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**AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
BLACKROCK CONDOMINIUMS AT STONEBRIDGE**

This Amended and Restated Declaration of Covenants, Conditions and Restrictions of BlackRock Condominiums at Stonebridge ("Declaration") is made by the BlackRock Condominiums at Stonebridge Owners Association, a Utah nonprofit corporation (the "Association"), and is subject to the Utah Condominium Ownership Act, Utah Code §§ 57-8-1 et seq., as it may be amended and supplemented (the "Act").

RECITALS

A. The property subject to this Declaration is the BlackRock Condominiums at Stonebridge in Washington County, State of Utah. Exhibit A of this Declaration further defines the property subject to this Declaration. All Units therein are part of the Association, and each Owner of a Unit is a member thereof. The Association is created as a condominium project and contains certain Common Areas, Limited Common Areas, and easements for the benefit of the Owners of Units therein.

B. The Association desires to continue to provide for the preservation and enhancement of the property values and improvements of the Property and for maintenance of the Common Areas and Facilities.

C. This Amended and Restated Declaration of Covenants, Conditions and Restrictions supersedes and replaces all prior declarations, and amendments or supplements thereto, recorded against the subdivision, including without limitation the following:

- the Declaration of Covenants, Conditions and Restrictions of BlackRock Condominiums at Stonebridge, recorded with the Washington County Recorder as Entry No. 00681007, in Book 1364, at page 2352, on April 3, 2000 (the "Prior Declaration");
- The Declaration of Covenants, Conditions and Restrictions of BlackRock Condominiums at Stonebridge, recorded with the Washington County Recorder as Entry No., 00715332, in Book 1400, at Page 2062, on March 22, 2001(the "Original Declaration");
- The Amendment to Declaration of Covenants Conditions and Restrictions of Blackrock Condominiums at Stonebridge, recorded with the Washington County Recorder as Entry No. 00716505, in Book 1402, at page 1028, on April 2, 2001;
- The Amendment to Declaration of Covenants Conditions and Restrictions of Blackrock Condominiums at Stonebridge and Revocation, recorded with the Washington County Recorder as Entry No. 00748433, in Book 1445, at page 0327, on January 4, 2002;

- Declaration of Annexation for Phase 2 and Amendment to Declaration of Covenants and Conditions and Restrictions of Blackrock Condominiums at Stonebridge and Revocation, recorded with the Washington County Recorder as Entry No. 00795054, in Book 1509, at page 1760 on December 19, 2002;
- Declaration of Annexation for Phase 3 and Amendment to the Declaration of Covenants Conditions and Restrictions of Blackrock Condominiums at Stonebridge, recorded with the Washington County Recorder as Entry No. 814946, in Book 1539, at Pages 919-924, on April 21, 2003;
- Declaration of Annexation for Phase 4 and Amendment to the Declaration of Covenants Conditions and Restrictions of Blackrock Condominiums at Stonebridge, recorded with the Washington County Recorder as Entry No. 861146, in Book 1610, at Pages 522-526, on January 21, 2004;
- Declaration of Annexation for Phase 5 and Amendment to the Declaration of Covenants Conditions and Restrictions of Blackrock Condominiums at Stonebridge, recorded with the Washington County Recorder as Entry No. 905153, in Book 1678, at Pages 368-373, on October 11, 2004;
- Amendment to Declaration of Covenants Conditions and Restrictions of Blackrock Condominiums at Stonebridge and Revocation, recorded with the Washington County Recorder as Doc. No. 20080006360 on February 15, 2008;
- Amendment to Declaration (Including Association Bylaws) of Blackrock Condominiums at Stonebridge, recorded with the Washington County Recorder as Doc. No. 20100006849, on March 2, 2010;
- Amendment to Declaration & Notice of Reinvestment Fee Covenant, recorded with the Washington County Recorder as Doc. No. 20100020170, on June 18, 2010 (subsequently rescinded by Recision [sic] of Declaration & Notice of Reinvestment Fee Covenant, recorded with the Washington County Recorder as Doc. No. 20130010365, on March 20, 2013);
- Amendment to Declaration (Including Association Bylaws) of Blackrock Condominiums at Stonebridge, recorded with the Washington County Recorder as Doc. No. 20100044106, on December 30, 2010;
- Affidavit of Correction recorded with the Washington County Recorder as Doc. No. 20120038161, on November 7, 2012;
- Amendment to Declaration (Extension of Annexation Period) of Blackrock Condominiums at Stonebridge, recorded with the Washington County Recorder as Doc. No. 20130009671, on March 14, 2013;
- Rescission of Declaration and Notice of Reinvestment Fee Covenant, recorded with the Washington County Recorder as Doc. No. 20130010365, on March 20, 2013;

- Amendment to Declaration of Blackrock Condominiums at Stonebridge and Notice of Reinvestment Fee Covenant recorded with the Washington County Recorder as Doc. No. 20130024926, on June 27, 2013;
- Declaration of Annexation for Phase 6 of Blackrock Condominiums at Stonebridge, recorded with the Washington County Recorder as Doc. No. 20130037107, on October 1, 2013; and
- Amendment to Declaration (Annexation for Phase 6) For Blackrock Condominiums at Stonebridge, recorded with the Washington County Recorder as Doc. No. 20130037108, on October 1, 2013;

as any of the foregoing may have been further amended by any instrument whether or not recorded in the records of the Washington County Recorder (the Original Declaration, together with the foregoing amendments thereto and any other amendments thereto prior to the date hereof being the "Current Declaration").

D. Pursuant to Utah Code § 57-8a-104 and Article XII, Section 12.4 of the Current Declaration, sixty-seven percent (67%) of the Undivided Interests of the Association have voted affirmatively to adopt this Declaration.

DECLARATION

NOW THEREFORE, the Property shall be held, sold, conveyed, and occupied subject to the Act and the Association's Governing Documents for the purpose of protecting the value and desirability of the Property. This Declaration (and all Governing Documents of the Association) shall be construed as covenants of equitable servitude, shall run with the Property, and shall bind all parties having any right, title, or any interest in all or part of the Property, their heirs, successors, and assigns, and shall inure to the benefit of each owner of the Property.

ARTICLE 1 – DEFINITIONS

When used in this Declaration, the following terms have the meaning indicated. The definitions in this Declaration are supplemented by the definitions in the Act. If there is any conflict, the more specific and restrictive definitions apply.

1.1. Act means the Utah Condominium Ownership Act, Utah Code § 57-8-1 et seq., as may be amended and supplemented.

1.2. Articles means the Articles of Incorporation for the Association filed with the Utah Division of Corporations and Commercial Code and any amendments.

1.3. Association means the BlackRock Condominiums at Stonebridge Owners Association, a Utah nonprofit corporation.

1.4. Building means the separately numbered buildings located on the property described in Exhibit A that contain Units, the Clubhouse, or garages.

1.5. **Bylaws** means the Bylaws of the Association, attached as Exhibit C, and any subsequent amendments.

1.6. **Common Areas and Facilities** means:

(a) The real property included within the Property as described on the Maps that is not specifically included in the respective Units;

(b) All foundations, columns, girders, beams, supports, main walls, roofs, stairways, exterior walkways, driveways, streets, such recreational areas and facilities as may be provided, yards, fences, service and parking areas, entrances, exits, and in general all other apparatus, installations, and other parts of the Property necessary or convenient to the existence, maintenance, or safety of the Common Areas and Facilities or normally in common use;

(c) The areas specifically set forth and designated in the Maps as "Common Ownership" or "Common Area";

(d) The Limited Common Areas; and

(e) All common areas and facilities as otherwise defined in the Act, whether or not expressly listed in this Declaration.

1.7. **Common Expenses** means:

(a) all sums lawfully assessed against the Unit Owners;

(b) expenses of administration, maintenance, repair, or replacement of the Common Areas and Facilities;

(c) expenses agreed upon as Common Expenses by the Association; and

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

1.8. **Condominium Project** means the condominium project known as the "BlackRock Condominiums at Stonebridge." Condominium Project also means the Property when the context so requires.

1.9. **Condominium Unit** means a Unit together with an Undivided Interest.

1.10. **Declaration** means this instrument and any amendments.

1.11. **Governing Documents** means the Articles, this Declaration, Maps, Bylaws, Rules, and any other written instrument by which the Association may exercise powers or manage, maintain, or otherwise affect the Property, and any amendments to these documents.

1.12. **Limited Common Areas** means the areas shown on the Maps reserved for the use of a certain Unit or Units to the exclusion of other Units and further described in Section 2.1(b) below.

1.13. **Management Committee** means the governing body charged with and having the responsibility and authority to manage the affairs of the Association, including, but not limited to, making and enforcing all the reasonable Rules covering the operation and maintenance of the Property. The Management Committee may also be referred to as the "Board" or the "Board of Directors."

1.14. **Manager** means the Person or Persons appointed by the Association, if any, as the Association's agent. The Manager may perform any act authorized by the Management Committee unless otherwise provided in the Governing Documents or the Act.

1.15. **Maps** means the subdivision plats recorded with the Washington County Recorder titled: "BlackRock Condominiums at Stonebridge, Phase 1"; "BlackRock Condominiums at Stonebridge, Phase 1 Amended & Extended"; "BlackRock Condominiums at Stonebridge, Phase 1 Second Amended"; "BlackRock Condominiums at Stonebridge, Phase 2"; "BlackRock Condominiums at Stonebridge, Phase 3"; "BlackRock Condominiums at Stonebridge, Phase 4"; "BlackRock Condominiums at Stonebridge, Phase 5"; "BlackRock Condominiums at Stonebridge Phase 6"; and any replacements or amendments.

1.16. **Mortgage** means any mortgage, deed of trust, or other security instrument that encumbers all or part of a Condominium Unit.

1.17. **Mortgagee** means the record owner of the mortgagee's or beneficiary's interest under a Mortgage.

1.18. **Person** means an individual, corporation, partnership, association, trustee, or other legal entity.

