Plat, whichever occurs first. The first Project Common Assessment shall be adjusted according to the number of months remaining in the fiscal year of Association. In the event the amount budgeted to meet Project Common Expenses for the then-current fiscal year proves to be excessive in light of the actual Project Common Expenses, Management Committee in its Discretion may either reduce the amount of Project Common Assessments or may abate collection of Project Common Assessments as it deems appropriate. Nothing in this Section shall require Management Committee either to abate or reduce the amount of Project Common Assessments.

12.9 Declarant's Subsidy. At the election of Declarant, and upon Declarant executing and delivering to Association a written subsidy agreement, Declarant shall have the right to subsidize Association rather than paying Assessments that would otherwise be assessed against such Declarant-owned Units. In the event Declarant chooses to so subsidize Association, then, during the Period of Administrative Control, no Assessments shall be levied against Units owned by Declarant. In lieu of paying such Assessments, Declarant shall subsidize Association for the amount by which the cost of operating and administering Association exceeds the total amount of Assessments levied against Units owned by Owners other than Declarant. The subsidy may be in the form of cash or in the form of "in-kind" contributions of goods or services, or in any combination of the foregoing, and any subsidies made by Declarant in the form of "in-kind" contributions of goods or services shall be valued at the fair market value of the goods or services contributed. Declarant shall make such subsidy payments or contributions at such times as Management Committee may reasonably request from time to time (but shall not be required to make such payments or contributions more often than annually). At the end of each fiscal year of Association, either: (a) Declarant shall pay or contribute to Association such additional funds, goods or services (or any combination thereof) as may be necessary, when added to all other funds, goods and services paid or contributed by Declarant during such fiscal year, to satisfy Declarant's subsidy obligations in full for such fiscal year; or (b) Association shall pay to Declarant or credit against Declarant's subsidy obligation for the immediately following fiscal year, as Declarant may

elect, the amount, if any, by which the total of all payments or contributions paid or made by Declarant during such fiscal year exceeded the total subsidy obligation of Declarant for such fiscal year.

12.10 Reports to Owners. Management Committee shall prepare an annual balance sheet and operating statement reflecting income and expenditures of Association for each calendar year and shall cause to be distributed a copy of each such statement to each Owner. Such statement shall include an itemization of the expenses incurred by Association during such year in performing its functions under this Declaration. Any income that is a surplus based on the prior year's income and expenditures shall be (a) applied as a credit on the following year's budget, or (b) at Management Committee's Discretion, deposited as part of the Project Reserve Funds, which deposit shall be reflected in the following year's budget.

12.11 Non-Payment of Assessments: Remedies of Association. Any installment of an Assessment not paid within thirty (30) days after the due date shall bear interest from the due date of such installment to the date paid at the rate of eighteen percent (18%) per annum. If any installment of an Assessment is not paid within thirty (30) days after it is due, the Owner responsible therefor may be required further by Management Committee to pay a late charge of One Hundred Dollars (\$100.00) or five percent (5%) of the amount of the delinquent installment, whichever is greater. Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Unit. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Project Common Areas or by abandonment of the Owner's Unit. Association shall have the power, at the election of Master Association, to enforce such remedies for non-payment of Assessments due pursuant to the Master Declaration.

12.12 Notice of Default. No action shall be brought to enforce any Assessment lien herein, unless at least thirty (30) days has expired following the date Association deposits in the United States mail, postage prepaid, notice of such default (each a "Notice of Default") to the Owner of the Unit, and Records a Notice of Lien. Said Notice of Default must recite a good and sufficient legal description of the Unit, the Record Owner or reputed Owner thereof, the amount claimed (which may at Association's option include interest on the unpaid Assessment, fee, or fine at eighteen percent (18%) per annum, plus reasonable attorney's fees, and expenses of collection in connection with the debt secured by said lien), and the name and address of the claimant. Such Notice of Default shall be signed and acknowledged by an Officer and said Recorded Notice of Lien shall be prior to any other document Recorded after the date on which this Declaration is Recorded. The lien shall continue until fully paid or otherwise satisfied.

12.13 Foreclosure Sale. Association has all rights of foreclosure granted by the Act, both judicially and non-judicially. In accordance with the Act, Declarant conveys and warrants to Cottonwood Title located at 7020 S. Union Park Avenue, Midvale, UT 84047, with power of sale, each Unit, and all improvements to the Unit the purpose of securing payment of Assessments under the terms of this Declaration. Association may appoint a qualified successor trustee by executing and Recording a substitution of trustee form. Declarant and Association, through duly authorized agents, shall have the power to bid at any foreclosure sale.

12.14 Curing of Default. Upon the timely curing of any default for which a Notice of Lien in Recorded, the Officers shall Record an appropriate Release of Lien, upon payment by the defaulting Owner of a reasonable fee, which shall be determined by Association in its Discretion, to cover the cost of preparing and Recording such release.

12.15 Certificate as to Indebtedness. A certificate executed and acknowledged by any two (2) members of Management Committee stating the indebtedness secured by the liens upon any Unit created hereunder shall be conclusive of and binding upon Association and the Owners as to the amount of such indebtedness as of the date of the certificate, in favor of all Persons who rely thereon in good faith.

12.16 Cumulative Remedies. The Assessment liens and the rights of foreclosure and sale hereunder shall be in addition to and not in substitution for all other rights and remedies which Association and its assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid Assessments, as above provided.

12.17 Title to the Project Common Areas. Declarant hereby agrees that it will convey or assign (where Declarant owns less than the title) all of its right, title, and interest in and to the Project Common Areas to Association, free and clear of all encumbrances and liens, subject to following:

- (a) Easements, conditions, and reservations set forth in this Declaration, any Plat, and any Master Plat;
- (b) Liens for taxes and Assessments;
- (c) The terms of other easements and reservations in Declarant's chain of title, excluding financial liens; and
- (d) Declarant may delay, in whole or in part, the conveyance of title or assignment of Declarant rights until after the Recording of a Plat or Plats.

12.18 Taxes on Project Common Areas. Taxes or Assessments levied or assessed against or upon the Project Common Areas shall be paid by Association and shall constitute a portion of the Project Common Expenses. Each Owner shall execute such instruments and take such action as may be reasonably specified by Association to obtain separate real estate tax assessments on the Owner's Unit, which tax assessments shall be the sole and absolute responsibility of each such Unit's Owner.

12.19 Damage or Destruction to Project Common Areas. Damage to or destruction of all or any portion of the Project Common Areas shall be managed in the following manner, notwithstanding any provision in this Declaration to the contrary:

- (a) Each and every Owner hereby irrevocably constitutes and appoints Association as such Owner's true and lawful attorney-in-fact in such Owner's name, place, and stead for the purpose of dealing with the Improvements on the Project Common Areas upon damage or destruction as provided in this Section. Acceptance by any grantee of a deed or other instrument of conveyance from Declarant or from any Owner shall constitute appointment of the

attorney-in-fact as herein provided. As attorney-in-fact, Association shall have full and complete authorization, right, and power to make, execute, and deliver any contract, assignment, deed, waiver, or other instrument with respect to the interest of any Owner that may be necessary or appropriate to exercise the powers granted to Association as attorney-in-fact. All proceeds from the insurance required hereunder shall be payable to Association unless otherwise provided in this Declaration.

(b) In the event of damage or destruction to any Project Common Area, and if the insurance proceeds are sufficient to effect total restoration, then Association shall cause such Project Common Area to be repaired and reconstructed substantially as it previously existed.

(c) If the insurance proceeds are insufficient to effect total restoration, then Association shall cause such Project Common Area to be repaired and reconstructed substantially as it previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a Project Special Assessment against each of the Owners, in accordance with the provisions of this Declaration.

(d) If Owners representing at least seventy-five percent (75%) of the votes of the Owners in Association and fifty-one percent (51%) of the Mortgagees (based upon one vote for each Mortgage owned) of the Units vote not to repair and reconstruct and no alternative Project Improvements are authorized, then the affected portion of the Project Common Areas shall be restored to their natural state and maintained as an undeveloped portion of the Project Common Areas by Association in a neat and attractive condition, and any remaining insurance proceeds shall be distributed to Association or as otherwise required under the Act.

(e) Association shall give timely written notice to any holder of any First Mortgage on a Unit who requests such notice in writing in the event of substantial damage to or destruction of a material part of the Project Common Areas.

ARTICLE XIII INSURANCE

13.1 Association's Insurance. Association has the following responsibilities with respect to insurance and, except as otherwise expressly provided in this Declaration, the cost of all insurance maintained by Association under this Section will be included in the Project Common Expenses.

(a) Generally. Association will obtain and maintain property insurance in amounts, against risks, and containing provisions as Management Committee reasonably determines from time to time. Association's property insurance will be maintained in the name of Association, for the use and benefit of all Owners, who must be named as additional insureds (but only for liability arising out of an Owner's interest in the Project Common Areas, Project Limited Common Areas, or membership in Association), and Mortgagees, who may be named as additional insureds, as their interests may appear. To the extent allowed by the insurance carrier, the Owners and Mortgagees need not be named individually in order to constitute additional insured parties, but rather can be named generically (i.e., each Owner is an additional insured party individually with respect to liability arising out of such Owner's interest in the Project Common Areas or

membership in Association). To the extent available such property insurance also will (i) contain no provisions by which the insurer may impose a so-called "co-insurance" penalty; (ii) permit a waiver of claims by Association, and provide for a waiver of subrogation rights by the insurer as to claims, against each Owner and the members of the Owner's household; (iii) be written as a primary policy, not contributing with and not supplemental to any coverage that any Owner carries; (iv) provide that, notwithstanding any provision that gives the insurer an option to restore damage in lieu of making a cash settlement, the option may not be exercised if the proper party elects not to restore the damage in accordance with the provisions of this Declaration or the Act; (v) provide that no act or omission by any Owner, unless acting within the scope of the Owner's authority on behalf of Association, voids the policy or is a condition to recovery under the policy; (vi) provide that it may not be canceled, nor may coverage be reduced, without thirty (30) days' prior notice to Association and all additional insureds named in the policy; and (vii) include so-called "inflation guard," "building ordinance or law" and "steam boiler and machinery coverage" endorsements. If, as a result of any improvements or alterations made to or concerning a Unit by an Owner, the premium for Association's property insurance policy is increased to an amount exceeding what the premium would have been if the Owner had not made the improvements or alterations, Management Committee may assess the amount of the increase in premium against the Owner's Unit as a Project Specific Expense. Owners are advised that property insurance maintained in the name of Association, for the use and benefit of all Owners does not insure the contents of each Unit and that a separate policy for such contents should be maintained by each Owner. Association's insurance may exclude land, excavations, foundations, and other items normally excluded from property policies and may provide for a deductible in an amount not to exceed a reasonable and prudent amount as determined by Management Committee.

