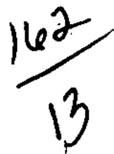
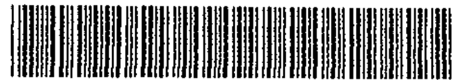


After recording return to:
GARY L. BLATTER
Blatter & Associates, L.C.
1113 S. Orem Blvd.
Orem, Utah 84058



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JEFFERY SMITH
UTAH COUNTY RECORDER
2014 Mar 26 12:52 pm FEE 162.00 BY SS
RECORDED FOR PARK RIDGE HOA

FIRST AMENDMENT TO

DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS

OF

PARK RIDGE

An Expandable Planned Unit Development

Provo, Utah County, Utah

THIS FIRST AMENDMENT TO DECLARATION is made as of this 30TH day of March, 2013, the Park Ridge Owner's Association, a Utah Nonprofit Corporation (hereinafter the "Association"), by its Board of Directors, of pursuant to the following:

RECITALS:

WHEREAS, in 2011 the Utah State Legislature has enacted changes to the Utah Community Association Act, now codified at Ut. Code Ann. §57-8a-101 *et. seq.*, which are directly applicable to the Association;

WHEREAS, said statutory changes mandate that the Association conduct a Reserve Analysis, pursuant to Ut. Code Ann. §57-8a-211, to determine the need for a reserve fund to accumulate money to cover the cost of repairing, replacing, and restoring common areas that have a useful life of three years or more, but excluding any cost that can be reasonably funded from the Association's general budget or from other association funds.

WHEREAS, the same also mandates that the Reserve Analysis is to serve to assist the Association and its unit owners in setting the appropriate value for any reserve fund (if any);

WHEREAS, pursuant to Ut. Code Ann. §57-8a-211(2)(a)(ii), said Reserve Analysis must be conducted on or before July 1, 2012;

WHEREAS, pursuant to Ut. Code Ann. §57-8a-211(3) the Board of Directors of the Association has discretion and authority to conduct said Reserve Analysis;

WHEREAS, the specific matters mandated under Ut. Code Ann. §57-8a-211 serve the stated purposes of the Association in providing anticipated expenses of repairing, replacing, and restoring

common areas that have a useful life of three years or more, which cannot be reasonably funded from the Association's general budget or from other association funds;

WHEREAS, the Board of Directors of the Association have perceived that, from the present date until a Reserve Analysis is completed, submitted to the individual owners for a vote as set forth in Ut. Code Ann. §57-8a-211, and adopted – there exists a need to generate money to cover the expenses of repairing, replacing, and restoring common areas that have a useful life of three years or more, which cannot be reasonably funded from the Association's general budget or from other Association funds;

WHEREAS, the Board of Directors has determined that maintenance of exterior doors, exterior door frames, exterior decorative moldings, storage sheds, garage doors and bay windows (together with all exterior structures appurtenant thereto) are expenses which fall within the meaning of Ut. Code Ann. §57-8a-211, and as such are expenses which cannot be *reasonably* funded from the Association's general budget or from other Association funds, and will therefore be contemplated within the Reserve Analysis at a later date;

WHEREAS, pursuant to Article IV, ¶4.01 and Article XII, ¶12.01(d) of the Association's Declaration of Easements, Covenants, Conditions and Restrictions (hereinafter "CC&R's"), the Association has a duty to maintain the exterior surfaces, trim and other exterior improvements except glass surfaces – including but not limited to maintenance of doors and bay windows (together with all exterior structures appurtenant thereto);

WHEREAS, the Association desires to amend Article IV, ¶4.01 and Article XII, ¶12.01(d) of the CC&R's, from the present date until a Reserve Analysis is both completed, submitted to the individual owners for a vote as set forth in Ut. Code Ann. §57-8a-211, and adopted;

WHEREAS, the Board of Directors has determined that there is a need for reapportionment of the duties associated with maintaining the individual Units within the Association and, to clarify the powers of enforcement of provisions within the CC&R's to ensure and promote the overall aesthetic qualities of the property encompassed within the Association;

WHEREAS, the Board of Directors has determined that there is a need to protect the best interests of all Owners, residents, and the Association itself by resolving an inherent conflict of interest which exists for those who intend to serve on behalf of the Association, but who are themselves in violation of specific tenets of the CC&R's;