1.19. **Property** means the property described in Exhibit A; the Buildings; all improvements and structures thereon; all easements, rights, and appurtenances belonging thereto.

1.20. **Reconstruction** means restoring a Building to substantially the same condition in which it existed before a fire or other disaster, with each Unit having the same vertical and horizontal boundaries as before.

1.21. **Recording Date** means the date the Declaration is recorded with the Washington County Recorder.

1.22. **Rental Agreement** means an agreement for the leasing or renting of a Unit.

1.23. **Rules** means all reasonable rules and regulations promulgated by the Management Committee.

1.24. **Undivided Interest** means the undivided percentage interest of each Unit Owner in the Property, including the Common Areas and Limited Common Areas appurtenant to each Unit. The undivided percentage interests are identified in Exhibit B.

1.25. Unit means that separate portion of the Property intended for independent and exclusive use described as individually numbered areas on the Maps designated for private ownership and further defined in Section 2.1(a) below.

1.26. Unit Owner means a Person owning a Condominium Unit in fee simple along with the Undivided Interest appurtenant to that Unit. A Person's spouse or domestic partner shall be considered a Unit Owner if their name appears on the ownership deed. Regardless of the number of Persons who own each Unit, those Persons shall be treated collectively as one Unit Owner.

ARTICLE 2 – PROPERTY RIGHTS

2.1. Division into Units, Limited Common Areas, and Common Areas and Facilities. To establish a plan of condominium ownership, the Condominium Project has been divided into the following separate freehold estates:

(a) Units. There are one hundred and fourteen (114) separately designated and legally described freehold estates consisting of the Units, as defined above and designated on the Maps. The Plat shows the Units and their locations, and dimensions from which their areas may be determined. The boundary lines of each Unit and the dimensions thereof are as set forth on the Map and consist of the undecorated and/or unfinished interior surfaces of its perimeter walls, bearing walls, lowermost floor, uppermost ceiling, and the windows and doors. To clarify, doors, door frames, windows and window frames are part of the Unit. Each Unit shall include both the portions of a Building that are not Common Areas and Facilities within such boundary lines, and the space so encompassed, excepting Common Areas and Facilities. Without limitation, a Unit shall include the sheetrock and any finishing material applied or affixed to the interior surfaces of the interior walls, floors and ceilings, non-supporting interior walls consisting of, among other things and as appropriate, wall texture, paint, wallpaper, flooring, carpet, tile, and other decorative or finished surfaces.

Mechanical equipment and appurtenances located within any one Unit or located outside of any one Unit but designated and designed to serve only that Unit, such as dryer vents, appliances, electrical receptacles and outlets, air conditioning compressors and other air conditioning apparatus, fixtures, and the like, shall be considered part of the Unit, as shall the appurtenant windows and window frames, doors and door frames, screens and screen doors, overhead garage doors, man doors, utility doors, and their trim or hardware. All fire suppression equipment, pipes, wires, conduits, or other utility lines or installations constituting a part of the Unit and serving only the Unit, and any structural members or any other property of any kind, along with fixtures, appliances and devices appurtenant to or within any Unit that are removable without jeopardizing the soundness, safety, or usefulness of the remainder of the Building within which the Unit is situated shall be considered part of the Unit. Each Unit Owner shall, at his or her own cost, maintain, repair, and replace all portions of his or her Unit and keep the same in a clean, sanitary, and attractive condition. All portions of the Unit which are maintained in a homogenous appearance by the Association shall remain so and any changes to the Unit which are visible from the exterior, or common area, including without limitation, doors, garage overhead doors, door trim, and windows shall be subject to the rights of the Association.

Appurtenant to and inseparable from each Unit shall be the Undivided Interest in the Common Areas and Facilities. The Undivided Interests may not be changed except by amending this Declaration. No

Unit may be further subdivided; two or more Units may not be combined.

No Unit Owner shall execute any deed, Mortgage, Rental Agreement, or other instrument conveying, leasing, or encumbering title to the Unit without including all appurtenant interests. The purpose of this restriction is to prevent any severance of combined ownership. Any deed, Mortgage, or other instrument purporting to affect one or more interests, without including all other interests, shall be deemed to include any omitted interest, even though not expressly mentioned or described therein. Each Unit Owner has an unrestricted right of ingress and egress to the Unit, and this right is appurtenant to ownership of the Unit.

(b) **Limited Common Areas.** Limited Common Areas are designated on the Maps. Additionally, any doorsteps, porches, balconies, patios, exterior doors, exterior windows, and any other apparatus or fixture intended to serve a single Unit, but located outside the boundaries of the Unit, shall be deemed Limited Common Areas appurtenant to the Unit. Exterior doors, utility doors, and any other apparatus or fixture intended to serve a single Unit, but located outside the boundaries of the Unit, shall be deemed Limited Common Areas appurtenant to the Unit. The right to use and occupy Limited Common Areas shall be appurtenant to and shall pass with the title to the Unit with which it is associated, to the exclusion of other Unit Owners. Each Unit Owner is hereby granted a license to use and occupy the Limited Common Areas reserved for the use of the Unit owned by the owner, subject to the residual rights of the Association therein. Except as otherwise provided, each Unit Owner shall, at his or her own cost, maintain, repair, and replace the Limited Common Areas (excepting Limited Common Area exterior stucco, concrete, railings and painted exterior surfaces) appurtenant to his or her Unit and shall keep the same in a clean, sanitary, attractive, and homogenous condition at all times. Walkways which are designated on the Map as Limited Common Areas, but which are designated by the Act as Common Areas, shall be maintained, repaired, and replaced by the Association.

(c) **Common Areas and Facilities.** Every Unit Owner shall have a right and easement of use and enjoyment in and to the Common Areas and Facilities, and this easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

(i) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Areas and Facilities;

(ii) The right of the Association to limit the number of guests of Unit Owners using the Common Areas and Facilities;

(iii) The right of the Association, during any period during in which any assessment remains partially or entirely unpaid or for any violation of the Rules, to suspend a Unit Owner's voting rights, any right to receive a utility service for which the Unit Owner pays as a Common Expense (if any), and the right of access to and use of recreational facilities;

(iv) The right of the Association to enter into agreements or leases which provide for use of the Common Areas and Facilities by a similar association in consideration for use of the Common Areas and Facilities of the other association, or for cash consideration;

(v) The right of the Association with the approval of sixty-seven percent (67%) of the Undivided Interest of the Unit Owners to sell, exchange, hypothecate, alienate, mortgage, encumber, dedicate, release, or transfer all or part of the Common Areas and Facilities to any Person;

(vi) The right of the Association to grant easements for public utilities or other public purposes consistent with the intended use of the Common Areas and Facilities by the Association;

(vii) The right of the Association to take steps as are reasonably necessary or desirable to protect the Common Areas and Facilities against foreclosure;

(viii) The terms and conditions of this Declaration; and

(ix) The right of each Unit Owner to the use of the Limited Common Areas appurtenant to the Unit Owner's Unit.

2.2 Description of Improvements. The significant improvements in the Condominium Project include the Buildings and the pool area. Each Building is of wood frame construction erected on wood joists and a concrete foundation with a tile roof. The Condominium Project also contains other improvements such as outdoor lighting, walkways, streets, utilities, carports, landscaping, and fencing.

ARTICLE 3 – MEMBERSHIP

3.1. **Membership.** Upon becoming the owner of a Condominium Unit, a Unit Owner shall automatically be a member of the Association and shall remain a member of Association until the ownership ceases for any reason, at which time membership in the Association shall automatically cease. Membership is appurtenant to and may not be separated from ownership of a Condominium Unit. The Association may require that a member provide proof of ownership as a condition to recognition. All Unit Owners are subject to all of the rights and duties established in the Act and the Governing Documents. A tenant of an owner possesses no rights as a member of the Association.

ARTICLE 4 – MANAGEMENT COMMITTEE

4.1. **Management Committee.** The affairs of the Association are governed by the Management Committee. The Management Committee has the power to manage the Property in accordance with the Act and the Governing Documents. Except as otherwise specified in the Act, the Declaration, or the Bylaws, the Management Committee acts in all instances on behalf of the Association.

4.2. **Indemnification.** The Association shall indemnify and hold harmless each member of the Management Committee and each Association officer against all costs, expenses, attorney fees, and liabilities incurred in connection with any proceeding in which the member or officer may become involved by reason of being or having been a member of the Management Committee or officer of the Association. This indemnification does not apply to any costs, expenses, and liabilities resulting from the willful misconduct or gross negligence of the member or officer.

4.3. **Rulemaking Power.** The Management Committee may, subject to the provisions of the Act, the Declaration, and the Bylaws, adopt, change, repeal, and enforce Rules governing the use of

the Units, Limited Common Areas, Common Area and Facilities, and any other activities or improvements within the Property. Rules have the same force and effect as if they were a part of this Declaration or the Bylaws.

4.4. **Fines.** The Management Committee may assess fines against a Unit Owner for violating the Governing Documents. Fines shall be assessed in accordance with Section 57-8-37 of the Act. Fines shall become an individual assessment as provided in Section 5.6 below.

4.5. **Suspension of Voting Rights.** The Management Committee may suspend any Unit Owner's voting rights during any period in which the Unit Owner fails to comply with the Governing Documents.

4.6 **Management Agreement.** The Management Committee may enter into a management agreement, management contract, or lease of recreational areas or facilities on behalf of the Association or the Unit Owners as a group.

ARTICLE 5 – ASSESSMENTS & LIENS

5.1. **Assessments.** The Association has authority and is required to set and levy assessments on a periodic basis for:

- (a) Payment of taxes, insurance, and common utility charges;
- (b) Payment of cost of repairing, replacing, maintaining, and constructing or acquiring additions to the Common Areas and Facilities;
- (c) Establishment and maintenance of an adequate reserve fund for the replacement of the Common Areas and Facilities, which by their nature, will require replacement on a periodic basis;
- (d) Payment of the Association's administrative expenses;
- (e) Payment of prior years' deficits;
- (f) Payment for utilities or charges that the Association may, in its sole and absolute discretion, determine appropriate or necessary including without limitation trash collection, sewer, water, cable television, internet, or other utilities or charges; and
- (g) Any other expense necessary or desirable to enable the Association to perform or fulfill its obligations, functions, or purposes under the Declaration.