(b) Project Common Area Insurance. At a minimum and assuming the commercial availability and pricing of such coverage, Association's insurance must insure against all risks of direct physical loss for 100% of the full replacement cost (at the time the insurance is purchased and at the renewal date) of (i) the Project Common Areas (including all fixtures, Improvements and alterations situated on or constituting a part of the Project Common Areas) and the Units (excluding the finished interior surfaces of the walls, floors and ceilings of the Units or any improvements or betterments installed in the Unit); and (ii) any personal property of Association situated in the Project Common Areas or used in the operation or maintenance of the Project Common Areas, but excluding any Owner's personal property (or the personal property of the Owner's Guests). The cost of such insurance on the Project Common Areas shall be a part of the Project Common Expenses, the cost of which shall be part of the Project Common Assessments due and payable by each Owner as further detailed herein.

(c) Project Limited Common Area Insurance. At a minimum and assuming the commercial availability and pricing of such coverage, Association's insurance must insure against all risks of direct physical loss for 100% of the full replacement cost (at the time the insurance is purchased and at the renewal date) of (i) the Project Limited Common Areas (including all fixtures, Improvements and alterations situated on or constituting a part of the Project Limited Common Areas, excluding the finished interior surfaces of the walls, floors and ceilings of the Units or any improvements or betterments installed in a Unit); and (ii) any personal property of Association situated in the Project Limited Common Areas or used in the operation or maintenance of the Project Limited Common Areas, but excluding any Owner's personal property (or the personal property of the Owner's Guests) situated within one or more Project Limited Common Areas. The

cost of such insurance on the Project Limited Common Areas shall be assessed as a Project Specific Assessment due and payable by each Owner whose Unit is appurtenant to such Project Limited Common Areas as further depicted in the Plat or as detailed herein.

(d) Liability Insurance. Association will obtain and maintain Comprehensive Liability Insurance for bodily injury and property damage for the benefit of Association and its Officers, Directors, agents, and employees in amounts and with coverage as determined from time to time by Management Committee. All Owners must be named as additional insureds, but only for claims and liabilities arising in connection with (i) the ownership, existence, use or management of the Project Common Areas and Project Limited Common Areas; (ii) liability arising out of such Owner's interest in the Project Common Areas and Project Limited Common Areas; or (iii) membership in Association. To the extent allowed by the insurance carrier, the Owners need not be named individually in order to constitute additional insured parties, but rather can be named generically (i.e., each Owner is an additional insured party individually with respect to claims and liabilities arising in connection with the ownership, existence, use or management of the Project Common Areas and Project Limited Common Areas or for liability arising out of such Owner's interest in such areas or membership in Association). Such liability insurance will have a combined single occurrence limit of not less than \$1,000,000 and, to the extent available on reasonable terms, will (i) be on a commercial general liability form; (ii) contain a "severability of interest" or "cross-liability" endorsement which precludes the insurer from denying the claim of any named or additional insured due to the negligent acts, errors or omissions of any other named or additional insured; (iii) contain a waiver of subrogation by the insurer as to claims against Association, including their Directors, Officers, employees and agents, Owners and members of their households, and Declarant; (iv) be written as a primary policy, not contributing with and not supplemental to any coverage that any Owner may carry; (v) provide that no act or omission by any Owner, unless acting within the scope of such Owner's authority on behalf of Association, voids the policy or is a condition to recovery under the policy; (vi) insure all of the named and additional insured parties against liability for negligence resulting in death, bodily injury or property damage arising out of or in connection with the operation, use, ownership or maintenance of the Project Common Areas and Project Limited Common Areas; (vii) provide "dram shop" liability coverage or its equivalent in the event Association is selling or serving alcoholic beverages at the Project; and (viii) provide that it may not be canceled, nor may coverage be reduced, without forty-five (45) days' prior notice to Association and all additional insureds named in the policy. The liability insurance required to be maintained under this Section will not include coverage for any liability arising out of the operation, use, ownership, or maintenance of any Unit.

(e) Worker's Compensation and Employer's Liability. To the extent Association has any employees, Association will obtain and maintain worker's compensation and employer's liability insurance as determined from time to time by Management Committee. At a minimum, Association will maintain such insurance in amounts and with coverages required by applicable law.

(f) Directors' and Officers' Insurance. Association will obtain and maintain directors' and officers' liability coverage in the amount it determines from time to time.

(g) Fidelity Insurance. Association will obtain and maintain fidelity insurance covering losses resulting from dishonest or fraudulent acts committed Directors, Officers,

management companies, trustees, employees, or volunteers who manage the funds collected and held for the benefit of Association. The policy will name Association as the insured (or obligee) and include a provision requiring at least thirty (30) days' written notice to Association before any cancellation of, or material modification in, the policy, and provide coverage in an amount equal to at least three months' Assessments against all Units, based on the Assessments most recently approved by Management Committee. If Association engages a management company that manages funds of Association, the management company must also maintain fidelity insurance satisfying the foregoing requirements of this Section and provide evidence of the coverage to Management Committee.

(h) Other Insurance. In addition to the insurance otherwise required in this Section, Association will obtain and maintain any other insurance required by law and Association may obtain and maintain other insurance as Management Committee in its Discretion, from time to time, deems appropriate to protect Association or the Owners.

(i) Licensed Insurers. All policies of insurance required to be maintained by Association will be placed with insurers licensed in the State of Utah. At the inception of the policies and on each anniversary date, the respective carrier shall provide to Management Committee, a summary that includes a description of the type of policy, the coverage and limits of coverage, the amount of annual premium and the policy renewal dates. If obtainable without additional expense, the licensed insurance broker or agent shall certify that the policy complies with and satisfies the requirements of the applicable Sections of this Declaration.

13.2 Owner's Insurance. Each Owner has the following responsibilities with respect to insurance:

(a) Property Insurance. Each Owner must maintain, at its own expense, property insurance upon the Owner's Unit and all personal property and fixtures within the Owner's Unit, including the finished interior surfaces of the walls, floors and ceilings of the Unit and any improvements or betterments installed in the Unit, or in any Project Limited Common Area allocated to the Owner's Unit. Such insurance shall be in such amounts, against such risks, and containing such provisions as the Owner may reasonably determine from time to time. At a minimum, such property insurance must insure against all risks of direct physical loss for 100% of the full replacement cost (at the time the insurance is purchased and at the renewal date) of such property. Such property insurance shall (i) permit a waiver of claims by the Owner, and provide for a waiver of subrogation rights by the insurer as to claims, against Association, Directors, Officers, employees and agents, the other Owners and the members of such Owners' household; (ii) be written as a primary policy, not contributing with and not supplemental to any coverage that Association carries; and (iii) provide that, notwithstanding any provision that gives the insurer an option to restore damage in lieu of making a cash settlement, the option may not be exercised if the proper party elects not to restore the damage in accordance with the provisions of this Declaration or the Act. All insurance carried under this Section will provide that it may not be canceled, nor may coverage be reduced, without thirty (30) days' prior notice to Association and, notwithstanding that each Owner may select the amount and type of such insurance, for purposes of the waiver of claims set forth below, each Owner is deemed to have elected to obtain such insurance on a 100% replacement cost basis.

(b) Liability Insurance. Each Owner will maintain at its expense bodily injury and property damage liability insurance for the benefit of the Owner and any additional insured it names, in amounts and with coverage as are from time to time customarily maintained by prudent owners of similar property; provided, however, that such liability insurance must (i) have a combined single occurrence limit of not less than \$1,000,000; (ii) be written as a primary policy, not contributing with or supplemental to any coverage that Association or another Owner carries; (iii) insure all of the named and additional insured parties against liability for negligence resulting in death, bodily injury or property damage arising out of or in connection with the operation, use, ownership or maintenance of the Owner's Unit; and (iv) contain a waiver of subrogation by the insurer as to claims against Association Directors, Officers, employees and agents, owners and members of their households, and Declarant.

(c) Other Insurance. Each Owner may obtain additional insurance, at its own expense, affording condominium assessment, loss of rents, personal liability, and any other coverage obtainable, to the extent and in the amount the Owner deems necessary to protect its interests. Any such insurance must contain waivers as set forth in this Section and must provide that it is without contribution as against the insurance maintained by Association.

(d) Assignment of Proceeds. In the event a casualty loss is sustained and there is a reduction in the amount of proceeds that would otherwise be payable under any policy of insurance carried by Association due to the existence of any insurance carried by an Owner (for its benefit or for the benefit of such Owner's Guests) the Owner is liable to Association to the extent of the reduction and will pay the amount of the reduction to Association upon demand. Such Owner also hereby assigns the proceeds of its insurance, to the extent of such reduction, to Association.

13.3 Certificates of Insurance; Notice of Unavailability. Each Owner must provide to Association at the closing of the acquisition of its Unit and no less than ten (10) days prior to expiration of any coverage, certificate(s) of insurance evidencing the insurance required to be carried under this Section. Upon prior written request, Association will provide (or cause the applicable insurance carrier to provide) an Owner or a Mortgagee with a certificate of insurance evidencing the insurance required to be carried by Association. If the insurance described in this Declaration is not reasonably available, or if any policy of such insurance is canceled or not renewed and Association does not obtain a replacement policy for it, Association promptly will give notice of the fact to all Owners.

13.4 Waiver of Claims. Except as further detailed herein, (a) Association may not make a claim against any Owner or the members of the Owner's household, for any loss, damage, injury or liability, and (b) no Owner may make any claim against Association, Directors, Officers, employees or agents, or any other Owner or member of such Owner's household for any property loss or damage to property. All such claims are hereby waived, to the extent that the loss, damage, injury or liability is covered by any insurance policy that is required under this Declaration to (a) be maintained by or for the benefit of the waiving Person (assuming in the case of property insurance policies that such insurance policy is maintained on a 100% replacement cost basis); and (b) provide for a waiver of subrogation rights by the insurer. Such waiver shall also apply to all claims to the extent that such loss, damage, injury, or liability would have been covered by property insurance required under this Declaration had the waiving party maintained such property

insurance. For purposes of this Section, the deductible or self-insured retention amount under any property insurance policy required to be, or in fact, maintained by a waiving Person is deemed to be covered by the policy so that, in addition to waiving claims for amounts in excess of the deductible or self-insured retention (up to the covered limits, or deemed covered limits, of the policy), the waiving Person waives all claims for amounts within the deductible or self-insured retention.

13.5 Proceeds. Except as otherwise provided in this Declaration, Association has no claim to, and each Owner may receive all proceeds of any insurance policy maintained by such Owner. Management Committee is solely responsible for adjustment of any losses under insurance policies maintained by Association and is hereby irrevocably appointed the agent of all Owners, Mortgagees and other Persons having an interest in the Project for purposes of adjusting all claims arising under insurance policies maintained by Association and executing and delivering releases when claims are paid. Association will receive all proceeds of any insurance policy maintained by Association, except other insured parties under liability insurance policies will be entitled to proceeds arising out of their insured losses. Association will hold any proceeds of any property insurance it maintains in trust for the for the Owners and Mortgagees.