WHEREAS, by enactment of the Utah Community Association Act, newly codified at Ut. Code Ann. §57-8a-101 *et. seq.*, the legislature has modified the insurance requirements for both the Association and owners;

WHEREAS, the Bylaws governing the Association, specifically, Article XIV, ¶¶14.02 and 14.03 of the CC&R's specifically provides two separate methods for amendment to the CC&R's. The first method is to obtain at least 60% of the total outstanding votes in the Association. The second method is, with or without a meeting, to procure consents to the proposed amendment(s), in writing, of at least 60% of the owners in the Association;

WHEREAS, the Association has either obtained at least 60% of the total outstanding votes in the Association authorizing amendment to Article IV, ¶4.01 and Article XII, ¶12.01(d) of the CC&R's or has, with or without a meeting, procured consents to the proposed amendment(s), in writing, of at least 60% of the owners in the Association;

WHEREAS, since creation of these CC&R's/Declaration the Utah legislature has promulgated additional insurance requirements of community associations, and owners thereof, which are applicable to the Association, by enactment of Utah Code Annotated §57-8a-401 through 407. The Association has an affirmative duty comport therewith and as such, an amendment to these CC&R's/Declaration is necessary.

NOW THEREFORE, the Association, by its Board of Directors, amends the pertinent provisions of the CC&R's as follows:

1. Article XIII, Bylaws – Assessments, shall be amended to include paragraph 13.00, as follows:

13.00 **Conflict Between Article XIII – Bylaws and The Utah Community Association Act.** This Article XIII, together with any and all of its provisions, shall be construed in light of the specific terms and tenets of the Utah Community Association Act, codified at Ut. Code Ann. §57-8a-101 *et. seq.*, and where a provision of this Article XIII conflicts with the Utah Community Association Act, said Act shall govern and all ambiguities which may arise therefrom shall be resolved in favor of comportment with said statutory language.

2. Article II, paragraph 2.19 of the CC&R's shall be removed in its entirety and replaced with the following provision:

2.19 "Unit" shall mean a structure which is designed, constructed and intended for use or occupancy as a single family residence on a Lot, together with all improvements located on the same Lot and used in conjunction with such residence, including anything located within or without said Unit (but designated and designed to serve only that Unit) such as exterior doors, exterior door frames, exterior decorative moldings, storage sheds, garage doors and bay windows (together with all exterior structures appurtenant thereto), patios, fences, decks, appliances, electrical receptacles and outlets, air conditioning compressors and other air conditioning apparatus, if any. "Townhouse Unit" shall mean a Unit constructed on a Townhouse Lot and "Twinhome Unit" shall mean a Unit constructed on a Twinhome Lot. Townhouse Units shall specifically exclude roofs and exterior surfaces of Units (and/or buildings in which Units exist) and patio fences, all of which shall be treated as Limited Commons Areas designated for the exclusive use of the particular Units to which such surfaces appertain, even if not designated as Limited Common Areas on the Plat. Notwithstanding the foregoing and notwithstanding any provision to the contrary in the CC&R's, whether a Unit is a Townhouse Unit or Twinhome Unit, exterior doors, exterior door frames, exterior decorative moldings and bay windows (together with all exterior structures appurtenant thereto) attached to any Unit shall not be considered Limited Common Areas or Common Areas and it shall be the sole and exclusive duty of the Owner(s) to maintain the same to the specifications and standards set forth by the Board of Directors, which Board maintains the sole and exclusive

discretion to set the standard of the appearance and scope of the maintenance of the Limited Commons areas.