5.2. **Calculation of Annual Assessments.** The Association shall prepare a budget before the close of each fiscal year of the Association for the purpose of calculating and establishing the annual assessments for the next fiscal year. Annual assessments shall be based upon the estimated net cash flow requirements of the Association to cover items including, but not limited to:

- (a) the cost of routine maintenance and operation of the Common Areas and Facilities;
- (b) premiums for insurance coverage necessary or deemed desirable by the Association;

- (c) landscaping and care of grounds;
- (d) common lighting within the Common Areas and Facilities;
- (e) routine renovations within the Common Areas and Facilities;
- (f) wages;
- (g) legal and accounting fees;
- (h) management fees;
- (i) expenses and liabilities from a previous assessment period; and
- (j) the supplementing of the reserve fund for general, routine maintenance, repairs, and replacement of Common Areas and Facilities on a periodic basis.
- (k) The annual assessment may be increased by the Management Committee each year by a maximum of five percent (5%) above the assessment for the previous year without a vote of the membership. An increase in the annual assessment above five percent (5%) shall be approved at a meeting duly called for this purpose by a majority of the Undivided Interests, as defined in the Bylaws.

5.3. **Notice of Assessment Increases.** At least thirty (30) days before each new assessment period begins wherein the amount of the annual assessment has been increased, the Association shall send a written notice of the annual assessments increase to each Unit Owner.

5.4. **Special Assessments.** In addition to the annual assessments, the Association may levy a special assessment for:

- (a) the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair, or replacement of Common Areas and Facilities;
- (b) paying legal fees as the Management Committee deems necessary for the benefit of the Association; and
- (c) any other expense incurred or that will be incurred as provided in this Declaration.
- (d) Any special assessment exceeding fifty percent (50%) of the annual budget shall be approved at a meeting duly called for this purpose by a majority of the Undivided Interests, as defined in the Bylaws. Notice and quorum requirement for the meeting shall be pursuant to the Bylaws.

5.5. **Additional Assessments.** In addition to the annual assessments and special assessments, the Association may levy assessments necessary from time to time for emergency repairs for damage or disruption to streets or other Common Areas and Facilities, resulting from the activities in maintaining, repairing, or replacing utility lines and facilities thereon.

5.6. Individual Assessments. In addition to any other assessments, the Association shall levy assessments for:

- (a) all fines, penalties, and damages incurred for violating the Governing Documents;
- (b) damages to the Common Areas and Facilities caused by the negligence or willful misconduct of a Unit Owner or the Unit Owner's household members, servants, tenants, guests, or licensees; and
- (c) any other liability, debt, or obligation of the Unit Owner to the Association arising under the Governing Documents.

5.7. Rates & Periods of Assessments. Annual, special, and additional assessments shall be fixed based on the Undivided Interest of each Condominium Unit. The Association may provide for the payment of annual, special, and additional assessments in equal installments throughout the assessment year.

5.8. Due Dates. The Association shall establish assessment due dates.

5.9. Lien & Personal Obligation of Assessments

(a) Each Unit Owner by acceptance of a deed for a Condominium Unit, whether or not it is expressed in any such deed or other conveyance, covenants and agrees to pay to the Association all assessments described in this Article, together with interest, late fees, expenses and costs of collection, and attorney fees. All such amounts are a charge on the land and a continuing lien on the Condominium Unit against which each assessment or amount is charged. All assessments and other amounts are also a personal obligation of the Unit Owner who was the owner of the Condominium Unit at the time when the assessment fell due.

(b) Subject to Section 57-8-44 of the Act, the Association has a lien on a Condominium Unit for all assessments and fines, together with amounts incurred in collecting an unpaid assessment, including court and reasonable attorney fees, late charges, interest, and any other amount the Association is entitled to recover under the Declaration or the Act.

(c) An Association lien has priority over each other lien and encumbrance on a Unit except:

(i) a first or second security interest on the Unit secured by a Mortgage that is recorded before a recorded notice of lien by or on behalf of the Association, or

(ii) a lien for real estate taxes or other governmental assessments or charges against the Unit.

(d) To evidence a lien for assessments, the Association shall prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Unit Owner of the Unit and a description of the Unit. The notice of lien must be signed by the

Association or its authorized agent and recorded with the Washington County Recorder. A notice of lien may not be recorded until there is a delinquency in payment of the assessment.

(e) The sale or transfer of any Condominium Unit shall not affect the assessment lien. However, the sale or transfer of any Condominium Unit pursuant to foreclosure of a first Mortgage or any proceeding in lieu thereof, shall extinguish the assessment lien as to payments which became due prior to such sale or transfer.

(f) A release of the notice of lien shall be recorded with the Washington County upon payment of all sums secured by the lien which has been made the subject of a recorded notice of lien, including after-accruing assessments, interest, costs, and attorney fees.

(g) In a voluntary conveyance, the grantee of a Condominium Unit is jointly and severally liable with the grantor for all unpaid assessments against the grantor for the grantor's share of the assessments up to the time of the conveyance, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee. Any such grantee shall be entitled to a statement from the Manager or the Management Committee setting forth the amounts of the unpaid assessments against the grantor, and such grantee shall not be liable for, nor shall the Condominium Unit conveyed, be subject to a lien for any unpaid assessments against the grantor in excess of the amount set forth.

5.10. Non-Payment of Assessments; Association Remedies.

(a) Delinquency, Interest, & Late Fees. Any assessment or installment thereof not paid within thirty (30) days after the due date shall be delinquent and shall bear simple interest from the due date at the rate of eighteen percent (18%) per year (or such lesser rate as the Association may determine appropriate) until paid. In addition, the Association may assess a late fee for each delinquent installment not to exceed ten percent (10%) of the installment.

(b) Remedies. If a Unit Owner fails or refuses to pay any assessment or fine when due the Association may:

(i) Bring an action against the Unit Owner personally obligated to pay without waiving any lien or lien rights;

(ii) Foreclose the lien against the Unit Owner's Condominium Unit in accordance with the laws of Utah applicable to the exercise of powers of sale in deeds of trust or the foreclosure of mortgages or in any other manner permitted by law;

(iii) In accordance with Section 5.10(c) below, terminate the Unit Owner's utility services (if any) paid as a Common Expense, and terminate the Unit Owner's right of access to and use of recreational facilities;

(iv) After notice to an Owner, demand that Owner's lessee pay rent to the Association that was due to the Unit Owner in accordance with Section 57-8-53 of the Act; and

(v) Take any other action authorized in the Act.

(c) There shall be added to the amount of any delinquent assessment or fines, reasonable attorney fees, court costs, and the costs and expenses of any action, sale, or foreclosure.

(d) The Association hereby conveys and warrants pursuant to Utah Code §§ 57-1-20 and 57-8-45 to its attorney, the power of sale of the Condominium Unit and all improvements to the Unit for the purpose of securing payment of assessments under the terms of the Declaration.

(e) No Unit Owner may waive or otherwise escape liability assessments by nonuse of the Common Area and Facilities or by abandonment of the Unit Owner's Unit.

5.11 Termination of a Unit Owner's Rights.

(a) The Management Committee may terminate a Delinquent Unit Owner's right of access to and use of recreational facilities. "Delinquent Unit Owner" means a Unit Owner who fails to pay an assessment when due.

(b) Before terminating a right of access to and use of recreational facilities, the Manager or Management Committee shall give the Delinquent Unit Owner notice. The notice shall be delivered not less than fourteen (14) days before it is to take effect and state:

(i) that the Association will terminate the Unit Owner's right of access to and use of recreational facilities if the Association does not receive payment of the total assessment within fourteen (14) days;

(ii) the amount of the assessment due, including any interest or late-payment fees; and

(iii) the Unit Owner's right to request a hearing.

(c) A Delinquent Unit Owner may submit a written request to the Management Committee for an informal hearing to dispute the assessment. The written request shall be submitted within fourteen (14) days after the date the Delinquent Unit Owner receives the notice.

(d) If a Delinquent Unit Owner submits a timely written request for an informal hearing, the Management Committee shall conduct an informal hearing at which the Delinquent Unit Owner shall have the opportunity to be heard and, if desired, represented by legal counsel. The Association may not terminate a right of access to and use of recreational facilities until after the Management Committee conducts the hearing and enters a final decision.

(e) If the Association terminates a right of access to and use of recreational facilities, the Association shall take action within seven (7) days to reinstate the right following the Unit Owner's payment of the assessment, including any interest and late-payment fees.

5.12. Providing Payoff Information. In accordance with Section 57-8-6.3 of the Act, the Association shall provide payoff information needed in connection with the closing of a Unit Owner's financing, refinancing, or sale of the Unit Owner's Unit. The Association is entitled to require a fee of fifty dollars (\$50.00) (or such higher amount as the Act may allow) to be paid after closing for providing such payoff information.

5.13. **Reinvestment Fee.** Upon the transfer of title to each Unit, a reinvestment fee, in an amount to be determined by the Management Committee, shall be charged and payable to the Association. A separate Notice of Reinvestment Fee will be recorded providing additional notice. The parties to the transaction are responsible to negotiate who pays this fee.

ARTICLE 6 – RESERVES

6.1. **Reserve Analysis.** The Management Committee shall cause a reserve analysis to be conducted as required by the Act. The Management Committee shall also review and, if necessary, update a previously conducted reserve analysis as required by the Act. The Management Committee may conduct a reserve analysis itself or may engage a reliable Person or organization, as determined by the Management Committee, to conduct the reserve analysis.