ARTICLE XIV MORTGAGEE PROTECTION

14.1 Mortgagee Protection. Notwithstanding any and all provisions of this Declaration, the Articles, or the Bylaws to the contrary:

(a) Each first Mortgagee of the Mortgage encumbering any Unit, at the Owner's written request, which request must include the contact and notice information for the Mortgagee, is entitled to written notification from Association of any of the following: (i) default by the Mortgagor of such Unit in the performance of such Mortgagor's obligations under the Project Governing Documents, which default is not cured within sixty (60) days; (ii) any condemnation loss or any casualty loss that affects a material portion of the Property or the Unit; and (iii) any lapse, cancellation or material modification of any insurance policy or fidelity bond or insurance maintained by Association.

(b) Each first Mortgagee of a Mortgage encumbering any Unit, together with such Mortgagee's successors and assigns (including a purchaser of a Unit from or through a Mortgagee) that obtains title to such Unit pursuant to the remedies provided in such Mortgage, or by foreclosure of such Mortgage, or by deed in lieu of foreclosure shall take title to such Unit free and clear and shall not be liable for any claims of unpaid Assessments or charges against such Unit that accrued prior to the acquisition of title to such Unit by the Mortgagee.

14.2 Notice of Amendment or Damage. All first Mortgagees, at the Owner's written request, which request must include the contact and notice information for the Mortgagee, shall be given (a) thirty (30) days' written notice prior to the effective date of any proposed, material amendment to this Declaration, or the Articles or Bylaws; and (b) immediate notice following any damage to the Project Common Areas whenever the cost of reconstruction exceeds One Million Dollars (\$1,000,000.00).

(a) Right to Pay. First Mortgagees may, jointly or singly, pay taxes or other charges that are in default and that may or have become a charge against any Project Common Areas and may pay any overdue premiums on Association insurance policies, or secure new Association insurance coverage on the lapse of a policy, for such property. The first Mortgagees making such payments shall be reimbursed immediately by Association. Association shall, upon request of any first Mortgagee, issue an agreement to make reimbursement in full to all first Mortgagees.

14.3 Amendment.

(a) Neither this Declaration nor the Articles nor Bylaws will be amended in such a manner that the rights of any Mortgagee will be materially adversely affected.

(b) Mortgagees' rights, duties, and obligations as detailed herein may not be amended without the affirmative vote or written consent of not less than fifty-one percent (51%) of all first Mortgagees.

ARTICLE XV NOTICES

15.1 Notice to Owners. Any notice to be given to an Owner, a Mortgagee, or Association under the provisions of the Project Governing Documents shall be in writing and shall be delivered as follows:

(b) Notice to an Owner shall be effective upon the satisfaction of any of the following delivery methods: (i) by a written notice delivered personally to the Owner, which shall be effective upon delivery; (ii) by a written notice placed in the United States mail, first-class postage prepaid, to the most recent address furnished by such Owner in writing to Association for the purpose of giving notice, or, if no such address shall have been furnished, to the street address of such Owner's Unit. Any notice so deposited in the mail shall be deemed delivered seventy-two (72) hours after such deposit; (iii) by email correspondence to an Owner: (A) sent to an email address provided by the Owner for the purpose of Association communications, or (B) emailed to an email address from which the Owner has communicated related to Association matters, and so long as no indication is received that the email may not have been delivered. Any notice sent by email shall be deemed delivered seventy-two (72) hours after it is sent; or (iv) by any other method that is fair and reasonable as provided for in the Act or otherwise provided for by law.

(c) Notwithstanding anything to the contrary in this Section, Association shall send all notices to an Owner by U.S. Mail if such Owner, by written demand, demands to receive notices from Association by U.S. Mail.

(d) In the case of co-Owners, notice to one of the co-Owners is effective as notice to all such co-Owners. Association shall not be required to give more than one notice per Unit. In case any two co-Owners send conflicting notice demands, notice shall be proper if mailed by first-class mail to the Unit address.

(e) In case posting of a notice on the Unit is permitted, such posting is effective when posted on the front or primary access door to the Unit and any such posting may be removed

by Association the sooner of either: (i) two (2) days after the event or action for which notice was given or (ii) ten (10) days after the posting.

15.2 Special Notice Prior to Association Entry Into a Unit.

(a) In case of an emergency involving the potential loss of life, or immediate and substantial damage to a Unit, Association's agent or representative may enter the Unit immediately and without any notice. Before entering the Unit, Association shall: (i) knock on the door and attempt to obtain permission to enter from a Guest or Owner in the Unit; (ii) if no one answers the knocking, loudly identify who is knocking and state that the Person identified is going to enter the Unit on behalf of Association, then wait one minute; and (iii) where practicable under the circumstances, attempt to call the Owner or any Guest prior to entry to inform them of the entry.

(b) If Association enters a Unit for any other purpose permitted in this Declaration, then before entering a Unit, Association shall: (i) give notice to the Owner at least one (1) week in advance that an entry is required with such notice stating: (A) that Association or its authorized Persons will enter the Unit, (B) the date and time of the entry, (C) the purpose of entering the Unit, (D) a statement that the Owner or an Owner's Guest can be present during the time Association is in the Unit, (E) the full names of any Person who will be entering into the Unit, and the phone numbers and addresses of the Persons entering the Unit or of the company for whom the Persons entering the Unit are employed for the purpose of entering the Unit, (F) any other information Association deems appropriate to include; and (ii) post the written notice described above on the front door to the Unit at least three (3) days prior to entry into the Unit.

15.3 Notice to a Mortgagee. Notice to a Mortgagee shall be delivered by United States mail, first-class postage prepaid, to the most recent address furnished by such Mortgagee in writing to Association for the purpose of notice or, if no such address shall have been furnished, to any office of the Mortgagee. Any address for a Mortgagee that is found on a document Recorded on the title of a Unit shall be deemed an office of the Mortgagee. Any notice so deposited in the mail shall be deemed delivered seventy-two (72) hours after such deposit.

15.4 Notice to Association From an Owner. An Owner's notice to Association shall be effective upon the satisfaction of any of the following delivery methods: (a) written notice delivered personally to the Manager or President of Association, which shall be effective upon delivery; (b) written notice placed in the United States mail, first-class postage prepaid, to the current registered business address of Association, which shall be deemed delivered seventy-two (72) hours after such deposit; (c) by written email correspondence to Association that is sent to an email address: (i) provided by Association in the prior twelve (12) months for the purpose of Association communications, or (ii) from which the Manager or the President of Association has communicated related to Association matters, and so long as no indication is received that the email may not have been delivered or received.

**ARTICLE XVI
ENFORCEMENT**

16.1 Remedies and Enforcement. Declarant, Association, and any Owner shall have the right to enforce this Declaration by appropriate proceedings at law or in equity, including the right to enjoin any violation hereof; provided, however, that Association shall have the exclusive right to enforce the liens and remedies provided herein with respect to the levy, collection, and enforcement of liens for Assessments.

16.2 Attorney's Fees and Costs. Any judgment rendered in any action or proceeding to enforce this Declaration shall include a sum for attorneys' fees, expert witness fees, and all other legal costs and expenses in an amount as the court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection and court costs.

16.3 Nuisance. Any act or omission resulting in a breach of this Declaration is declared to be and constitute a nuisance, and every remedy allowed by law or equity against such nuisance shall be applicable against every such act or omission and may be exercised by Declarant, Association, or any Owner.

16.4 Cumulative Remedies. All rights, options, and remedies of Declarant, Association, or any Owner for the enforcement of this Declaration shall be deemed cumulative and none of such rights, options, or remedies shall be deemed exclusive.

16.5 Waiver. The failure to enforce any of the covenants contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter.

16.6 Personal Covenant. To the extent the acceptance of a conveyance of a Unit creates a personal covenant between the Owner of such Unit, other Owners, or Association, such personal covenant shall terminate and be of no further force or effect from and after the date such Owner ceases to be the Owner of such Unit except for the payment of moneys that came due to Association during the period of such ownership.

16.7 Indemnity. Association shall indemnify any Director, Officer, employee, fiduciary and agent (including without limitation the property manager) to the fullest extent allowed the Acts, or any replacement Sections thereof. To the extent that Association or any other Owners are damaged by any action of an Owner which negatively impacts the coverage of said insurance, the Owner shall fully indemnify Association or any other Owner, when applicable, for any and all losses and damages suffered as result of such action and the negative impact on the coverage of said insurance.

**ARTICLE XVII
DISPUTE RESOLUTION**

Association, Declarant, all Owners subject to this Declaration, and any Person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties") shall encourage the amicable resolution of disputes involving the properties at the Property and avoid the emotional and financial costs of litigation if at all possible. Accordingly,

each Bound Party shall resolve all claims, grievances or disputes between such Bound Party and any other Bound Party involving properties at the Property, including, without limitation, claims, grievances or disputes arising out of or relating to the interpretation, application or enforcement of this Declaration or the Project Governing Documents (collectively "Claim") using the following procedures before filing suit in any court or initiating proceedings before any administrative tribunal seeking redress or resolution of such Claim:

17.1 Notice. Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent", and collectively with Client, "Disputing Parties") shall notify each Respondent in writing of the Claim ("Notice"), stating plainly and concisely:

(a) the nature of the Claim, including date, time, location, Person involved, Respondent's role in the Claim;

(b) the basis of the Claim (i.e., the provision of this Declaration, Project Governing Documents, or other authority out of which the Claim arises);

(c) what Claimant wants Respondent to do or not to do to resolve the Claim;
and

(d) that Claimant wishes to resolve the Claim by mutual agreement with Respondent and is willing to meet in person with Respondent at a mutually agreeable time and place to discuss in good faith ways to resolve the Claim.

17.2 Non-Binding Mediation.

(a) If the Disputing Parties do not resolve the Claim through negotiation within 30 days of the date of the Notice (or within such other period as may be agreed upon by the Bound Parties) ("Termination of Negotiations"), Claimant shall have thirty (30) days from the Termination of Negotiations within which to submit the Claim to mediation under the auspices of an independent agency providing mediation services upon which the Disputing Parties may mutually agree.

(b) If Claimant does not submit the Claim to mediation within thirty (30) days after Termination of Negotiation, Claimant shall be deemed to have waived the Claim, then Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim.

(c) If the Disputing Parties do not settle the Claim within thirty (30) days after submission of the matter to the mediation process, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The notice of such Termination of Mediation shall set forth when and where the Disputing Parties met, that the Disputing Parties are at an impasse, and the date that mediation was terminated.