3. Article IV, paragraph 4.01 of the CC&R's shall be removed in its entirety and replaced with the following provision:

4.01 **Maintenance and Repairs**. Each Owner shall at its own cost maintain its Lot, Unit and any maintenance and improvements to Owner's Lot/Unit, Townhouse Unit, Twinhome Unit, and/or residence constructed thereon in good condition and repair at all times. An Owner's "Unit" for purposes of this provision 4.01 shall include the exterior doors, exterior door frames, exterior decorative moldings, storage sheds, garage doors and bay windows (together with all exterior structures appurtenant thereto) of Owner's Lot, Townhouse Unit, Twinhome Unit, and/or residence. The Association shall maintain and repair all other Townhouse Unit, Twinhome Unit, and/or residence exteriors, roofs, and patio fences not defined above within the meaning of "Unit" above, as provided in Section 12.01(d) of this Declaration. In the event of the damage or destruction of any Unit, for any reason, the Owner of the Lot on which such Unit is situated shall either rebuild the same within a reasonable time or shall raze the remains thereof so as to prevent the unsightly appearance and dangerous condition of a partially destroyed building or residence in the Development. The painting or repainting, remodeling, rebuilding or modification of any Unit exteriors or parts thereof must be submitted to and approved by the Architectural Control Committee pursuant to its procedures. Notwithstanding the obligations of the Association or Owners provided herein, no Owner of such Units shall openly or wantonly neglect or fail to reasonably do all within its power to keep such items in good and attractive condition at all times. Reasonableness with regard to this provision shall be determined in the sole and exclusive discretion of the Board of Directors of the Association. In making a determination as to the reasonableness of an Owner's duty to maintain its Unit, the Board of Directors of the Association shall neither be arbitrary nor capricious about its decision regarding whether an Owner has acted reasonably and shall base its determination of reasonableness on industry standards for homeowners associations in the State of Utah.

4. Article XII, paragraph 12.01(d) of the CC&R's shall be removed in its entirety and replaced with the following provision:

(d) Subject to the duties of the Association as set forth within paragraph 4.01 above, the Association will provide maintenance and repair upon the Unit exterior surfaces and roofs of the Townhouse Units (and/or building in which such Units exist, the which have not been articulated in paragraph 4.01 as the responsibility of the Unit Owners. The same shall include maintenance of patio fences including painting, staining and replacing the same, maintenance of roofs, gutters, downspouts, exterior surfaces, trim and other exterior improvements to Common Areas, except glass surfaces.

5. Article VII, paragraph 7.01 of the CC&R's shall be removed in its entirety and replaced with the following provision:

7.01 **Architectural Control Committee – Board of Directors**. The Board of Directors of the Association may, exclusively and in its sole discretion, appoint a three-member Architectural

Control Committee (the "Committee"), the function of which shall be to ensure that all improvements, Unit maintenance performed by Owners, and landscaping within the Development harmonize with existing surroundings and structures. The Committee need not be composed of Owners. If such a Committee is not appointed, the Board of Directors itself shall perform the duties required of the Architectural Control Committee.

6. Article VII, paragraphs 7.08, 7.09 and 7.10 shall be added to the CC&R's as follows:

7.08 **Review & Approval By Board Of Owner's Unit Maintenance**. Given that Article IV, paragraph 4.01 of the CC&R's sets forth the obligations of Owners for the maintenance of the respective Units, upon completion by an Owner of Unit maintenance, modification and/or improvements of any kind pursuant to paragraph 4.01, the Owner shall/must obtain the written approval of the maintenance, modification(s) and/or improvement(s) of the Architectural Control Committee or Board of Directors (as the case may be). Approval shall be granted in the sole and exclusive discretion of the Architectural Control Committee or Board of Directors and the same shall neither be arbitrary nor capricious and shall be consistent with the objective of ensuring that all such maintenance, modification and/or improvements performed by Unit Owners, of any kind, within the Development harmonize with existing surroundings and structures and the overall appearance of the Development.

7.09 **Powers Of Enforcement By Board**. Pursuant to Article XIV, ¶14.07 all Owners are fully apprised of these CC&R's. As such, when an Owner, of itself or via any agent or assign, undertakes to perform any maintenance, modification and/or improvements (including repainting and/or refurbishing) upon a Unit without first obtaining the approval of the Architectural Control Committee or Board of Directors, whether or not the same has merely been commenced or has been completed, the Owner shall within 14 days of receipt of a written demand for the same from the Architectural Control Committee or Board of Directors, submit for approval to said Board complete plans and specifications for any maintenance, alteration(s), modification(s), etc., upon said Owner's Unit. In such case, the Board shall adhere to the tenets of this Article VII in rendering its approval or disapproval/rejection of said plans and specifications for work previously performed. If the Board, in its sole and exclusive discretion, determines that said plans and specifications are disapproved/rejected, the Owner shall submit alternative plans and specifications to the Board until approval is obtained, at the Owner's sole expenses. In such an instance, the Board may provide recommendations to said Owner for obtaining approval of the Owner's plans and specifications. However, any demolition, construction or additional work required to bring the Owner's Unit into compliance with the stated purposes of Article VII shall be performed at the sole expense of the Owner within a commercially reasonable time.