6.2. **Reserve Fund.** The Management Committee may not use money in a reserve fund (a) for daily maintenance expenses or (b) for any purpose other than the purpose for which the reserve fund was established unless a majority of the Undivided Interests approves the use of reserve fund money for that purpose. This Section may not be construed to limit a Management Committee from prudently investing money in a reserve fund, subject to any investment constraints imposed by the Declaration. The reserve fund shall be maintained separate from other funds of the Association.

ARTICLE 7 – INSURANCE

7.1. **Types of Insurance.** The Association shall obtain and keep in full force and effect at all times all insurance required under Section 57-8-43 of the Act and any other relevant sections of the Act. In addition to any insurance coverage or limit of coverage provided in this Article and subject to the requirements of this Article, the Association may, as the Management Committee considers appropriate, obtain any additional type of insurance than otherwise required or a policy with greater coverage than otherwise required. The Association shall maintain to the extent reasonably available the following types of insurance:

(a) **Property Insurance.** Subject to Section 57-8-43(9) of the Act, blanket property insurance or guaranteed replacement cost insurance on the physical structures in the Condominium Project, including the Common Areas and Facilities and the Units, insuring against all risks of direct physical loss commonly insured against, including fire and extended coverage perils. The total amount of coverage provided by blanket property insurance or guaranteed replacement cost insurance may not be less than one hundred percent (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. Property insurance shall include coverage for any fixture, improvement, or betterment installed at any time to a Unit or to Limited Common Areas associated with a Unit, whether installed in the original construction or in any remodel or later alteration, 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 a Unit or to Limited Common Areas associated with a Unit. Each Unit Owner shall be an insured person under the property insurance policy. If a loss occurs that is covered by the Association's property insurance and another property insurance policy in the name of a Unit Owner, the Association's policy provides primary insurance coverage. Notwithstanding the foregoing, the Unit Owner is responsible for the deductible of the Association's building property coverage.

(i) As used in this Article, "covered loss" means a loss, resulting from a single event or occurrence, that is covered by the Association's property insurance. "Unit damage" means damage to a Unit or to Limited Common Areas appurtenant to that Unit, or both. "Unit damage percentage" means the percentage of total damage resulting in a covered loss that is attributable to Unit damage.

(ii) A Unit Owner who owns a Unit that has suffered Unit damage as part of a covered loss is responsible for an amount calculated by applying the Unit damage percentage for that Unit to the amount of the deductible under the Association's property insurance. If a Unit Owner does not pay the amount required under this subsection (ii) within thirty (30) days after substantial completion of the repairs to the Unit or Limited Common Areas appurtenant to that Unit, the Association may levy an assessment against the Unit Owner for that amount.

(iii) The Association shall set aside an amount equal to the amount of the Association's property insurance policy deductible or, if the policy deductible exceeds ten thousand dollars (\$10,000.00), an amount not less than ten thousand dollars (\$10,000.00). The Management Committee may, by resolution, increase or decrease the amount of the Association's policy deductible. The Association shall provide notice, as provided in Section 57-8-42 of the Act, to each Unit Owner of the Unit Owner's obligation under this subsection (iii) for the Association's policy deductible if there is any change in the amount of the deductible.

(iv) If, in the exercise of the business judgment rule, the Management Committee determines that a covered loss is likely not to exceed the property insurance policy deductible of the Association and until it becomes apparent the covered loss exceeds the deductible of the property insurance of the Association and a claim is submitted to the Association's property insurance insurer: (a) a Unit Owner's policy is considered the policy for primary coverage for a loss occurring to the Unit Owner's Unit or to Limited Common Areas appurtenant to the Unit; (b) the Association is responsible for any covered loss to any Common Areas and Facilities; (c) a Unit Owner who does not have a policy to cover the damage to the Unit Owner's Unit and appurtenant Limited Common Areas is responsible for that damage, and the Association may recover, as provided for in subsection (ii) above, any payments the Association makes to remediate that Unit and the appurtenant Limited Common Areas; and (d) the Association need not tender the claim to the Association's insurer.

(v) An insurer under a property insurance policy issued to the Association shall adjust with the Association's loss covered under the Association's policy. Notwithstanding this subsection (v), the insurance proceeds for a loss under the Association's property insurance policy are payable to an insurance trustee that the Association designates or, if no trustee is designated, to the Association, and may not be payable to a holder of a security interest. An insurance trustee or the Association shall hold any insurance proceeds in trust for the Association, Unit Owners, and lien holders. If damaged property is to be repaired or restored, insurance proceeds shall be disbursed first for the repair or restoration of the damaged property. After the disbursements described herein are made and the damaged property has been completely repaired or restored or the Condominium Project terminated, any surplus proceeds are payable to the Association, Unit Owners, and lien holders based on the Undivided Interest of each Condominium Unit.

(vi) An insurer or the insurer's authorized agent that issues a property insurance policy under this Section shall issue a certificate or memorandum of insurance to: (a) the Association; (b) a Unit Owner, upon the Unit Owner's written request; and (c) a holder of a security interest, upon the holder's written request. A cancellation or nonrenewal of a property insurance policy under this

Section is subject to the procedures stated in Utah Code § 31A-21-303, as may be amended and supplemented.

(vii) A Management Committee that acquires from an insurer the property insurance required in this Section is not liable to Unit Owners if the insurance proceeds are not sufficient to cover one hundred percent (100%) of the full replacement cost of the insured property at the time of the loss.

(viii) Nothing in this Section shall prevent a Person suffering a loss as a result of damage to property from asserting a claim, either directly or through subrogation, for the loss against a Person at fault for the loss.

(ix) All policies of property insurance must provide that notwithstanding any provision affording the insurer the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable without the prior written approval of the Association (or any insurance trustee) or when in conflict with the provisions of any insurance trust agreement to which the insurance may be a party, or any requirement of law.

(b) Liability Insurance. Subject to Section 57-8-43(10) of the Act, liability insurance covering all occurrences commonly insured against for death, bodily injury, property damage, including water damage, liability for non-owned or hired automobile, liability for property of others, and such other risks as shall customarily be covered with respect to projects similar in construction, location, and use arising out of or in connection with the use, ownership, or maintenance of the Common Areas and Facilities. The limits of the liability insurance policy shall be in an amount determined by the Association, but not less than one million dollars (\$1,000,000.00) for all claims for personal injury or property damage arising out of a single occurrence. Each Unit Owner is an insured person under the liability insurance policy the Association obtains, but only for liability arising from: (i) the Unit Owner's ownership interest in the Common Areas and Facilities; (ii) maintenance, repair, or replacement of Common Areas and Facilities; and (iii) the Unit Owner's membership in the Association. Such policies shall be issued on a comprehensive liability basis, shall provide a cross-liability endorsement pursuant to which the rights of the named insured as between themselves are not prejudiced, and shall contain "a severability of interest" clause or endorsement to preclude the insurer from denying the claims of a Unit Owner because of negligent acts of the Association or other Unit Owners.

(c) Availability. If the Association becomes aware that property insurance under Section 7.1(a) above or liability insurance under Section 7.1(b) above is not reasonably available, the Association shall, within seven (7) days after becoming aware, give all Units Owners notice as provided in the Bylaws, or as otherwise specified in Section 57-8-42 of the Act, that the insurance is not reasonably available.

(d) Workers' Compensation Insurance. If the Association has any employees, it shall obtain and maintain for the benefit of and on behalf of the Association, Workers' Compensation, employer's liability insurance, and all other similar insurance with respect to employees of the Association in the amounts and in the forms now or hereafter required by the Act or other law.

(e) Fidelity Bond. The Association shall purchase a fidelity bond to protect against dishonest acts of members of the Management Committee, Association officers, the Manager,

Association employees (if any), and all others (including volunteers) who handle or are responsible for handling Association funds. This fidelity bond shall name the Association as the insured and shall be written in an amount equal to at least three (3) months' assessments plus all reserve funds. The fidelity bond shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression. The fidelity bond shall also provide that it may not be canceled or substantially modified (including cancellation for nonpayment of premiums) without at least thirty (30) days prior written notice to the Association and any first Mortgagee.

(f) Directors and Officers Insurance. The Association shall acquire Directors and Officers errors and omissions insurance to satisfy the Association's indemnification responsibilities under Section 4.2 above.

7.2 Additional Insurance Provisions. The following additional provisions shall apply with respect to insurance:

(a) All insurance policies shall be written by a company holding a financial rating of Class VI or better as designated in Best's Insurance Reports. Each insurer must be specifically licensed to transact business in Utah. Policies are unacceptable where: (i) under the terms of the carrier's charter, bylaws, or policy, contributions or assessments may be made against the borrower or the Mortgagee; or (ii) by the terms of the carrier's charter, bylaws, or policy, loss payments are contingent upon action by the carrier's board of directors, policy holders, or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent the Mortgagee or the borrower from collecting insurance proceeds.

(b) The Association shall have the authority to adjust losses.

(c) Insurance secured and maintained by the Association shall not be brought into contribution with insurance held only by Unit Owners or their Mortgagees.

(d) Each insurance policy obtained by the Association for the benefit of the Association shall provide: (i) a standard mortgagee clause commonly accepted by private institutional mortgage investors in the area in which the Property is located; (ii) a waiver (if available) of the insurer's subrogation rights with respect to the Association; members of the Management Committee; Association officers; the Manager; each Unit Owner; any Person residing with a Unit Owner if the Unit Owner resides in the Unit; and each Unit Owner's servants, agents, and guests; (iii) that it cannot be canceled, suspended, or invalidated due to the conduct of any member of the Management Committee, officer, employee of the Association, or the Manager without a prior written demand that the defect be cured; (iv) that any "no other insurance" clause therein shall not apply with respect to insurance held only by Unit Owners; and (v) a mortgagee clause endorsement, which must provide that the insurance carrier shall notify in writing any and all insureds, including the servicers on behalf of Mortgagees thereof, at least thirty (30) days in advance of the effective date of any substantial modification or cancellation of the policy.