(d) Within five (5) calendar days of the Termination of Mediation, The Claimant shall make a final written settlement demand ("Settlement Demand") to the Respondent in an effort to resolve the Claim. Within ten (10) calendar days from receipt of the Settlement Demand, the Respondent shall deliver a final written settlement offer ("Settlement Offer") to the

Claimant. If the Claimant fails to make a Settlement Demand, Claimant's original Notice shall constitute the Settlement Demand. If the Respondent fails to make a Settlement Offer, Respondent shall be deemed to have made a "zero" or "take nothing" Settlement Offer. If the Parties do not agree in writing to accept either the Settlement Demand, the Settlement Offer, or otherwise resolve the Claim within twenty (20) calendar days of Termination of Mediation, the Parties may exercise all rights available to them under Utah law, whether at law or in equity.

ARTICLE XVIII CONFLICT

18.1 Conflict with Master Declaration. To the extent that any provision of this Declaration conflicts with any applicable provision of the Master Declaration, the Master Declaration shall control. Master Association shall have such authority and power over this Project and its Owners as set forth in the Master Declaration.

ARTICLE XIX GENERAL PROVISIONS

19.1 Protection of Mortgagees. A breach of this Declaration or the Articles or Bylaws shall not affect or impair the lien or charge of any bona fide first Mortgage made in good faith and for value on any Unit or the improvements thereon; provided, however, that any subsequent Owner of such property shall be bound by this Declaration, the Articles, and Bylaws, whether such Owner's title was acquired by foreclosure in a trustee's sale or otherwise.

19.2 Successors and Assigns. Except as otherwise provided herein, this Declaration shall be binding upon and shall inure to the benefit of Declarant, Association, and each Owner and their respective heirs, personal representatives, successors, and assigns.

19.3 Limited Liability. Neither Declarant, Association, Management Committee nor any member, agent, or employee of any of the same shall be liable to any party for any injury, damage, lost, cost or expense suffered by reason of any action or for failure to act with respect to any matter if the action taken or failure to act was in good faith and without malice.

19.4 Duration of Declaration. Any provision, covenant, conditions, or restriction contained in this Declaration that is subject to the common law rule sometimes referred to as the "rule against perpetuities," shall continue and remain in full force and effect for the period of seventy (70) years or until this Declaration is terminated as hereinafter provided, whichever first occurs. All other provisions, covenants, conditions and restrictions contained in this Declaration shall continue and remain in full force and effect until January 1 2094, provided however, that unless at least one (1) year prior to said time of expiration, there is Recorded an instrument directing the termination of this Declaration, executed by the Owners of not less than ninety percent (90%) of the Units and all first Mortgagees then subject to this Declaration, said other provisions, covenants, conditions and restrictions shall continue automatically for an additional ten (10) years and thereafter for successive periods of ten (10) years unless, at least one (1) year prior to the expiration of any such extended period of duration, this Declaration is terminated by Recorded instrument directing termination signed by the Owners of not less than ninety percent (90%) of the Units and all first Mortgagees then subject to this Declaration as aforesaid.

19.5 Use of Funds Collected by Association. All funds collected by Association, including Assessments, Project Reserve Funds and contributions to Association paid by Owners, if any, shall be held by Association in a fiduciary capacity to be expended in their entirety for not-for-profit purposes of Association in managing, maintaining, caring for, preserving, and architecturally controlling the Project and for other permitted purposes as set forth in this Declaration and the Act. No part of said funds shall inure to the benefit of any Owner (other than as a result of Association managing, maintaining, caring for, preserving, and architecturally controlling the Project and other than as a result of expenditures made for other permitted purposes). Contributions to Association paid by Owners, if any, shall be maintained in a segregated account.

19.6 Amendment. Subject to the other provisions of this Declaration, including without limitation, the rights of first Mortgagees, this Declaration may be revoked or amended as follows:

(a) Prior to the conveyance of the first Unit in the Property to an Owner, this Declaration and any amendments thereto may be amended or revoked by the execution by Declarant of an instrument amending or revoking same. Notwithstanding anything contained in this Declaration to the contrary, this Declaration may be amended unilaterally at any time and from time to time by Declarant (i) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination that shall be in conflict therewith, to make technical corrections or to fix mistakes or remove/clarify ambiguities; (ii) if requested by any federal, state, or local governmental agency, when such approval is a condition precedent to such agency's approval of this Declaration, or the sale of property within the Property; (iii) upon the request of any federally chartered lending institution as a condition precedent to lending funds upon the security of any Unit or any portions thereof; (iv) if such amendment is reasonably necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Units subject to this Declaration; or (v) if such amendment is reasonably necessary, in Declarant's Discretion, to effectively preserve the purpose and ongoing maintenance of the Project; provided, however, any such amendment shall not adversely affect the title to any Owner's property unless any such Owner shall consent thereto in writing. So long as Declarant is the Owner of at least 50% of the Units in the Project, Declarant may unilaterally amend this Declaration for any other purpose; provided, however, any such amendment shall not materially adversely affect title to any Unit without the consent of the affected Owner.

(b) Except as otherwise stated herein, subsequent to the conveyance of the first Unit in the Project to an Owner, this Declaration and any amendments thereto may be amended by affirmative vote or written consent of not less than fifty-one percent (51%) of all Owner votes and the consent of the Class B Owner.

(c) An amendment or revocation that only requires the execution of an instrument by Declarant shall be effective when executed by Declarant and Recorded. An amendment that requires the affirmative vote or written consent of the Owners as provided above shall be effective when (i) executed by the Officers of Association (which execution shall be deemed the Officers' certification that the amendment has been duly approved), and (ii) Recorded.

(d) Notwithstanding the foregoing, any provision of the Articles, the Bylaws, or this Declaration, that expressly requires the approval of a specified percentage or specified percentages of the voting power of Association or first Mortgagees for action to be taken under said provision can be amended only with the affirmative vote or written consent of not less than the same percentage or percentages of the voting power of Association and/or first Mortgagees. Any amendment subject to this provision shall be effective after the specified approval has been given and that fact has been certified in a writing executed by the Officers.

19.7 No Public Right or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Property or the Project to the public, or for any public use.

19.8 Constructive Notice and Acceptance. Every Person who owns, occupies, or acquires any right, title, estate or interest in any Unit does and shall be conclusively deemed to have consented and agreed to every Restriction referred to or incorporated herein, whether or not any reference to this Declaration is contained in the instrument by which such Person acquired an interest in said Unit.

19.9 Transfer of Property and Assignment of Declarant Rights. Declarant may transfer any portion or all of the Property to other Persons, and, in connection with such transfer may assign some or all of its rights, duties and obligations under the Declaration, provided such assignment shall not reduce an obligation nor enlarge a right beyond that contained herein. No such transfer shall be effective unless it is in a written instrument signed by Declarant and duly Recorded and no such assignment shall be effective unless it is in a written instrument signed by Declarant and its respective assignee and Recorded. So long as Declarant continues to have rights under this paragraph, no Person shall Record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Property without Declarant's review and written consent thereto, and any attempted Recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or declaration or condominium or similar instrument being void and of no force and effect unless subsequently approved by Recorded consent signed by Declarant.

19.10 Declarant's Disclaimer of Representations. Anything to the contrary in this Declaration notwithstanding, and except as otherwise may be expressly set forth on a Plat or other Recorded instrument, Declarant makes no warranties or representations whatsoever that the plans presently envisioned for the complete development of the Property can or will be carried out, or that any land now owned or hereafter acquired by it is or will be subjected to this Declaration, or that any such land (whether or not it has been subjected to this Declaration) is or will be committed to or developed for a particular (or any) use, or if that land is once used for a particular use, such use will continue in effect.

19.11 References to the Covenants in Deeds. Deeds or any instruments affecting any Unit or any part of the Project may contain the covenants herein set forth by reference to this Declaration; but regardless of whether any such reference is made in any deed or instrument, each and every covenant shall be binding upon the grantee-Owner or other Person claiming through any instrument and its, executors, administrators, successors and assigns.

19.12 Gender and Number. Wherever the context of this Declaration so requires, words used in the masculine, feminine, or neutral gender shall include all genders; words in the singular shall include the plural; and words in the plural shall include the singular.

19.13 Captions and Titles. All captions, titles or headings of the Articles and Sections in this Declaration are for the purpose of reference and convenience only and are not to be deemed to limit, modify, or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.

19.14 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a resort community within the Property. The Article and Section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter.

19.15 Severability. All provisions of this Declaration are severable. Invalidation of any of the provisions of this Declaration by judgment, court order or otherwise, shall in no way affect or limit any other provisions which shall remain in full force and effect.

19.16 Utah Law. This Declaration shall be interpreted pursuant to the laws of the state of Utah without regard to its choice of law provisions.

19.17 Use of the Property Name. No Person shall use the term the "Wasatch Peaks Ranch," "North Village Condominium" or any derivative thereof in any printed or promotional material without the prior written consent of Declarant, which consent may be withheld for any reason in Declarant's Discretion.

[Signature page follows.]

IN WITNESS WHEREOF, Wasatch Peaks Ranch, LLC, has executed this Declaration the day and year first above written.

WASATCH PEAKS RANCH, LLC,
A DELAWARE LIMITED LIABILITY COMPANY

BY: WASATCH PEAKS RANCH MANAGEMENT,
LLC, ITS MANAGER

BY: [Signature]
NAME: ED SCHULTZ
ITS: AUTHORIZED SIGNATORY

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

The foregoing was acknowledged before me this 14 day of February 2024 by Ed Schultz, Authorized Signatory for Wasatch Peaks Ranch Management, LLC, Manager of Wasatch Peaks Ranch, LLC, a Delaware limited liability company.