7.10 Consistent with the foregoing, where an Owner fails, within 14 days of receipt of a written demand by the Board, to submit complete plans and specifications for any maintenance, alteration, modification (including repainting and/or refurbishing) which the Owner has commenced/completed without prior Board approval, upon the passing of 30 days from the issuance of the written Demand referenced above, the Board may enter into contract with a third party contractor to remediate and bring the subject Unit into compliance with the stated purposes of Article VII. The costs/expenses attendant to said remediation shall be the sole and exclusive responsibility of the Owner.

7. Article XI, paragraph 11.13 of the CC&R's shall be removed in its entirety and replaced with the following provision:

11.13 **Board of Trustees: Composition, Election, Vacancies**. The Association, through its Board of Trustees is responsible for the maintenance of any Common Areas, the determination, impostion and collection of Assessments, the enforcement of the provisions of this Declaration and, in general, the preservation of the residential quality and character of the Development to the benefit of and general welfare of the Owners Subject to the provisions of Section 11.12, the Board shall be composed of between five (5) and seven (7) Trustees, each of whom shall be an Owner (or an officer, director, or agent of a non-individual Owner). At the first meeting of Owners to elect a Board of Trustees two (2) shall be elected to a three-year term, two (2) to a two-year term, and two (2) to a one-year term. As Trustees' terms expire, new Trustees shall be elected for three year terms and shall serve on the Board until their successors are elected. Vacancies of the Board shall be filled by the remaining Trustees from among the Owners and such appointees shall serve until the next annual meeting of Owners when thier successors shall be elected for the unexpired term of the Trustee they were appointed to replace. As nearly as possible, the makeup of the Board should reflect the ratios existing between Owners of Townhouse Units and Owners of Twinhome Units when compared to the total number of Units in the Development.

8. Article XI, paragraph 11.13.1 shall be added to the CC&R's following paragraph 11.13, as follows:

11.13.1 **Authorization To Serve On Behalf Of The Association**. The powers and duties vested in the members of the Board of Directors (also referred to within the CC&R's as the Board of Trustees) include the following:

a. The power to levy and collect assessments, as set forth within Article XII, ¶12.02;
b. The preservation of the residential quality and character of the Development to the benefit of the general welfare of the Owners, as articulated in Article XI, ¶11.13; and
c. Determination of compliance by Owners of the tenets of the CC&R's.

As such any Owner who is in violation for in excess of thirty (30) days, of the requirements of Articles **IV** entitled "Duties And Obligations Of Owners", **VI** entitled "Use Restrictions", **VII** entitled "Architectural Control", and/or **XIII** entitled "Assessments", shall be immediately prohibited by the Board of Directors/Board of Trustees from serving in any of the following capacities in relation to the Association, until such time as said Owner has cured the violation(s) and is elected, or re-elected as the case may be, to serve therein:

a. Board of Directors;
b. Board of Trustees;
c. Architectural Control Committee;
d. President;
e. Vice President;
f. Secretary;
g. Assistant Secretary

h. Treasurer;
i. Assistant Treasurer and
j. Managing Agent.