(e) Insurance coverage required by this Article shall not be prejudiced or voided by: (i) a Unit Owner's act or omission, unless the Unit Owner is acting within the scope of the Unit Owner's authority; or (ii) any failure of the Association to comply with any warranty or condition regarding

any portion of the Property over which the Association has no control, such as the personal property of Unit Owners.

7.3. **Premiums.** All insurance premiums shall be Common Expenses.

7.4. **Unit Owner's Insurance.** No insurance policy issued to the Association may prevent a Unit Owner from obtaining insurance for the Unit Owner's own benefit. The Association has no responsibility to insure personal property of Unit Owners.

7.5. **Golf Course Release.** Each Unit Owner assumes all risks associated with living adjacent to a golf course, including property damage, personal injury, death, or other loss arising from stray golf balls or actions related to golf-course activities, and releases the Association and any employees or agents of the Association from any responsibility, liability, claims, or expenses, including attorney fees, arising from such property damage, personal injury, or other loss. Each Unit Owner further covenants that the owner of the adjacent golf course shall have the right, in the nature of an easement, to subject all or any portion of the Unit Owner's Unit to nuisances incidental to the maintenance, operation, or use of the golf course, and to the carrying out of golf course related activities.

ARTICLE 8 DESTRUCTION OR DAMAGE & EMINENT DOMAIN

8.1. **Destruction or Damage.**

(a) **Application of Insurance Proceeds to Reconstruction.** In case of fire or any other disaster, the insurance proceeds, if sufficient to reconstruct an improvement in the Property, shall be applied to such reconstruction. As used in this Article, "reconstruction" means restoring an improvement to substantially the same condition in which it existed before the fire or other disaster, with each Unit and the Common Areas and Facilities having the same vertical and horizontal boundaries as before.

(b) **Insufficient Insurance Proceeds.** If an improvement in the Property is destroyed or substantially damaged and the insurance proceeds are insufficient to reconstruct the improvement, the improvement shall be promptly reconstructed by the Manager or Management Committee, using proceeds of insurance, if any, on the improvement for that purpose. The Unit Owners shall be liable for assessment for any deficiency according to their Undivided Interests in the Common Areas and Facilities. However, if seventy-five percent (75%) or more of an improvement is destroyed or substantially damaged and if the Unit Owners, by a vote of at least seventy-five percent (75%) of the Undivided Interests of the Association, do not voluntarily, within one hundred days (100) days after destruction or damage, make provision for reconstruction, the Manager or Management Committee shall record with the Washington County Recorder, a notice setting forth such facts. Upon recording of that notice, the provisions of the Section 57-8-31 of the Act shall apply and govern the rights of all parties having an interest in the Property.

(c) **Determination of Extent of Destruction or Damage.** Any determination regarding the extent of the destruction or damage of an improvement under this Article shall be made by three (3) MAI Appraisers selected by the Association. The decision of any two (2) such appraisers shall be conclusive.

8.2. Eminent Domain. If any portion of the Property is condemned, then Section 57-8-32.5 of the Act shall apply and govern.

8.3. Association to Represent Unit Owners. Each Unit Owner hereby appoints the Association as an attorney-in-fact to represent the Unit Owner in negotiations, settlements, agreements, and related proceedings resulting from damage or destruction to the Property, from condemnation of all or a part of the Property, or from termination of the Condominium Project. Proceeds from a settlement will be paid to the Association for the benefit of the Unit Owners and the Mortgagees. Any losses, awards, or proceeds from destruction or damage, condemnation, or liquidation of all or a part of the Property, or from the termination of the Condominium Project, shall be allocated among Unit Owners based on the Undivided Interest of each Unit.

8.4. Priority to Proceeds. Nothing in this Article may be construed to give the Association or Unit Owners priority over a Mortgagee to proceeds of insurance.

ARTICLE 9 – OBSOLESCENCE

9.1. Adoption of a Plan. The Unit Owners representing an aggregate voting interest of seventy-five percent (75%) or more of the Association's voting interests may agree that the Condominium Project is obsolete and adopt a written plan for the renewal and reconstruction, provided that the plan has the unanimous approval of all first Mortgagees of record at the time of the adoption of the plan. The Association shall give written notice of adoption of the plan to all Unit Owners. The plan shall be recorded in with the Washington County Recorder.

9.2. Payment for Renewal & Reconstruction. The expenses of renewal or reconstruction shall be payable by all the Unit Owners as assessments against their respective Condominium Units. These assessments shall be levied in advance in accordance with Article 5 above and shall be allocated and collected as provided in that Article. Further levies may be made in like manner if the amounts collected prove insufficient to complete the renewal and reconstruction.

9.3. Dissents from the Plan. A Unit Owner not a party to a plan for renewal or reconstruction may give written notice of dissent to the Association within fifteen (15) days after the recording of the plan. The Association shall then give written notice of the dissent to all Unit Owners within five (5) days after the expiration of the fifteen (15)-day period. Within fifteen (15) days of receipt of the written notice from the Association, the Unit Owners representing an aggregate voting interest of more than twenty percent (20%) of the Association's voting interests may cancel the plan by recording a written instrument with the Washington County Recorder. If the plan is not canceled, then the Condominium Units of each dissenter shall be purchased according to the following procedures:

(a) If the Unit Owner and the Association can agree on the fair market value of the Unit Owner's Condominium Unit, then the sale and conveyance shall be completed within sixty (60) days after agreement. If the Unit Owner and the Association are unable to agree on the fair market value of the Unit Owner's Condominium Unit, the date when either party notifies the other that the party is unable to agree with the other shall be the "commencement date" from which all periods of time mentioned in this Section 9.3 shall be measured. Within ten (10) days following the commencement date, each party shall nominate a qualified appraiser by written nomination and shall give notice to the other of such nomination. If a party fails to nominate an appraiser, the appraiser nominated shall,

after five (5) days' notice to the other party of that party's failure to nominate, appoint another qualified appraiser. If the two (2) appraisers cannot agree on the Condominium Unit's fair market value, they shall appoint another qualified appraiser to be an umpire between them if they can agree on the umpire. If they are unable to agree on an umpire, then each appraiser shall nominate two (2) qualified appraisers, and from the names of those four (4) appraisers, one (1) shall be drawn by lot by a judge of any court of record in Utah, and the appraiser whose name is drawn shall be the umpire. The nominations from among which the name of the umpire is to be drawn by lot shall be submitted within ten (10) days of the failure of the two (2) appraisers to agree, which, in any event, shall not be later than twenty (20) days following the appointment of the second appraiser. The decision of the appraisers on the fair market value, or in the case of their disagreement, the decision of the umpire, shall be final and binding. The Association and the Unit Owner shall evenly split the fees of the appraisers.

(b) The sale shall be completed within sixty (60) days after decision of the appraisers, and the Association, as attorney-in-fact, shall disburse the proceeds first to Mortgagees and other encumbrancers (including the Association) in the order of the priority of their liens and the balance remaining to the Unit Owner.

(c) The obligation of the Association to purchase shall be conditioned on the fair market value of the Condominium Unit exceeding the obligations secured by Mortgages and liens on the Condominium Unit and on the marketability of the title. A Unit Owner shall furnish the Association an appropriate commitment for title insurance evidencing marketability of title not less than fifteen (15) days before the date set for completion of the sale.

In accordance with Article 5 above, the Association may levy a special assessment sufficient to pay for other Condominium Units of the dissenters provided that the assessments shall not apply to any of the Unit Owners who are among the dissenters and shall not be liens against the Condominium Units of the dissenting Unit Owners.

9.4. Sale of Obsolete Condominium Units. The Unit Owners representing an aggregate voting interest of eighty percent (80%) or more of the Association, may agree that the Condominium Units are obsolete and that the Condominium Project should be sold. That agreement must have the unanimous approval of every first Mortgagee of record at the time the agreement is made. The Association shall promptly record a notice setting forth such facts, and upon the recording of such notice, the Condominium Project shall be sold by the Association as attorney-in-fact for all the Unit Owners free and clear of the provisions in the Governing Documents. The sale proceeds shall be apportioned among the Unit Owners in proportion to their Undivided Interests, and the apportioned proceeds shall be paid into separate accounts, each account representing one (1) Unit. Each account shall remain in the name of the Association and shall further be identified by the Unit designation and the name of the Unit Owner. From each separate account, the Association shall use and disburse the total amount of each account without contribution from one account to the other, first to payment of valid tax and special assessment liens on the Condominium Unit in favor of any governmental assessing authority, next to payment of assessments made pursuant to the Declaration, next to other lienors in the order of priority of their liens, next to costs of the sale, and the balance remaining, if any, to each respective Unit Owner.

9.5. Distribution of Excess. If the amounts collected pursuant to Section 9.2 above exceed the amounts required for renewal and reconstruction, the excess shall be returned to the Unit Owners

by the Association by a distribution to each Unit Owner in an amount proportionate to the amount collected from each Unit Owner.

ARTICLE 10 – MAINTENANCE & ALTERATIONS

10.1. **Maintenance by the Association.** The Association shall maintain, repair, or replace:

(a) All portions of the Unit which contribute to the support of the Building, including main bearing walls, but excluding painting, wall papering, decorating, or other work on the interior surfaces of walls, ceilings, and floors in the Unit as described in Section 2.1(a) and Section 2.1(b);

(b) All Common Areas and Facilities, which includes all Limited Common Areas, except as provided in Section 10.2 below, including but not limited to exterior stucco and painted exterior surfaces; and

(c) All incidental damage caused by the work done at the Association's direction.