NOTARY [Signature]
RESIDING AT SALT LAKE CITY, UT
MY COMMISSION EXPIRES NOV 2, 2025

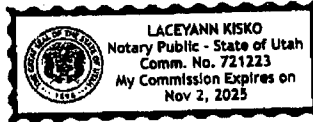


EXHIBIT A

Legal Description of the Property

A PARCEL OF LAND LYING AND SITUATED IN THE NORTH HALF OF SECTION 11, TOWNSHIP 4 NORTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF NORTH VILLAGE LANE AS SHOWN ON WASATCH PEAKS RANCH PLAT 1, FIRST AMENDMENT, RECORDED ON MAY 1, 2023 AS ENTRY NO. 163347 IN THE MORGAN COUNTY RECORDER'S OFFICE, SAID POINT ALSO BEING 2631.40 FEET NORTH 89°22'17" WEST, ALONG THE NORTH LINE OF SAID SECTION 11, AND 1810.96 FEET SOUTH FROM THE NORTHEAST CORNER OF SAID SECTION 11, TOWNSHIP 4 NORTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE, ALONG THE SAID SOUTHERLY LINE OF NORTH VILLAGE LANE, THE FOLLOWING TWO (2) COURSES: (1) SOUTHEASTERLY 89.15 FEET ALONG THE ARC OF A 125.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 40°51'50", CHORD BEARS SOUTH 69°52'46" EAST 87.27 FEET, (2) NORTH 89°41'19" EAST 5.69 FEET; THENCE SOUTH 02°17'05" WEST 91.63 FEET; THENCE SOUTH 08°26'31" WEST 62.27 FEET; THENCE NORTH 83°03'29" WEST 201.66 FEET; THENCE NORTH 08°41'49" WEST 140.79 FEET; THENCE NORTH 06°24'24" WEST 18.92 FEET; THENCE NORTH 89°41'19" EAST 148.74 FEET TO THE POINT OF BEGINNING

EXHIBIT B**Allocated Interest**

Unit No.	Approx Sq Footage of Unit	No of Votes Per Unit	Allocation %
Unit 101 Unit 101 Storage Total Unit 101	4,694 260 4,954	1	17%
Unit 102 Unit 102 Storage Total Unit 102	4,574 203 4,777	1	16%
Unit 201 Unit 201 Storage Total Unit 201	4,728 206 4,934	1	16%
Unit 202 Unit 202 Storage Total Unit 202	4,555 167 4,722	1	16%
Unit 301 Unit 301 Area Total Unit 301	9,085 1,541 10,626	2	35%
TOTAL:	30,013	6	100%

EXHIBIT C

Bylaws

[See Attached]

31418934_v5

BYLAWS
FOR
WASATCH PEAKS RANCH
NORTH VILLAGE CONDOMINIUM
Morgan County, Utah

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**BYLAWS OF
WASATCH PEAKS RANCH
NORTH VILLAGE CONDOMINIUM**

The administration of Wasatch Peaks Ranch North Village Condominium Owners Association, Inc., a Utah nonprofit corporation (the "**Association**") shall be governed by the Utah Revised Nonprofit Corporation Act, Utah Code Ann. §§16-6a-101, *et seq.* (the "**Nonprofit Act**"), the Utah Condominium Ownership Act, Utah Code Ann. §§57-8-101, *et seq.* (the "**Condominium Ownership Act**"), the Declaration of Condominium for Wasatch Peaks Ranch North Village Condominium ("**Declaration**") recorded concurrently herewith in the official records of the Morgan County recorder's Office, Morgan County Utah (the "**Official Records**"), the Articles of Incorporation of Wasatch Peaks Ranch North Village Condominium Owners Association, Inc. (the "**Articles**") and these Bylaws (the "**Bylaws**" and together with the Declaration and Articles, the "**Governing Documents**" as any may be amended from time to time). Terms which are capitalized in these Bylaws, and which are not otherwise defined herein, shall have the meaning set forth in the Declaration.

**ARTICLE I
Bylaws Application**

All present and future Owners, Mortgagees, lessees and occupants of Units within the Wasatch Peaks Ranch North Village Condominium ("**Project**") and their employees, Guests, and any other Persons who may use the Project Common Areas and Project Limited Common Areas are subject to the Governing Documents and all Association Rules & Regulations as may, from time to time, be promulgated, supplemented, amended, or any combination of the same by the Management Committee ("**Rules**"). All Owners are members of the Association (individually a "**Member**", and two or more "**Members**", which shall include Declarant during the Period of Administrative Control and for any time during which Declarant is record Owner of a Unit). If a Unit is owned by more than one (1) Person, such co-Owners shall constitute one Member and shall hold a single membership in the Association for all purposes hereunder. The adoption, amendment, and enforcement of the Rules are at the sole discretion of the Management Committee and do not require a vote of the Members. The acceptance of a deed or conveyance of a Unit, or the occupancy of any Unit, shall constitute an agreement that the provisions of the Governing Documents and any Rules made pursuant hereto, as they may be amended from time to time, are accepted, ratified, and will be complied with.

**ARTICLE II
The Management Committee**

2.1 The management and maintenance of the Project and Units and the administration of the affairs of the Association shall be governed, conducted by, and the full responsibility of the Management Committee. The Management Committee shall consist of either three (3) or five (5) Members as set forth herein ("**Directors**"). While in the Period of Administrative Control, Wasatch Peaks Ranch, LLC, a Delaware limited liability company, its affiliates, successors and assigns (individually or collectively, "**Declarant**") has the sole authority to, at its discretion, appoint or remove Directors, and to unilaterally exercise all powers or authority assigned to the Management Committee under the Governing Documents and those specific "**Declarant Rights**"

set forth in the Declaration. Upon the expiration of the Period of Administrative Control, the process of transferring control of the Association from Declarant to the Members shall commence and be completed within a reasonable period of time and as otherwise detailed in the Declaration. This process shall include the Members' election of Directors and shall be considered completed on the date of the initial Management Committee Meeting is elected by the Members. The Members' election of Directors may be conducted at any meeting of the Members (whether, annual, special, or otherwise, a "**Meeting**"), by a mailed or electronic balloting procedure, or by any other process then permitted or required pursuant to and in accordance with the Nonprofit Act and the Condominium Ownership Act. Declarant may voluntarily terminate the Period of Administrative Control, but, in that event, Declarant may require that specified actions of the Association or the Management Committee taken prior to such turnover date, be approved by Declarant, and ratified by the Management Committee pursuant to a formal resolution before such actions become effective. After the Initial Election (as defined herein), Directors shall serve the terms detailed herein and subsequent elections shall be conducted as further detailed herein.

2.2 The Association shall have two (2) classes of membership:

(a) Class A Members shall be all Members, including Declarant, after the termination of the Period of Administrative Control and for so long as Declarant owns any one or more Units. Class A Members shall be entitled to a vote equal to that listed in the Allocated Interest Table of the Declaration (the total of which constitutes the "**Total Votes**"). When more than one Person owns an interest in a Unit, each such Person shall be a Member of the Association and each such co-Owner shall, in accordance with Section 3 of these Bylaws, be entitled to the vote allocated to the Unit, but in no event shall more than the allocated vote be cast with respect to any Unit. The voting rights appurtenant to each Unit shall vest upon execution and recording of the Declaration. The number of votes appurtenant to each Unit shall have a permanent character, and, except as otherwise permitted and provided for in the Declaration, shall not be altered without the consent of two-thirds (2/3) of the Members. Any such amendment must be expressed in a duly recorded amendment to the Declaration. To the extent a Member is not current on payment of all Assessments, fees, fines, and interest on the same, such Member shall not be qualified to vote and the vote otherwise allocated to the Member shall not be considered part of the Total Votes. Upon such Member bringing its account fully current, its right to vote shall be automatically reinstated and shall be considered part of the Total Votes.

(b) The Class B Member shall be Declarant. Declarant, as the Class B Member, shall have the exclusive right to control the Association, to elect, appoint, and remove Directors and Officers until expiration of the Period of Administrative Control. In the event Declarant chooses to hold an election during the Period of Administrative Control, the Class B Member shall have the right to vote the interests of all unconstructed Units as well as all Units then owned by Declarant. Declarant may voluntarily surrender the right to elect, appoint, and remove Directors and Officers prior to the expiration of the Period of Administrative Control, but, in that event, Declarant may require that specified actions of the Association or the Management Committee taken prior to such date, be approved by Declarant and ratified by the Management Committee pursuant to a formal resolution before such actions become effective.

(c) Upon the expiration of the Period of Administrative Control, the process of transferring control of the Association from Declarant to the Members shall commence and be

completed within a reasonable time following the expiration of the Period of Administrative Control and in accordance with the Declaration and all applicable law ("**Turnover of Association Control**"). Further, after the Turnover of Association Control, Declarant shall retain the voting rights of a Class A Member even though the special voting and control rights of the Class B Member have ceased and terminated. The Turnover of Association Control shall require Members to elect three (3) or five (5) Directors ("**Initial Election**"). Duly elected Directors shall take office immediately upon conclusion of the Initial Election and shall collectively be the Management Committee. The Turnover of Association Control shall be complete upon conclusion of the Initial Election. The Initial Election may be conducted at a regular or special Meeting or by a mailed or electronic balloting procedure.

2.3 The term of office for each Director shall be three (3) years; provided, however, that of the initial three (3) Directors, one (1) shall be elected for a term of three (3) years, one (1) shall be elected for a term of two (2) years and one (1) shall be elected for a term of one (1) year. Should there be more than three (3) Directors elected by the Membership at the Initial Election, the additional Directors' terms shall be staggered such that the fourth Director shall have a term of three (3) years and the fifth Director shall have a term of two (2) years.

2.4 After the Initial Election, the Management Committee shall notice and conduct annual meetings of the Members (each an "**Annual Meeting**"). At each Annual Meeting, Members shall elect Directors to fill those positions becoming vacant as of such Annual Meeting, pursuant to the terms of the Declaration, these Bylaws, and all applicable law.

2.5 At least thirty (30) days prior to each Annual Meeting, the Management Committee may elect from the Members a nominating committee of not less than three (3) members ("**Nominating Committee**"). The Nominating Committee may consist of Directors or other Members at the Management Committee's sole and absolute discretion. The Nominating Committee shall recommend to the Management Committee at least one nominee for each Director position to be filled at that particular Annual Meeting. The Management Committee may, but shall not be obligated to, inquire of the Members to identify those having an interest in serving on the Management Committee. Nominations for Directors may also be made by petition filed with the Secretary of the Management Committee at least seven (7) days prior to the Annual Meeting, which petition shall be signed by three (3) or more Members and the nominee named therein who shall expressly indicate their willingness to serve as a Director, if elected.

2.6 Voting shall be by secret ballot (which may be delivered electronically as directed by the Management Committee). At any Meeting, each Member, either in person or by proxy, shall be entitled to the number of votes set forth in the Allocated Interest Table of the Declaration for each Unit owned. There shall be no cumulative voting.

2.7 The Management Committee shall be governed by the Officers, which shall be a president ("**President**"), vice president ("**Vice President**"), secretary ("**Secretary**"), and treasurer ("**Treasurer**"). The roles of the Secretary and Treasurer may be vested in one Officer, in which case, such Officer shall be the "**Secretary-Treasurer**". The President and Vice President, but no other Officers, must be Directors. Additional Officers may, but are not required to be Directors, but shall be Members or a representative of Declarant. Any two offices may be held by the same Person except that one Person may not serve as the President and the Secretary concurrently. The

office of Vice-President may remain vacant for any period of time. The initial Management Committee shall consist of the following three (3) individuals, and each shall hold the office indicated:

Gary Derck	President
Kyle Griffith	Vice President
Brian Nestoroff	Secretary-Treasurer

2.8 Officers shall be elected annually by the Management Committee at the organizational meeting of each new Management Committee, which shall be held no later than thirty (30) days from the date of the Annual Meeting in which the Directors are elected. Officers hold office at the pleasure of the Management Committee.

2.9 Upon the affirmative vote of a majority of the Directors, any Officer may be removed, either with or without cause. A successor may be elected at any Management Committee Meeting (as defined herein) called for that purpose.