9. Article VI, paragraph 6.03(e) of the CC&R's shall be removed in its entirety and replaced with the following provision:

6.03(e) Consistent with the federal Rules of Over-the-Air Reception Devices ("OTARD") codified at 47 C.F.R. §1.4000, no outside television or radio aerial or antenna, satellite dish or other similar device which is designed to receive direct broadcast satellite service, including direct-to-home satellite services and video programming services (hereinafter cumulatively referred to as "Over-the-Air Reception Devices within the meaning of 47 C.F.R. §1.4000) shall be permitted on any Lot, unit or dwelling, or exterior thereto or Common Area, with exception that the same shall measure one meter in diameter or less and shall be affixed within the back yard area (which is within the exclusive use or control of the Unit owner). So as to avoid:

a) Unreasonable delays or prevention of installation, maintenance or use of the same;
b) Unreasonable increases in the cost of installation, maintenance or use;
c) Preclusions to reception of an acceptable quality signal; and
d) So as to be no more burdensome of Over-the-Air Reception Device users than is necessary to achieve the stated objectives within these CC&R's,

For the sole and exclusive purpose of this provision 6.03(e), the Architectural Design Committee shall not require prior approval of the installation of said Over-the-Air Reception Devices within the exclusive use area of a Unit backyard which comports with this section, especially where Unit owners install said Over-the-Air Reception Devices directly to a Unit shed structure or a mast attached to the exterior of a Unit shed structure (not to extend beyond a length above the roofline which is needed for reception of an acceptable quality signal and which does not violate local building and safety codes). Said placement is recommended for purposes of stability of structure and safety and aesthetics. Nothing in this provision, or in this Declaration, shall give an Owner, or its tenant(s), authorization to install Over-the-Air Reception Devices upon any portion of the Unit, dwelling or Common Area which is not the Unit backyard. Any such installations that have been heretofore affixed to any Unit, dwelling or common area in contravention of this provision shall be immediately remediated at the sole expense of the Owner, so as to comport with this provision.

10. Article VI, paragraph 6.03(g) shall be added to the CC&R's following paragraph 6.03(f), as follows:

6.03(g) With exception of the sale of the Owner's Unit/Townhouse Unit/Twinhome Unit, no offering for the sale of any tangible or intangible thing (including but not limited to: assets, products, merchandises, items, personal belongings or ware) shall be undertaken by any Owner/resident/visitor on any part Property comprising the Association (including but not limited to Common Areas, Lot(s), or Owner's Unit(s)/Townhouse Unit(s)/Twinhome Unit(s)) which may be reasonably observed by the general public. Said prohibition includes, but is not limited to yard sales, lemonade stands, crafts booths, etc. Sales within the Units is governed by State, and local statutes

and zoning codes.

11. Article VIII, paragraph 8.08 shall be added to the CC&R's following paragraph 8.07, but before Article IX, as follows:

8.08 Notwithstanding the provisions of this Article VIII above, where one of the foregoing provisions of this Article VIII conflicts with this section 8.08 et. seq. the terms of this section 8.08 et. seq. shall govern unless a conflicting provision of the foregoing Article VIII is more restrictive. Thus, in a conflict, the more restrictive provisions shall govern.

8.08.1 Property And Liability Insurance Required – Notice If Not Reasonably Available. With regard to an insurance policy or combination of insurance policies which are/were issued on or after July 1, 2011 and which were issued to or renewed by a lot owner or the Association, irrespective of when the Association was formed:

(1) Beginning not later than the day on which the first lot is conveyed to a person other than a declarant, an association shall maintain, to the extent reasonably available:

(a) subject to Section 57-8a-405, property insurance on the physical structure of all attached dwellings, limited common areas appurtenant to a dwelling on a lot, and common areas in the project, insuring against all risks of direct physical loss commonly insured against, including fire and extended coverage perils; and

(b) subject to Section 57-8a-406, liability insurance, including medical payments insurance covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the common areas.

(2) If an association becomes aware that property insurance under Subsection (1)(a) or liability insurance under Subsection (1)(b) is not reasonably available, the association shall, within seven calendar days after becoming aware, give all lot owners notice, as provided in Section 57-8a-215, that the insurance is not reasonably available.

8.08.2 Other & Additional Insurance – Limit On Effect Of Lot Owner Or Omission, etc.

(1) (a) The declaration or bylaws may require the association to carry other types of insurance in addition to those described in Section 57-8a-403.

(b) In addition to any type of insurance coverage or limit of coverage provided in the declaration or bylaws and subject to the requirements of this part, an association may, as the board considers appropriate, obtain:

(i) an additional type of insurance than otherwise required; or
(ii) a policy with greater coverage than otherwise required.