10.2. **Maintenance by the Unit Owner.** The Unit Owner shall be responsible, at the Unit Owner's expense:

(a) To maintain, repair, or replace all portions of the Unit, including but not limited to the interiors of the garage, the overhead garage door, door and door hardware (including electrical connections), door frames, and the man door (if any);

(b) To maintain the fire-suppression sprinklers and components serving only the Unit, including but not limited to, the responsibility to inspect and test the sprinklers at least once every year;

(c) To refrain from using, installing, or placing any commercial fixtures or commercial appliances within the Unit; only residential fixtures and residential appliances are allowed in the Unit;

(d) To maintain, repair, or replace all glass in exterior windows, and all glass in sliding glass doors; all replacement glass must be approved by the Association;

(e) To maintain, repair, or replace all exterior-window screens and exterior-door screens;

(f) To maintain the exterior portions of Unit's patio or balcony in a clean, sanitary and attractive condition, including, but not limited to the cleaning of bat/bird/animal droppings, spider webs, webbing and dust attached to the stucco, concrete, railings, or painted exterior ceiling surfaces;

(g) To perform all responsibilities in such a manner and at such reasonable hours so as not to unreasonably disturb other Unit Owners; and

(h) To refrain from repairing, altering, replacing, painting, decorating, or changing the exterior of the Unit or any exterior appendages whether exclusively used by the Unit Owner or otherwise without obtaining prior written consent of the Association.

10.3. Access for Maintenance & Emergencies. Some Common Areas and Facilities are or may be located within the Units or may be conveniently accessible only through the Units. After reasonable notice to the occupants of the Unit being entered, the Manager or Management Committee may access a Unit:

(a) From time to time during reasonable hours, as may be necessary for the maintenance, repair, or replacement of any of the Common Areas and Facilities or for making emergency repairs.

(i) "Reasonable notice" means written notice that is hand delivered to the Unit at least twenty-four (24) hours before the proposed entry, or in the case of emergency repairs, notice that is reasonable under the circumstances.

(ii) "Emergency repairs" means any repairs that, if not made in a timely manner, will likely result in immediate and substantial damage to the Common Areas and Facilities or to another Unit or Units.

(b) The Association is liable to repair damage it causes to the Common Areas and Facilities or to a Unit the Association uses to access the Common Areas and Facilities. The Association shall repair damage described in this Section within a time that is reasonable under the circumstances.

(c) If a Unit Owner fails to properly maintain the Unit Owner's Unit, the Association has the right, but not the obligation, to enter the Unit under the provisions of this Section and perform all upkeep to the Unit that is necessary under the circumstances, including any inspection, maintenance, repair, replacement, or any other act necessary to maintain the Unit in a decent, safe, and sanitary condition. Any costs or other amounts incurred by the Association under this subsection shall be assessed as an individual assessment.

10.4. Alteration or Improvement of Units. No alteration or improvement to the Unit that would alter or affect the Common Areas and Facilities may be made by any Unit Owner without the prior written consent of the Association. No application may be filed with any governmental authority for a permit covering an addition, alteration, or improvement to be made in a Unit that alters or affects the Common Areas and Facilities unless approved and executed by the Association without, however, incurring any liability on the part of the Association to any contractor, subcontractor, materialman, architect, or engineer by reason of such addition, alteration, or improvement or to any Person having any claim for death, bodily injury, or damage to property arising from any addition, alteration, or improvement. Approval shall be requested and granted or denied in writing. The Association may require the Unit Owner making such improvement, alteration, or addition to obtain insurance coverage in amounts as the Association deems proper.

10.5. Certain Work Prohibited. No Unit Owner shall do any work or make any alterations or changes which would jeopardize the soundness or safety of the Property, reduce its value, or impair any easement or hereditament without, in every such case, first obtaining the unanimous written consent of all other Unit Owners.

ARTICLE 11 – USE RESTRICTIONS

10.1. **Use of Units.** All Units are restricted for use to the Unit Owner and the Unit Owner's household members, servants, tenants, guests, or licensees as a private permanent residence and for no other purpose. No part of the Property shall be used for any commercial, manufacturing, mercantile, storing, vending, or other such non-residential purposes, including an in-home business as defined by local ordinances.

10.2. **Use of Common Area.** Except for the rights of ingress and egress, Unit Owners shall not use any Common Areas and Facilities other than as permitted in the Governing Documents. This restriction is for the mutual benefit of all Unit Owners and is necessary for the protection of the interests of all Unit Owners and the Common Areas and Facilities. Camping shall not be permitted in the Common Areas and Facilities.

10.3. **Responsibility for Damage.** Lessees, invitees, guests, Unit occupants, contractors, family members and other persons entering the Property under rights derived from an Owner shall comply with all of the provisions of the Governing Documents restricting or regulating the Owner's use, improvement or enjoyment of such Owner's Unit and other areas within the Property. The Owner shall be responsible for obtaining such compliance and shall be liable for any failure of compliance by such persons in the same manner and to the same extent as if the failure had been committed by the Owner.

10.4. **Prohibited Uses.** Unit Owners shall comply with all laws, ordinances, and regulations of any governmental authority and shall not permit anything to be done or kept in any Unit or other part of the Property that violates any law, ordinance, or regulation of any governmental authority.

10.5. **Nuisance.** No Unit or any other portion of the Property shall be used, occupied, or altered in violation of law or as to create a nuisance or interfere with the rights of any Unit Owner or that would result in an increase in the cost of any insurance covering the Common Areas and Facilities. No unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Examples of a nuisance may include, but not be limited to, second-hand smoke, vape, or similar, hoarding, animal nuisances, excessive noises, or obnoxious smells.

10.6. **Signs and External Apparatus.** Except for one (1) "For Rent" or "For Sale" sign of not more than two (2) square feet, no advertising signs, billboards, objects of unsightly appearance, or nuisances shall be erected, placed, or permitted to remain on any Unit or any portion of the Property.

10.7. **Personal Items.** No personal items shall be stored, placed, installed, or erected on or in any Common Area without written approval by the Association. The Association may adopt and amend rules concerning personal items placed outside the Unit and in the Limited Common Areas and may require items to be removed at the discretion of the Board.

10.8. **Quiet Enjoyment.** No noxious or offensive activity shall be carried on upon any part of the Property nor shall anything be done that is or may become an annoyance or nuisance or that shall interfere with the quiet enjoyment any of the Unit Owners.

10.9. Animals

(a) Authorized Animals. Subject to the federal Fair Housing Act and the Utah Fair Housing Act, the maintenance, keeping, boarding, or raising of livestock, poultry, reptiles, or animals of any kind is prohibited in the Property, except that the keeping of small birds, aquarium fish, well-behaved dogs or other well-behaved domestic animals that do not normally leave the Unit or its appurtenant Limited Common Areas is permitted. The maximum number of animals per Unit is two (2), aquarium fish excepted. Canines other than dogs, and felines other than common house cats are not allowed. Permitted animals shall not become a nuisance. The Association has the right to require that all animals must be registered with the Association. Failure to register any animal residing in the Unit, as further set forth in the Rules and Regulations, shall be deemed in violation of the governing documents. The Committee may adopt additional rules and regulations regarding animals.

(b) Rented Units. No animals are permitted in Units being rented.

(c) Restraints. Except when in a Unit every animal shall be in an enclosed cage or restrained on a leash no longer than six (6) feet, held by a responsible individual capable of controlling the animal. No animal may be tied up, chained, or otherwise left within the Common Areas and Facilities or Limited Common Areas.

(d) Unit Owners Responsibility for Animals. Unit Owners shall exercise appropriate control over their animals, shall clean up after the animals, and shall not permit deposits of fecal matter or urinary residue to remain anywhere within the Common Areas and Facilities and shall promptly and properly dispose of all such waste material in a safe and sanitary fashion. Unit Owners shall ensure that their animals do not make excessive noise, cause any offensive smell, or create any physical threat to anyone. Animal owners are responsible for any damages, injury, or disturbance that their animals may cause or inflict anywhere within the Property. Any Unit Owner who keeps or maintains any animal within the Property shall be deemed to have indemnified and agreed to hold the Association free and harmless from any losses, claims, liabilities, costs, expenses, or attorney fees arising from or otherwise relating to keeping or maintaining the animal within the Property. Unit Owners shall be responsible for ensuring that their household members, servants, tenants, guests, and licensees comply with all provisions of this Section.

(e) Animal Removal. The Association may at any time require the removal of any animal that it finds is an unreasonable source of annoyance, and the Association may exercise this authority for specific animals even though other animals are permitted to remain.

11.10. Gardening & Fences. There shall be no planting or gardening within the Property. No fences, hedges, planting boxes, or walls shall be erected or maintained within the Property except with prior approval by the Association. No plants or flowers should be planted except by the Association on any Common Areas, including Common Areas at the front of the Unit or adjacent to the rear of the Unit.

11.11. Garbage Removal. Rubbish, trash, and garbage shall be placed in proper containers. All rubbish, trash, and garbage shall be regularly removed from, and shall not be allowed to accumulate in, the Unit or upon the Unit's Limited Common Areas. No rubbish, trash, or garbage may be placed or stored in Common Areas and Facilities except for being properly placed in community dumpsters.

11.12. External Items. No Unit Owner shall cause or permit anything (including, but not limited to, external material, personal items, awnings, canopies, or shutters) to hang, be displayed, or otherwise be affixed to or placed on the exterior walls or roof, or on the outside of windows or doors, without prior written consent of the Association.

11.13. Exterior Antennas & Satellite Dishes. No antenna or satellite dish shall be erected, constructed, or maintained within the Property except for: (a) those erected, constructed, or maintained by the Association; (b) those expressly approved in writing by the Association; or (c) those, which by law, the Association cannot prohibit. The Association may remove any antenna or satellite dish violating this Section. Any amounts incurred by the Association due to a Unit Owner's violation may be assessed as an individual assessment.

11.14. Solar Energy. No system, or any component of a system, that is used to produce electric energy from sunlight may be installed or maintained within the Property by any Unit Owner without the Association's prior written approval. The Association may remove any system or component violating this Section. Any amounts incurred by the Association due to a Unit Owner's violation may be assessed as an individual assessment.