2.10 Directors shall serve as follows:

2.10.1 Any Director who fails to attend three (3) consecutive Management Committee Meetings or fails to attend at least twenty-five percent (25%) of the Management Committee Meetings held during any fiscal year shall be deemed, in the Management Committee's sole and absolute discretion, to have tendered their resignation. Upon acceptance by the Management Committee of such resignation, that Director's position shall be vacant.

2.10.2 Any Director may resign at any time by giving written notice to remainder of the Management Committee. Other than a Director appointed by Declarant during the Period of Administrative Control, the Members may remove any Director with or without cause by a two-thirds (2/3) vote either at a Meeting, or by written consent.

2.10.3 If there are vacancies in the Management Committee by reason of the death or resignation of a Director, Directors then in office shall continue to act, and such vacancies shall be filled by a vote of the majority of Directors then in office. Any vacancy in the Management Committee occurring by reason of removal of a Director by the Members may be filled by election at the Meeting at which such Director is removed or any subsequent Meeting. A vacancy resulting from a removal shall only be filled by the vote or written consent of a majority of the votes of Members either by proxy or present at a Meeting or a majority of those Members submitting a written consent and complete electronic ballot.

2.11 The Management Committee, for the benefit of the Project and the Members, shall manage the business, property, and affairs of the Association and enforce the provisions of these Bylaws and the Rules governing the Project. The Management Committee is authorized to adopt, amend, revise, or restate the Rules, which amendment, revision, or restatement of the Rules shall become effective ten (10) days after adoption by the Management Committee. The Management Committee shall have the powers, duties, and responsibilities with respect to the Project as contained in the Governing Documents and in accordance with all applicable law.

2.12 Directors shall act only collectively as a Management Committee, and individual Directors shall have no powers individually. All meetings of the Management Committee (each a "**Management Committee Meeting**" and any two or more the "**Management Committee Meetings**", as context dictates) shall be open to Members and the Management Committee shall provide each Member a reasonable opportunity to offer comments related to the matters discussed or to be discussed at the Management Committee Meeting, provided that the Management Committee may limit such comments to one specific time period during the Management Committee Meeting and may limit the time allotted for any Member to speak so long as each Member desiring to speak is afforded the opportunity to speak for no less than three (3) minutes. The Management Committee may, with the approval of a majority its Directors present, adjourn the Management Committee Meeting and reconvene in a closed executive session to consult with an attorney for the purpose of obtaining legal advice; discuss ongoing or potential litigation, mediation, arbitration, or administrative proceedings; discuss a personnel matter; discuss a matter relating to contract negotiations including the review of a bid or proposal; discuss a matter that involves an individual if the discussion is likely to cause the individual undue embarrassment or violate the individual's reasonable expectation of privacy; discuss a delinquent Assessment or fine; or similar orders of business. The general nature of any and all business to be considered in closed executive session shall be duly noticed and announced in the open session of the Management Committee Meeting.

2.13 Any or all Directors may participate in a Management Committee Meeting in-person or by and through the use of any other means permitted under Utah law, including without limitation, telephonically or via web-based video conferencing tools that allow users to meet online, by which all Directors participating in the meeting can hear each other at the same time, with or without video, and which provides an option for users to call-in to such video conference via telephone if needed or desired ("**Remote Meeting**", whether a Management Committee Meeting or a Meeting). Directors and Members participating in a Remote Meeting must be able to hear each other and have means and opportunity to speak during the Remote Meeting. Any Management Committee meeting may be conducted wholly in-person, by Remote Meeting, or through a combination of the same.

2.14 Any action that is required or permitted to be taken at a Management Committee Meeting may be taken without a Management Committee Meeting if the action so taken is detailed in a written consent and resolution signed by all Directors and filed with the records of the Association (all such records, whether corporate or as related to Assessments or the management and day-to-day operations of the Association, including without limitation the register of Members, including mailing addresses and telephone numbers, books of account, minutes of Meetings, minutes of Management Committee Meetings, and records, if any, of committee meetings and all other records of the Association being referred to herein as "**Records**"). To take action by written consent, such consent must be signed by each Director indicating either: (a) a vote in favor of the action; (b) a vote against the action; or (c) an abstention detailing the reason therefor. Each consent must also include a waiver of the right to demand that action not be taken without a Management Committee Meeting. Action may be taken under this Section only if the affirmative vote for the action equals or exceeds 51% of the votes of Directors present at the respective Management Committee Meeting. The consents of Directors may be executed, collected, and delivered separately or collectively by electronic transmission including email, an

electronic signing service such as DocuSign, or other form of wire or wireless communication providing a complete copy of the document, including the signature of the respective Director.

2.15 After the Initial Election, Declarant may execute, acknowledge, and record in the Official Records an affidavit stating the names of Directors of the newly elected Management Committee. Thereafter, any two (2) individuals who are designated of record as being Directors on the most recent Management Committee, whether or not they shall still be Directors, may execute, acknowledge, and record in the Official Records an affidavit stating the names of all of Directors on the then-current Management Committee. The most recently recorded evidence or copy of such affidavits shall be prima facie evidence that the individuals named therein are all of the incumbent Directors on the Management Committee and shall be conclusive evidence thereof in favor of all Persons who rely thereon in good faith.

2.16 The fiscal year shall begin on January 1 and end on December 31 of each year, unless otherwise determined by the Management Committee.

2.17 If a Director is sued for liability for actions undertaken in their role as a Director, the Association shall indemnify them for their losses or claims, and undertake all costs of defense, unless and until it is proven that they acted with willful or wanton misfeasance or with gross negligence. After receipt of evidence of such willful or wanton misfeasance or gross negligence, the Association is no longer liable for the cost of defense and may recover from the Director who so acted any and all costs already expended. Directors are not personally liable to the victims of crimes occurring at the Project. Punitive damages may not be recovered against the Association but may be recovered from Persons whose activity gave rise to the damages. The provisions of this Section are in amplification of any limitations on liability and indemnification provisions set forth in the Declaration.

2.18 An officer, employee, agent, director, beneficiary, partner, member, or fiduciary of an Owner that is a corporation, company, partnership, trust, or estate, and any designated representative of Declarant may be considered an Owner and Member for the purpose of determining eligibility as a Director. In all events where an individual offering to serve as an Officer or Director is not the record-Owner of a Unit, they shall file proof of authority to act on behalf of the record Owner with the Association, and the Association shall file and maintain such proof in its Records.

2.19 To the extent such duties and obligations are properly delegable, the Management Committee or Officers appointed thereby may delegate all of the duties and obligations of the Management Committee and the Association as set forth herein and in the Declaration to service districts serving the Project, a professional homeowners association manager duly contracted by the Management Committee ("**Manager**"), such other Persons as it so determines, or the Wasatch Peaks Ranch Club, LLC ("**Club**"), which Club is the entity providing multiple private recreational and private amenities to the Members.

2.20 The Management Committee or the Officers appointed thereby reserve the right to make whatever tax and other elections which they deem necessary, including but not limited to, filing as a tax-exempt entity under Section 528 of the Internal Revenue Code.

2.21 During the Period of Administrative Control, Declarant shall have a right to disapprove any action, policy or program of the Association, the Management Committee, and any committee which, in the sole and exclusive judgment of Declarant, would tend to impair rights of Declarant or any affiliate of Declarant under the Governing Documents, or interfere with development, construction of any portion of the Project, or diminish the level of services being provided by the Association or the Club. No such action, policy or program shall become effective or be implemented until and unless:

2.21.1 Declarant has been given written notice by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Association, as it may change from time to time, of (a) all Meetings and proposed actions to be approved at the same, (b) all Management Committee Meetings and proposed actions to be approved at the same, or (c) actions proposed by any committee created under the authority of the Management Committee, which notice shall set forth in reasonable particularity the agenda to be followed at said meeting; and

2.21.2 Declarant shall be given the opportunity at any such Meeting or Management Committee Meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein. Should Declarant so elect to participate, Declarant, its representatives, or agents shall make their concerns, thoughts, and suggestions known to the Members, Management Committee, members of the subject committee, or any combination of the same, as applicable. Declarant shall have and is hereby granted an exclusive right to disapprove any such action, policy, or program authorized by the Association, the Management Committee, or any committee thereof, if the approval of the Management Committee, any committee, or the Association is necessary for such action. This right may be exercised by Declarant, its successors, assigns, representatives, or agents at any time within ten (10) days following the Meeting or Management Committee Meeting held pursuant to the terms and provision thereof. This right to disapprove may be used to block proposed actions but shall not extend to the requiring of any action or counteraction on behalf of the Management Committee, any committee, or the Association. Declarant shall not use its right to disapprove to reduce the level of services which the Association or Club is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

ARTICLE III Meetings of Members

3.1 The first Annual Meeting shall be held within one (1) year after conveyance of the first Unit sold in the Project. Thereafter, there shall be an Annual Meeting held within the Project or another reasonable location in Morgan County, unless an Annual Meeting at another location would significantly reduce the cost to the Association or inconvenience to the Members. At the sole and absolute discretion of the Management Committee, Annual Meetings may also or alternatively be held as a Remote Meeting, as such term is used and defined above. If Members participate in any Meeting by means of a Remote Meeting, such participation shall constitute presence in-person at the Meeting. The date and time of all such Meetings shall be selected by the Management Committee in its sole and absolute discretion, unless otherwise detailed in the Declaration or these Bylaws.

3.2 Notice of an Annual Meeting ("**Notice of Annual Meeting**") may be communicated in person, by telephone, by voice message, by electronic transmission (including without limitation email, text message, or Declarant's or the Association's website), or by mail or private carrier. A Notice of Annual Meeting shall be served not fewer than ten (10) nor more than sixty (60) days prior to the date fixed for such Annual Meeting. If mailed, such notice shall be sent to each Member at Member's address or email address as shown in the Records or to any other mailing or email address designated in writing by the Member. Consent to electronic notice is deemed granted in the event a Member provides an e-mail address to the Association. The Notice of Annual Meeting shall specify the place, date and hour of the Annual Meeting and a description of any matters that must be approved by the Members or for which the Members' approval is sought at such Annual Meeting.

3.3 Special meetings, which shall be any and all Meetings other than the Annual Meeting, may be called by Declarant, the President, a majority of the Management Committee, or Members representing at least forty percent (40%) or more of the Total Votes (each a "**Special Meeting**" and any two or more, "**Special Meetings**") and shall be held in accordance with the provisions of these Bylaws, to consider matters which, by the terms of the Declaration, require the approval of all or some of the Members or for any other reasonable purpose. Special Meetings shall be called by written notice delivered to Members not less than thirty (30) days prior to the date fixed for the Special Meeting ("**Notice of Special Meeting**") signed by Declarant, a majority of the Management Committee, or by Members representing at least forty percent (40%) or more of the Total Votes. The Notice of Special Meeting shall be in writing unless oral notice is reasonable under the circumstances. The Notice of Special Meeting shall specify the place, date and hour of the Special Meeting and a description of any matters that must be approved by the Members for which the Members' approval is sought at such Special Meeting and shall include a description of the purposes for which the Special Meeting is called. At any Special Meeting, only those matters of business, the general nature of which was given in the respective Notice of Special Meeting, may be voted upon by the Members.