(2) Unless a lot owner is acting within the scope of the lot owner's authority on behalf of an association, a lot owner's act or omission may not:

(a) void a property insurance policy under Subsection 57-8a-403(1)(a) or a liability insurance policy under Subsection 57-8a-403(1)(b); or

(b) be a condition to recovery under a policy.

(3) An insurer under a property insurance policy or liability insurance policy obtained under this part waives its right to subrogation under the policy against any lot owner or member of the lot owner's household.

(4) (a) An insurance policy issued to an association may not be inconsistent with any provision of this part.

(b) A provision of a governing document that is contrary to a provision of this part has no effect.

(c) A property insurance or liability insurance policy issued to an association may not prevent a lot owner from obtaining insurance for the lot owner's own benefit.

8.08.3 <u>Property Insurance</u>.

(1) This section applies to property insurance required under Subsection 57-8a-403(1)(a).

(2) The property covered by property insurance shall include any property that, under the declaration, is required to become common areas.

(3) The total amount of coverage provided by blanket property insurance may not be less than 100% of the full replacement cost of the insured property at the time the insurance is purchased and at each renewal date, excluding items normally excluded from property insurance policies.

(4) Property insurance shall include coverage for any fixture, improvement, or betterment installed by a lot owner to an attached dwelling or to a limited common area appurtenant to a dwelling on a lot, including a floor covering, cabinet, light fixture, electrical fixture, heating or plumbing fixture, paint, wall covering, window, and any other item permanently part of or affixed to an attached dwelling or to a limited common area.

(5) Notwithstanding anything in this part and unless otherwise provided in the declaration, an association is not required to obtain property insurance for a loss to a dwelling that is not physically attached to another dwelling or to a common area structure.

(6) Each lot owner is an insured person under a property insurance policy.

(7) If a loss occurs that is covered by a property insurance policy in the name of an association and another property insurance policy in the name of a lot owner:

(a) the association's policy provides primary insurance coverage; and

(b) notwithstanding Subsection (7)(a) and subject to Subsection (8):

(i) a lot owner is responsible for the association's policy deductible; and

(ii) the lot owner's policy applies to that portion of the loss attributable to the association's policy deductible.

(8) (a) As used in this Subsection (8):

(i) "Covered loss" means a loss, resulting from a single event or occurrence, that is covered by an association's property insurance policy.

(ii) "Lot damage" means damage to any combination of a lot, a dwelling on a lot, or a limited common area appurtenant to a lot or appurtenant to a dwelling on a lot.

(iii) "Lot damage percentage" means the percentage of total damage resulting in a covered loss that is attributable to lot damage.

(b) A lot owner who owns a lot that has suffered lot damage as part of a covered loss is responsible for an amount calculated by applying the lot damage percentage for that lot to the amount of the deductible under the association's property insurance policy.

(c) If a lot owner does not pay the amount required under Subsection (8)(b) within 30 days after substantial completion of the repairs to, as applicable, the lot, a dwelling on the lot, or the limited common area appurtenant to the lot, an association may levy an assessment against a lot owner for that amount.

(9) An association shall set aside an amount equal to the amount of the association's property insurance policy deductible or $ 10,000, whichever is less.

(10) (a) An association shall provide notice in accordance with Section 57-8a-214 to each lot owner of the lot owner's obligation under Subsection (8) for the association's policy deductible and of any change in the amount of the deductible.

(b) An association that fails to provide notice as provided in Subsection (10)(a) is responsible for the amount of the deductible increase that the association could have assessed to a lot owner under Subsection (8).

(c) An association's failure to provide notice as provided in Subsection (10)(a) may not be construed to invalidate any other provision of this part.

(11) If, in the exercise of the business judgment rule, the board determines that a claim is likely not to exceed the association's property insurance policy deductible:

(a) the lot owner's policy is considered the policy for primary coverage to the amount of the association's policy deductible;

(b) a lot owner who does not have a policy to cover the association's property insurance policy deductible is responsible for the loss to the amount of the association's policy deductible, as provided in Subsection (8); and

(c) the association need not tender the claim to the association's insurer.

(12) (a) An insurer under a property insurance policy issued to an association shall adjust with the association a loss covered under the association's policy.