11.15. Parking & Streets. Parking spaces within the Property shall only be used for parking of motor vehicles actually used by the Unit Owner for personal use and not for commercial use. No recreational vehicles, boats, travel trailers, utility trailers, mobile homes, or similar property shall be parked anywhere within the Property. Moving vans and moving trailers shall not block the ingress to or egress from any part of the Property and shall not be parked overnight within the Property. The Management Committee may adopt, change, repeal, and enforce Rules governing vehicles, parking, and the use of streets within the Property. These Rules may include, but not be limited to: (a) limitations on the use of the street located between Buildings 10 and 13, which exits onto Stonebridge Drive; (b) the towing, at the vehicle owner's expense, of vehicles parked within the Property in violation of any provision of the Governing Documents; and (c) the imposition of fines and other sanctions for violations of any provisions of the Governing Documents relating to vehicles and parking. Costs incurred by the Association relating to the towing and storage of any vehicle parked in violation of any provision of the Governing Documents shall be assessed as an individual assessment against the Unit Owner responsible or whose household members, servants, tenants, guests, or licensees are responsible for the presence of such vehicle.

11.16. Rollerblades, Bicycles, etc. The Management Committee may adopt, change, repeal, and enforce Rules to govern the use of rollerblades, bicycles, scooters, hoverboards, and similar equipment within the Property.

11.17. Leases and Rentals of Units. All leases shall be in writing and be subject to the Governing Documents of the Association and any failure by the lessee to comply with the terms of such documents shall be a default under the Lease.

(a) Minimum Requirements. All leases must be for a term of no less than 30 days. No nightly or weekly rentals are permitted. No Unit shall be rented, leased or utilized for transient hotel purposes, commercial rentals or vacation timeshares.

(b) Association's Right to Rent. The Association shall have the right to rent any Association-owned Unit or any Unit that the Association possesses pursuant to any court order or foreclosure (judicial or non-judicial), and that rental shall not be subject to this Article.

(c) Additional Rules. The Management Committee is authorized to promulgate additional rules, procedures and requirements regarding rentals and the rental process as it deems necessary from time to time to give effect to, or further clarify, this Section. Such rules may include, but are not limited to, contact information for those residing in the Unit, a copy of the lease agreement to verify compliance with this Declaration, and vehicle registration.

(d) Breach of the Rental Requirements. If an Owner fails to follow the requirements of this Section or any additional rules and procedures adopted by the Management Committee, the Management Committee shall be entitled to the following:

(i) Fines, Sanctions and Attorney's Fees. The Management Committee shall have the power to enforce the Association's governing documents, including by obtaining injunctive relief from the courts, by issuing fines, by terminating any common service paid for as a common expense, and by utilizing any other remedy authorized by law or the governing documents in order to maintain and operate the project and to enforce these rental restrictions. The Association shall be entitled to its attorney's fees and costs in any action to enforce the terms of this Amendment or its rules.

(ii) Violations. In addition to any other remedies available to the Association, the Management Committee may require the Owner to terminate a lease or rental agreement if the Management Committee determines that any lessee or tenant has violated any provision of this Declaration, the Articles of Incorporation, the Bylaws, or any amendments thereto, or the rules and regulations adopted thereto. If an Owner fails to correct any such violations related to their tenants or fails to terminate the lease pursuant to the above, the Owner hereby grants the Management Committee standing to initiate eviction proceedings against their tenant and considers the Association a third-party beneficiary to its rental/lease agreement.

(iii) Lease Payments by Tenant to Association. If an Owner who is renting his or her Unit fails to pay an assessment for more than sixty (60) days after the assessment is due, the Management Committee may demand that the tenant, and the tenant thereafter shall, pay to the Association all future lease payments due to the Owner, beginning with the next monthly or other periodic payment, until the amount due to the Association is paid in accordance with the procedures established by law, and such amounts shall be the personal obligation and debt of the tenant to the Association, jointly and severally with the Owner.

11.18 Time-Share Arrangements Prohibited. No Unit shall be leased, subleased, occupied, rented, let, sublet, or used for or in connection with any time-sharing agreement, plan, program, or arrangement, including any so-called "vacation license," "travel club," "extended vacation," "fractional ownership," or other membership or time interval ownership arrangement. The term "time-sharing" includes, but is not limited to, any agreement, plan, program, or arrangement under which the right to use, occupy, or possess any Unit rotates among various persons, either corporate, partnership, individual, or otherwise, on a periodically recurring basis for value exchanged, whether monetary or like-kind use privileges, according to a fixed or floating interval or period of time. This

Section 11.18 shall not be construed to limit the personal use of any Unit by any Unit Owner or that Unit Owner's social or familial guests.

ARTICLE 12 – EASEMENTS

12.1. **Encroachments.** If any portion of the Common Areas and Facilities now encroaches upon any Unit, or if any Unit encroaches upon any other Unit or upon any portion of the Common Areas and Facilities as a result of the construction of the Buildings (including the Units and all other improvements to Property), or if any such encroachment occurs after because of settling or shifting of the Buildings or from other movement of any portion of the improvements, a valid easement for the encroachment and for the maintenance of the easement shall exist so long as the Buildings stand and so long as the physical boundaries of the Units are in substantial accord with the description in this Declaration. If the Buildings, the Unit, any adjoining Unit, or any adjoining Common Areas and Facilities are partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and then rebuilt, encroachments shall be permitted of parts of the Common Areas and Facilities upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Areas and Facilities due to rebuilding, and valid easements for those encroachments and the maintenance of those easements shall exist so long as the Building shall stand and so long as the physical boundaries of the Units are in substantial accord with the description in the Declaration.

12.2. **Utilities.** Providers of public utilities have a blanket easement upon, across, over, and under all the Property. Under this easement, all public utility providers serving the Property may lay, construct, renew, operate, and maintain conduits, cables, pipes, mains, ducts, wires, and other necessary equipment on the Property, provided that all such utilities shall be placed underground, except that public utility providers may affix and maintain electrical and telephone wires, circuits, and conduits on, above, across, and under roofs and exterior walls. However, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Property in such a way as to unreasonably encroach upon or limit the use of the Common Areas and Facilities or any structure on the Common Areas and Facilities. A public utility provider shall make reasonable efforts to occupy and use the same physical location as its prior installations. If any public utility provider furnishing a service covered by the blanket easement in this Section requests a specific easement by separate, recordable document, the Association has the right to grant that specific easement.

12.3. **Emergency Services.** All police, fire protection, ambulance services, and all similar persons have an easement to enter the Common Areas and Facilities and Units in the performance of their duties.

12.4. **Easement of Access.** The Association, its agents, employees, and any maintenance company selected by the Association have an easement to enter into any Unit as may be necessary to maintain, repair, or replace any of the Common Areas and Facilities, to make emergency repairs, or to perform the duties and responsibilities of a Unit Owner under this Declaration if those duties are neglected.

12.5. **Other Easements.** The easements identified in this Article shall not affect any other recorded easement.

ARTICLE 13 – GENERAL PROVISIONS

13.1. Persons Subject. Unit Owners, household members, servants, tenants, guests, licensees, and any other Person who uses any of the Property in any manner are subject to the Act and the Governing Documents.

13.2. Enforcement. The Association or any Unit Owner has the right to enforce the provisions of the Governing Documents by any proceeding at law or in equity, including bringing an action against any Person violating or attempting to violate any provisions of the Governing Documents. Failure of the Association or of any Unit Owner to enforce any provision of the Governing documents shall not be deemed a waiver of the right of the Association or any Unit Owner to do so later. If action, with or without suit, is undertaken to enforce any provision of the Governing Documents, the party against whom enforcement is sought shall pay to the Association or enforcing Unit Owner all costs, expenses, and attorney fees.

13.3. Waiver. No provision in the Governing Documents shall be deemed to have been waived because of any failure to enforce it, irrespective of the number of violations that may occur.

13.4. Duration. The restrictions, conditions, covenants, and reservations in the Declaration shall perpetually run with and bind the land.

13.5. Severability. All the restrictions, conditions, covenants, and reservations in the Declaration shall be construed together, but if any one restriction, condition, covenant, or reservation, or any part thereof, shall at any time be held invalid or for any reason become unenforceable, no other restriction, condition, covenant, or reservation, or any part thereof, shall be affected or impaired. The Association and Unit Owners and their successors, heirs, and assigns shall be bound by each article, section, subsection, paragraph, sentence, clause, and phrase of the Declaration, irrespective of the invalidity or unenforceability of any other article, section, subsection, paragraph, sentence, clause, or phrase.

13.6. Amendment. The Declaration may be amended by a vote of at least sixty-seven percent (67%) of the Undivided Interests. An amendment shall not be effective until the amendment is certified by a member of the Management Committee as being adopted in accordance with the Governing Documents and is recorded in the office of the Washington County Recorder. If an amendment is approved, the Management Committee shall provide notice within fifteen (15) days to the Unit Owners of the adopted amendment.

13.7. Limitation of Association Liability. The Association shall not be liable for:

- (a) any failure of water service or other utility service;
- (b) injury or damage caused by the elements or by a Unit Owner or Person within the Property; or
- (c) injury or damage resulting from electricity, water, rain, snow, or ice that may leak or flow from outside or from any part of any Building, including drains, pipes, conduits, appliances, equipment, or from any other place, unless caused by the gross negligence or willful misconduct of the Management Committee or its members. No diminution or abatement of any assessment under

this Declaration may be claimed or allowed for inconvenience or discomfort arising from the making of any repairs or improvements to or maintaining any of the Property or from any action taken to comply with the Governing Documents or laws, ordinances, regulations, rules, or orders of any governmental authority.

13.8. Manner of Giving Notice. Except as otherwise specified in this Declaration, the Association shall give notice in the manner specified in the Bylaws.

13.9. Grammar. The singular, wherever used, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions apply shall be assumed as though in each case fully expressed.