3.4 If any Meeting is adjourned to a different date, time, or place, ("**Adjourned Meeting**"), written notice of the Adjourned Meeting need not be given if the new date, time, and place are announced at the respective Meeting before adjournment. Notwithstanding the foregoing sentence, if the adjournment is for more than thirty (30) days, or, if after the adjournment a new record date for the Adjourned Meeting is or must be fixed pursuant to these Bylaws or applicable law, notice of the Adjourned Meeting must be given to Members entitled to vote at the Adjourned Meeting, such notice following the requirements for the original notice required respective to the initial Meeting being so adjourned. If the time and place for an Adjourned Meeting is not fixed by those in attendance at the original Meeting, or if for any reason a new date is fixed for the Adjourned Meeting after adjournment, notice of the time and place of the Adjourned Meeting shall be given to Members in the manner prescribed for Meetings, in accordance with the requirements applicable to the type of Meeting initially called.

3.5 The presence in person or by proxy of Members holding twenty-five percent (25%) or more of the Total Votes at any Meeting, so long as proper notice was properly given to all Members, shall constitute a quorum. In the absence of a quorum at a Meeting, a majority of those Members present in person or by proxy may adjourn the meeting to another time but may not transact any other business. An adjournment for lack of a quorum by those in attendance shall be

to a time not less than one (1) hour nor more than thirty (30) days from the original Meeting date and time. The quorum for an Adjourned Meeting shall be the Members that are present in person or by duly authorized proxy at such Adjourned Meeting. Unless otherwise expressly provided in the Condominium Ownership Act, Nonprofit Act, the Declaration, or these Bylaws, and so long as there is a quorum of Members present at any Meeting, either in person or by proxy, any action may be taken at any Meeting upon a majority vote of the Members who are present in person or by proxy at said Meeting.

3.6 In the event of a procedural dispute, Robert's Rules of Order (latest edition) shall govern the conduct of Meetings when not in conflict with the Declaration or these Bylaws.

3.7 Any action that maybe taken at any Meeting may be taken without a meeting and without prior notice if the following requirements are met:

3.7.1 One or more consents in writing, setting forth the action taken, are signed by the Members having not less than the minimum voting power that would be necessary to authorize or take the action at a Meeting at which all Members entitled to vote on the action were present and voted.

3.7.2 Unless the written consents of all Members entitled to vote have been obtained, notice of any member vote without a meeting shall be given at least ten (10) days before the consummation of the transaction, action, or event authorized by the member action to those members entitled to vote who have not consented in writing; and those members not entitled to vote and to whom applicable law requires that notice of the proposed action be given.

3.7.3 A written or electronic ballot is distributed to every Member entitled to vote setting forth in specificity the proposed action, providing an opportunity to signify approval or disapproval of the proposal and providing a reasonable time for the Members to return the ballot to the Association.

3.7.4 The number of votes cast by ballot within the specified time equals or exceeds the quorum required to be present at a Meeting.

3.7.5 The number of approvals of the action equals or exceeds the number of votes otherwise required to approve the action at a Meeting.

3.7.6 The written ballot distributed to Members affords an opportunity for the Member to specify a choice between approval and disapproval of each order of business proposed to be acted upon and further provides that the vote of the Members shall be cast in accordance with the choice specified.

3.8 For any Unit owned by more than one Owner, all of the Owners of such Unit may sign a certificate designating one of the co-Owners as the Owner authorized to cast the vote appurtenant to such Unit. In such event, the Management Committee may rely on such certificate as being sufficient evidence of the authority of the Owner casting the vote appurtenant to such Unit. In the absence of such a certificate, if only one of two or more Owners of a Unit is present at a Meeting, the Owner that is present is entitled to cast all the votes allocated to that Unit. If more than one of the Owners of a Unit is present, the votes allocated to that Unit may be cast only in

accordance with the agreement of a majority interest of such Owners. Absent a certificate of authorization, there shall be deemed to be majority agreement if any one of the Owners casts the vote allocated to the Unit owned without protest by any of the other Owners of such Unit made promptly to the authority presiding over the Meeting.

3.9 At each Meeting, each Member entitled to vote shall be entitled to vote personally or by proxy. The right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been executed by the Owner (or all of the Owners of a Unit if there is more than one Owner) or by its attorney-in-fact (or all of the Owner's attorneys-in-fact if there is more than one Owner) thereunto duly authorized in writing. A proxy shall expire at the close of the Meeting to which the proxy applies, or, at the close of the Adjourned Meeting respective to such Meeting, should the original Meeting be adjourned.

3.10 The instrument authorizing the proxy to act shall be delivered to the Secretary, or such other Officer or Person who may be acting as secretary at the Meeting, prior to the start of the Meeting at which the proxy is applicable. The secretary of the Meeting shall enter a record of all such proxies in the minutes of the Meeting. An Owner may revoke a proxy given pursuant to this Section only by actual notice of revocation to the Management Committee or Manager, which notice of revocation may be at the same Meeting. A proxy is void if it is not dated or purports to be revocable without notice. A proxy signed shall remain valid through any Adjourned Meeting as to the items covered by the notice of the original Meeting.

3.11 Minutes of Meetings shall be distributed to each Member within a reasonable time after the meeting.

3.12 The rights and obligations of any Member shall not be assigned, transferred, pledged, conveyed, or alienated in any way except upon record transfer of ownership of the respective Member's Unit, and then only to the transferee of ownership of the Unit. Any transfer of ownership of a Unit shall operate to transfer the membership in the Association appurtenant to said Unit to the new owner thereof. Each transferee shall notify the Association (through notice to the Management Committee or Manager) of its purchase of a Unit ("**Notice of Ownership**"). The Notice of Ownership shall include satisfactory evidence of the transfer of ownership, which evidence shall include, a minimum, a copy of the recorded deed or other instrument effecting the transfer of ownership.

ARTICLE IV Officers

4.1 All Officers shall serve at the will and pleasure of the Management Committee. So long as there are three (3) Directors on the Management Committee, the Officers shall be the President, a Vice President, and a Secretary-Treasurer. The Management Committee may appoint additional Vice Presidents and such other Officers as the Management Committee may deem necessary in its discretion. No Officer shall receive compensation for serving as such but may receive reimbursement for personal fund expended on behalf and for the benefit of the Management Committee or the Association. Officers shall be annually elected by the Management Committee and may be removed and replaced by the Management Committee in its discretion. The Management Committee shall require that Officers be subject to fidelity bond coverage, which

coverage shall be provided by the Association and the costs of which shall be a Project Common Expense and shall be levied against Units and paid out of Project Common Assessments.

4.2 The President shall be the chief executive of the Management Committee and shall preside at all Meetings and Management Committee Meetings. The President may exercise the power ordinarily allowed a presiding officer of a nonprofit homeowners' association, including the creation of committees and the appointment of Members to such committees. The President shall exercise general supervision over the Project and its affairs. The President shall sign, and the Secretary shall witness, on behalf of the Association, all conveyances, mortgages, and contracts of material importance to the Association. The President shall do and perform all acts which the Management Committee may require or may direct the President to do and perform.

4.3 The Vice President, if any, shall perform the functions of the President in the President's absence or inability to serve.

4.4 The Secretary shall keep minutes of all Management Committee Meetings. The Secretary or Manager shall keep minutes of all Meetings. The Secretary (with the assistance of Manager should the Secretary so request) shall keep such books and records as may be necessary and appropriate for the Records.

4.5 The Treasurer shall be responsible for the fiscal affairs of the Association but may delegate the daily handling of funds and the keeping of Records to a Manager.

4.6 Any Officer may prepare, execute, certify, and record in the Official Records amendments to the Declaration on behalf of the Association so long as the Management Committee has either (a) approved such actions in a Management Committee Meeting and such approval is expressly recorded in the minutes of such Management Committee Meeting, or (b) executed and filed with the Records a consent resolution authorizing the same.

ARTICLE V

Project Common Expenses and Assessments

5.1 All Project Common Expenses shall be assessed in accordance with the Declaration.

5.2 No Member shall be exempt from liability for Project Common Expenses by waiver of the use or enjoyment of any of the Project or by abandonment of their Unit.

5.3 The Treasurer shall keep detailed records of all receipts and expenditures, including expenditures affecting the Project, specifying, and itemizing the maintenance, repair and replacement expenses of the Project and any other expenses incurred. Such records shall be part of the Records and available for examination by the Members as further detailed herein. In accordance with the actions of the Management Committee in assessing Project Common Expenses against the Units, the Treasurer shall keep an accurate record of such Assessments (which term references collectively Project Common Assessments, Special Assessments, and Specific Assessments) and of the payments thereof by each Member.

5.4 All Assessments shall be a separate, distinct, and personal liability of each Member respective to each Member's Unit at the time each Assessment is made. The Management Committee shall have the rights and remedies contained in the Condominium Ownership Act, the Nonprofit Act, and in the Declaration to enforce the collection of Assessments.

5.5 Any Person who shall have entered into a written agreement to purchase a Unit, by written request directed to the Management Committee, shall be entitled to obtain a written statement from the Treasurer setting forth the amount of the monthly, quarterly, annual, or other periodic Assessments and the amount of unpaid Assessments charged against such Unit and its Owner(s). The Management Committee is authorized to require a reasonable fee for furnishing such statements. If such statement does not reveal the full amount of the unpaid Assessments as of the date it is rendered, neither the purchaser nor the Unit shall be liable for the payment of an amount in excess of the unpaid Assessments shown thereon, provided that the former Owner shall remain personally liable for the same. Any such excess which cannot be promptly collected from the former Owner-grantor or through execution of a lien or foreclosure of the respective Unit may be reassessed by the Management Committee as a Project Special Assessment to be collected from all Owners, including without limitation the purchaser of such Unit, their successors, and assigns. The new Owner shall, and the former Owner shall not, be liable for any Assessments made after the date of transfer of title, even though the expenses incurred, or the advances made by the Management Committee for which the Assessment is made may relate in whole or in part to any period prior to that date.

5.6 In addition to the statements issuable to purchasers, the Management Committee shall, upon ten (10) days' prior written request therefore, provide to any Owner, to any Person who shall have entered into a binding agreement to purchase a Unit, to any Mortgagee, and to any title company acting as closing agent for the purchase of a Unit, a current statement of unpaid Assessments, fines, fees, and interest with respect to a Unit. The Management Committee is authorized to require a reasonable fee for furnishing such statements.

5.7 In all cases where all or part of any Assessments, capital contributions, any expenses of and advances by the Management Committee, or any combination of the same cannot be promptly collected from the Persons liable therefore under these Bylaws, the Management Committee may reassess the same as a Project Special Assessment without prejudice to its right of collection against such Persons, and without prejudice to its lien and foreclosure rights pursuant to the Declaration and applicable law.