(b) Notwithstanding Subsection (12)(a), the insurance proceeds for a loss under an association's property insurance policy:

(i) are payable to an insurance trustee that the association designates or, if no trustee is designated, to the association; and

(ii) may not be payable to a holder of a security interest.

(c) An insurance trustee or an association shall hold any insurance proceeds in trust for the association, lot owners, and lien holders.

(d) (i) Insurance proceeds shall be disbursed first for the repair or restoration of the damaged property.

(ii) After the disbursements described in Subsection (12)(d)(i) are made and the damaged property has been completely repaired or restored or the project terminated, any surplus proceeds are payable to the association, lot owners, and lien holders.

(13) An insurer that issues a property insurance policy under this part, or the insurer's authorized agent, shall issue a certificate or memorandum of insurance to:

(a) the association;

(b) a lot owner, upon the lot owner's written request; and

(c) a holder of a security interest, upon the holder's written request.

(14) A cancellation or nonrenewal of a property insurance policy under this section is subject to the procedures stated in Section 31A-21-303.

(15) A board that acquires from an insurer the property insurance required in this section is not liable to lot owners if the insurance proceeds are not sufficient to cover 100% of the full replacement cost of the insured property at the time of the loss.

8.08.4 Liability Insurance.

(1) This section applies to a liability insurance policy required under Subsection 57-8a-403(1)(b).

(2) A liability insurance policy shall be in an amount determined by the board but not less than an amount specified in the declaration or bylaws.

(3) Each lot owner is an insured person under a liability insurance policy that an association obtains that insures against liability arising from the lot owner's interest in the common areas or from membership in the association.

8.08.5 Damage To A Portion Of The Project.

(1) (a) If a portion of the project for which insurance is required under this part is damaged or destroyed, the association shall repair or replace the portion within a reasonable amount of time unless:

(i) the project is terminated;

(ii) repair or replacement would be illegal under a state statute or local ordinance governing health or safety; or

(iii) (A) at least 75% of the allocated voting interests of the lot owners in the association vote not to rebuild; and

(B) each owner of a dwelling on a lot and the limited common area appurtenant to that lot that will not be rebuilt votes not to rebuild.

(b) If a portion of a project is not repaired or replaced because the project is terminated, the termination provisions of applicable law and the governing documents apply.

(2) The cost of repair or replacement in excess of insurance proceeds and reserves is a common expense.

(3) If the entire project is damaged or destroyed and not repaired or replaced:

(a) the association shall use the insurance proceeds attributable to the damaged common areas to restore the damaged area to a condition compatible with the remainder of the project;

(b) the association shall distribute the insurance proceeds attributable to lots and common areas that are not rebuilt to:

(i) the lot owners of the lots that are not rebuilt;

(ii) the lot owners of the lots to which those common areas that are not rebuilt were allocated; or

(iii) lien holders; and

(c) the association shall distribute the remainder of the proceeds to all the lot owners or lien holders in proportion to the common expense liabilities of all the lots.

(4) If the lot owners vote not to rebuild a lot:

(a) the lot's allocated interests are automatically reallocated upon the lot owner's vote as if the lot had been condemned; and

(b) the association shall prepare, execute, and submit for recording an amendment to the declaration reflecting the reallocations described in Subsection (4)(a).

12. Except as amended by the provisions of this First Amendment, the Declaration/CC&R's shall remain unchanged and, together with this First Amendment To Easements, Covenants, Conditions and Restrictions, shall constitute the currently existing Declaration of Easements, Covenants, Conditions and Restrictions for the Park Ridge Owner's Association.

13. This First Amendment To Easements, Covenants, Conditions and Restrictions shall be recorded upon execution by all of Board of Directors, whose names are subscribed below.

IN WITNESS WHEREOF, the Board of Directors have executed this instrument as of the day and year first articulated above.

Tyler Westerberg
President

Carol Ann Faust
Treasurer

Jessica Hiatt
Secretary

Monte MacGillivray
CURRENT PRESIDENT

Danielle Carter

JEANNE BOWEN
Notary Public, State of Utah
Commission # 653191
My Commission Expires
March 06, 2016

Subscribed and sworn to before me on this 26 day of March 2014 by Monte MacGillivray (only)

Only notarized for Monte MacGillivray

Notary Public