ARTICLE VI Litigation

6.1 If any duly authorized legal action is brought by an Officer or Director on behalf of the Association, the expenses of such legal action, including reasonable attorneys' fees, shall be assessed against the Members as a Project Special Assessment. Except as otherwise provided, if any legal action is brought against the Members or against the Management Committee, Directors, Officers, or employees or agents of the Association in their capacities as such, or any combination of the same, with the result that the ultimate liability asserted would, if proved, be borne by all the Members, all expenses related to or arising from such legal action, including attorneys' fees, shall be assessed against the Members as a Project Specific Assessment. If any legal action is brought

against one or more, but less than all Members, with the result that the ultimate liability would, if proved, be borne solely by such Member or Members, the expenses of such legal action, including attorneys' fees, shall not be charged to, or borne by the other Members or the Association.

6.2 Except as otherwise provided by the Condominium Ownership Act or the Nonprofit Act, any legal action brought against the Association, the Management Committee, Officers, or employees or agents thereof, in their respective capacities as such, or the Project as a whole, shall be directed to the Management Committee, and shall be defended by the Association. Members and Mortgagees shall have no right to participate in such defense other than through the Management Committee. Actions against one or more, but less than all Members that arise from or reasonably relate to Member's ownership of a Unit or may result in a lien or lis pendens being recorded against such Member's Unit shall be directed to such Members, who shall promptly give written notice thereof to the Management Committee. Any such actions shall be defended solely by and at the sole expense of such Members.

ARTICLE VII

Abatement and Enjoinment of Violation by Members

7.1 The violation of any Rules, the breach of any provision contained herein, the breach of any provision of the Declaration, or any other act violating any applicable law (a "Violation", whether one or more of the foregoing) shall give the Management Committee the right, in addition to any other rights set forth in these Bylaws:

7.1.1 To enter the Unit in which, or as to which, such Violation exists and to summarily abate and remove, at the sole and absolute expense of the defaulting Owner or Owners, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Management Committee shall not thereby be deemed guilty in any manner of trespass provided that items of construction may not be altered or demolished without proper judicial proceedings; and

7.1.2 To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such Violation.

7.2 The Management Committee may assess a fine against an Owner for Violation of any provisions of the Governing Documents or Rules provided that the Management Committee shall give notice to the Owner of the Violation and inform the Owner that a fine will be imposed if the Violation is not cured within the time designated by the Management Committee, which shall be at least forty-eight (48) hours. the Management Committee may levy fines in the amounts that it, in its sole and absolute discretion, shall determine to be reasonable for each such Violation. An Owner who is assessed a fine may request an informal hearing to protest or dispute the fine within thirty (30) days from the date the fine is assessed.

7.3 The Management Committee shall have a right of action against Owners who fail to comply with any provision of the Governing Documents or the decisions of the Association or the Management Committee. Before pursuing such cause of action, the Management Committee shall provide the Owner notice of the alleged failure to comply and opportunity to request an informal hearing.

7.4 The Management Committee may impose a temporary suspension of an Owner's right to use the Project Common Areas, Project Limited Common Areas, Project facilities, and Club amenities, or may take any other appropriate disciplinary measures against an Owner who has failed to comply with any provision of the Governing Documents. Prior to such suspension or other discipline, the Management Committee shall provide the Owner notice of the alleged failure to comply and opportunity to request an informal hearing.

7.5 These remedies do not in any way limit other remedies provided the Association in the Governing Documents, Rules adopted by the Management Committee, and all applicable laws.

ARTICLE VIII
Records and Accounting

8.1 The books and accounts of the Association shall be kept in accordance with generally accepted accounting procedures under the direction of the Treasurer.

8.2 A budget for each fiscal year shall be adopted by the Management Committee and distributed to all Members prior to the beginning of the fiscal year to which the budget applies.

8.3 The Management Committee shall distribute to the Members an unaudited financial statement, prepared by an independent public accountant approved by the Management Committee, within one hundred twenty (120) days after the close of each fiscal year.

8.4 As further set forth in the Nonprofit Act and the Condominium Ownership Act, the Records shall be made available for inspection and copying by any Member or their duly appointed representative at any reasonable time and for a purpose reasonably related to their interest as a Member. Upon receipt of an authenticated written request from a Member along with the fee prescribed by the Management Committee to defray the costs of providing the requested Records, the Manager or other custodian of Records shall prepare and transmit to the Member a copy of any and all Records requested. Records may be made available at the office where the Records are maintained. Alternatively, if the Records are kept digitally, the Management Committee or Manager may provide the Records via any electronic or digital means by which the requesting Member can successfully access all such Records. Such electronic or digital means include, without limitation, email, secure online file exchange, and physical electronic delivery methods such as portable external computer drives. The Management Committee may, as a condition to permitting a Member to inspect the membership register or to its furnishing information from the register, require that the Member agree in writing to keep all such information strictly confidential and not to use or allow the use of information from the membership register for commercial or other purposes not reasonably related to the regular business of the Association and the Member's interest in the Association. The Management Committee shall establish reasonable rules with respect to:

8.4.1 The form and method of notice to be given to the custodian of the Records by the Member desiring to inspect or obtain copies of the Records;

8.4.2 Hours and days of the week when such an inspection may be made; and

8.4.3 Payment of the costs of provision of Records requested by a Member.

8.5 Every Director shall have the absolute right at any time to inspect all Records and to inspect all real and personal properties owned or controlled by the Association. This right of inspection shall include the right to make extracts and copies of Records, subject only to the right of the Association to require that the Director agree in writing to keep such information strictly confidential and not to use, or allow the use of, the information from the membership register for commercial or other purposes not reasonably related to the business of the Association and the Director's interest in the Association.

ARTICLE IX Special Committees

The President may unilaterally, and the Management Committee may by resolution, designate one or more special committees, each consisting of at least three (3) Members, which shall have and may exercise the powers expressly provided for and set forth by the President or in said resolution. Such special committee or committees shall have such name or names as may be determined from time to time by the Management Committee. All special committees shall keep regular minutes of their proceedings and report the same to the Management Committee when requested or required. The Members on such special committee or committees designated shall be appointed by the Management Committee or the President. The Management Committee or the President may appoint Members to fill vacancies on each of said special committees occasioned by death, resignation, removal, or inability to act for any extended period of time. Special committees may be terminated and disbanded at any time either by the President in their sole discretion, or by a majority vote of Directors present at a Management Committee Meeting.

ARTICLE X Rental or Lease of Units by Members

10.1 Pursuant to the Declaration, any Owner who rents or leases or otherwise permits any other Person to utilize their Unit shall be responsible for the conduct of their tenants or Guests, and upon written notice from the Management Committee, Club, or a Manager, said Owner shall be responsible for correcting a Violation of the Bylaws or Rules committed by such tenants or Guests.

10.2 If an Owner fails to correct a Violation by tenants within seventy-two (72) hours of such notice, the Management Committee or Manager shall be deemed to be the agent of the Owner and empowered to take any enforcement action the Owner would be entitled to take, the reasonable costs of such action, including but not limited to fees and costs paid to third parties, to be assessed to the Owner and payable within thirty (30) days of Assessment. Such costs shall be collected and enforced in the same manner as Assessments under the Declaration.

10.3 The power of the Management Committee or Manager hereunder shall include but not be limited to any and all legal remedies available under the laws of the State of Utah. Any Owner by the act of renting, leasing or otherwise permitting any other Person to utilize their Unit shall be deemed to have consented to these procedures and shall indemnify and save harmless the Management Committee and the Manager from and against any and all liability therefor. It is expressly understood that the remedies available to the Management Committee or Manager shall

include but not be limited to the right to seek eviction of the tenant without any liability to the Owner.

10.4 If an Owner shall at any time lease their Unit and shall default in the payment of Assessments, the Management Committee may, at its option, so long as such default shall continue, demand and receive from any tenant under the Lease the rent due or becoming due pursuant to the respective Lease, and the payment of such rent to the Management Committee shall be credited against such Assessments.

10.5 This Section 10 shall be incorporated by reference into every Lease entered into by and between an Owner and their tenant, whether or not this Section is expressly referenced therein.

ARTICLE XI
Amendment of Bylaws

Except as otherwise provided in the Nonprofit Act, the Condominium Ownership Act or these Bylaws, the Bylaws may be amended by the vote of Members holding at least 51% of the Total Votes; provided, however, the percentage of the voting power necessary to amend a specific clause or provision herein shall not be less than the percentage of affirmative votes prescribed for action to be taken under that particular clause. Upon such an affirmative vote, the Management Committee shall acknowledge the amended Bylaws and notify all Members, in writing, of such amendment, setting forth the facts of the required affirmative vote of the Members. The amended Bylaws shall be effective only upon recordation in the Official Records, which shall be effected by the Management Committee. Notwithstanding anything to the contrary contained or implied herein, Declarant reserves the right, without the consent of any other Members, to amend any provisions of these Bylaws to comply with the then-existing statutes, regulations, or other requirements of any federal, state, or local regulatory authority affecting the Project. Further, during the Period of Administrative Control, together with all other unilateral amendment rights of Declarant set forth in the Declaration, Declarant shall have the right to unilaterally amend these Bylaws. Any such amended Bylaws shall be provided to Members and will be effective only upon recordation of the same in the Official Records.

ARTICLE XII
Severability

The provisions hereof shall be deemed independent and severable, and the invalid or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

ARTICLE XIII
Waiver

The failure of the Management Committee to insist upon strict performance of any provisions hereof shall not be construed as a waiver for future purposes with respect to any such provision or option. No provision of these Bylaws shall be deemed to have been waived unless such waiver is in writing and signed by the Officers.

ARTICLE XIV

Captions

The captions herein are inserted only as a matter of convenience and for reference and in no way to define, limit or describe the scope of these Bylaws nor the intent of any provision hereof.

ARTICLE XV

Effective Date

These Bylaws shall take effect as of the date the Declaration and Bylaws are recorded in the Official Records, having been duly adopted by the Management Committee.

ARTICLE XVI

Counterparts

These Bylaws may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Such counterparts may be executed or collected electronically, including through the use of electronic or digital document services such as DocuSign.

ARTICLE XVII

Seal

The Management Committee may, without obligation and only by resolution, provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association, the state of incorporation and the words "Corporate Seal."

EXECUTED, ADOPTED, AND ENACTED this 14th day of February 2024.

THE MANAGEMENT COMMITTEE

SIGNED BY:

DocuSigned by:
Gary Derck
7EA26E7050F1923

Gary Derck, Director and President

DocuSigned by:
Kyle Griffith
20E312D2C26265F

Kyle Griffith, Director and Vice President

DocuSigned by:
Brian Nestoroff
5274E936353245D

Brian Nestoroff, Director and Secretary-Treasurer

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Signature Page to Bylaws For
Wasatch Peaks Ranch
North Village Condominium