13.10. Days. Unless specified otherwise, any period stated in days shall mean calendar days, not business days.

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

Exhibit A
Legal Description

All Lots and Common Area according to the following plat(s) thereof as recorded in the office of the Washington County Salt Lake County Recorder:

- BRSB-1 - BLACKROCK CONDOS AT STONEBRIDGE 1 2ND AMD (SG)
- BRSB-2 - BLACKROCK CONDOS AT STONEBRIDGE 2 (SG)
- BRSB-3 - BLACKROCK CONDOS AT STONEBRIDGE 3 (SG)
- BRSB-4 - BLACKROCK CONDOS AT STONEBRIDGE 4 (SG)
- BRSB-5 - BLACKROCK CONDOS AT STONEBRIDGE 5 (SG)
- BRSB-6 - BLACKROCK CONDOS AT STONEBRIDGE 6 (SG)

Exhibit B**Table of Units and Undivided Interests in Common Areas and Facilities**

UNIT	Undivided Interest	UNIT	Undivided Interest	UNIT	Undivided Interest
1	0.8852	39	0.8707	77	1.0961
2	0.9182	40	0.8707	78	1.0801
3	0.8742	41	1.0331	79	0.9927
4	0.9122	42	1.0001	80	1.0141
5	0.8742	43	0.9657	81	1.0241
6	0.9142	44	0.8372	82	0.9917
7	0.9372	45	0.9332	83	0.9877
8	0.8997	46	0.8707	84	1.0036
9	0.8887	47	0.8092	85	0.9917
10	0.6748	48	1.0331	86	1.0081
11	0.7882	49	0.9027	87	0.8527
12	0.8022	50	0.9092	88	0.8132
13	0.7387	51	0.8947	89	0.8352
14	0.8307	52	0.8112	90	0.8327
15	0.7897	53	1.0311	91	0.8547
16	0.7712	54	0.8527	92	0.8132
17	0.7732	55	0.8132	93	0.8352
18	0.6853	56	0.8727	94	0.8307
19	0.8072	57	1.0111	95	0.8527
20	0.7967	58	0.9127	96	0.8157
21	0.7717	59	0.8132	97	0.8547
22	0.8622	60	0.8527	98	0.8547
23	0.7557	61	0.8547	99	0.8157
24	0.7747	62	0.8132	100	0.8527
25	1.0156	63	0.8727	103	0.5483
26	0.9682	64	1.0351	104	0.5483
27	0.9947	65	0.9147	105	0.5483
28	0.9682	66	0.8132	106	0.5483
29	1.0366	67	0.8892	107	0.8267
30	1.0366	68	0.8547	108	0.8002
31	0.9682	69	0.8112	109	0.8267
32	0.9947	70	0.8727	110	0.8237
33	0.9682	71	0.9967	111	0.8267
34	1.0156	72	0.9147	112	0.8302
35	1.0236	73	0.8132	113	0.8292
36	0.9657	74	0.8887	114	0.8322
37	0.8687	75	0.9827	115	0.8057
38	0.8467	76	1.0456	116	0.8302
				Total	99.9996

Exhibit C

**AMENDED AND RESTATED BYLAWS OF
BLACKROCK CONDOMINIUMS AT STONEBRIDGE
OWNERS ASSOCIATION**

**ARTICLE I
PLAN OF OWNERSHIP**

1.1. **Ownership.** The project located in St. George, Utah, known as “BlackRock Condominiums at Stonebridge” is submitted to the provisions of Utah Code Ann. § 57-8-1 et. seq. (1963, as amended).

1.2. **Bylaws Applicability.** The provisions of these Bylaws are applicable to the condominium project.

1.3. **Personal Application.** All present or future Unit Owners, tenants, guests, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these Bylaws, which are attached to the recorded Declaration of Covenants, Conditions and Restrictions of BlackRock Condominiums at Stonebridge (the “Declaration”). The mere acquisition, rental, or occupancy of any of the units of the condominium project will signify that all Governing Documents of the Association are accepted, ratified, and will be compiled with.

**ARTICLE II
ELECTRONIC MEANS**

2.1. **Affairs, Electronic Means.** Notwithstanding any language herein that does not expressly include the use of electronic means, any transaction or action involving the business or affairs of the Association, including but not limited to any and all notices, voting matters, use of proxies, etc., (whether by members or the committee) referred to in these Bylaws and the Declaration may be conducted by electronic means. The Association may accept a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation as the act of the member if the Management Committee does so in good faith and has no reason to believe it is not the act of the member. A writing may be delivered in an electronic medium or by electronic transmission, and may be signed by photographic, electronic, or other means. An electronic record or electronic signature is attributable to a person if it was the act of the person. An electronic signature may consist of a mark, symbol, character, letter, or number, or any combination thereof attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record and the same shall be considered the signature of such person. A writing includes any document, record, vote, ballot, proxy, or instrument required or permitted to be transmitted by a member or by the Association.

ARTICLE III
VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

3.1. **Voting.** The Governing Documents may establish different voting methods required for approval of any action, proposition, or motion which comes before the Association based on the type of decision. In instances where the governing documents are not specific, a Majority of the Membership Vote shall be presumed as the requirement. A "Majority of the Membership Vote" shall be the approval of an action, proposition, or motion by more than fifty percent (50%) of the Undivided Interests of the Association present in person or by proxy at any Association Meeting duly called. If a unit is owned by more than one person or entity, as joint tenants, tenants by the entirety, as tenants in common, or in partnership, the persons or entities owning such unit shall reach agreement as to the matter voted upon and cast their vote for their unit. A vote cast at any Association meeting by any of such co-owners, whether in person or by proxy, shall be presumed to be the vote attributable to the unit concerned unless written objection is made prior to said meeting or verbal objection is made at said meeting by another co-owner of the same unit. In the event such an objection is made, the vote involved shall be considered an abstention other than to determine whether a quorum exists. A unit which has been acquired by the Management Committee in its own name or in the name of its agents, designee, or nominee, on behalf of all Unit Owners shall be entitled to vote so long as it continues to be so held. The Management Committee shall reach an agreement as to the matter voted upon and cast their vote on behalf of all Unit Owners.

3.2. **Management Committee Voting Method.** The election vote for Management Committee positions shall provide that a Unit shall be in attendance either in person or by proxy at the meeting wherein the vote is being held and each Unit shall have one vote for the number of vacant positions being decided. No cumulative voting is allowed and the nominee(s) receiving the highest number of votes shall serve on the committee.

3.3. **Written Consent In Lieu of Vote.** Any action requiring a vote of the members except election of the management Committee may be taken by written consent. Action by written consent shall comply with the procedures set forth in the Utah Revised Nonprofit Corporation Act Section 16-6a-707 as amended from time to time. Written consents may be collected electronically.

3.4. **Quorum at Association meetings.** Except as otherwise provided in the Declaration or these Bylaws the presence in person or by proxy of more than fifty percent (50%) of Unit Owners, regardless of undivided interest, shall constitute a quorum. If a Quorum is not present when a meeting is called to order, the meeting may be adjourned and reconvened immediately. At any subsequent meeting the quorum requirement shall be one-half (½) of the previous quorum requirement. Notice of the first meeting is considered valid notice for all subsequent meetings.

3.5. **Proxies.** Votes may be cast in person or by proxy. Proxies must be in writing and filed with the Secretary before the appointed time of each meeting.

ARTICLE IV
ASSOCIATION MEETINGS

4.1. Place of Meetings. Meetings of the Association shall be held at a suitable place convenient to the unit owners as may be designated by the Management Committee.

4.2. Annual Meetings. The annual meetings of the Association shall be held during the first quarter of the fiscal year, at a date and time set by the Management Committee, unless otherwise changed by resolution of the Management Committee of which the Members are duly notified. At such meetings there shall be elected by ballot a Management Committee in accordance with the requirements of these Bylaws. The Unit Owners may also transact such other business of the Association as may properly come before then.

4.3. Special Meetings. It shall be the duty of the Chairman to call a special meeting of the Unit Owners as directed by resolution of the Management Committee or upon receiving a petition signed by the required percentage of Unit Owners and having been presented to the Secretary or Chairman. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business except as stated in the notice shall be transacted at a special meeting unless by consent of the majority present, either in person or by proxy.

4.4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each unit owner of record. Notice of Annual meetings shall be mailed at least ten (10) but no more than thirty (30) days prior to the meeting. Notice of Special Meetings shall be mailed at least twenty-one (21) days prior to the meeting unless the Management Committee can demonstrate that the holding of a Special Meeting is an emergency. An emergency meeting of Unit Owners may be called and held through electronic means and standard notice is waived. The mailing of a notice shall be considered complete once the postage-paid notice is deposited in the regular mail.

4.5. Agenda of Meetings. The business items on the agenda of all meetings of the Unit Owners shall be as follows. The Management Committee may add to or change the order of agenda items as appropriate.

- (a) Roll Call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and approval of minutes of preceding meeting.
- (d) Report of officers.
- (e) Report of executive committees, if any.
- (f) Election of committee members.
- (g) Unfinished business.
- (h) New business.

ARTICLE V
MANAGEMENT COMMITTEE

5.1. **Number and Qualification.** The affairs of the Association shall be governed by a Management Committee composed of a minimum of three (3) persons, and a maximum of five (5) persons elected by the Association.

5.2. **Powers and Duties.** The Management Committee shall have the powers and duties necessary for the administration of Association affairs and may do all such acts and things as are by law, or by the Declaration of by these Bylaws, directed to be exercised and done by the Association. The powers of the Management Committee, subject to requirements of law, shall include but not be limited to the following:

(a) The authority to grant or create utility and similar easements over, under, across and through the common areas and facilities; and work performed pursuant to such easements must be done in workmanlike manner and any damage to the interior structure or décor of a unit must be repaired;

(b) The authority to execute and record, on behalf of all unit owners, any amendment to the Declaration or Map which has been approved by the vote or consent of the membership necessary to authorize such amendment;

(c) The authority to enter into contracts which in any way concern the Property;

(d) The authority to convey or transfer any interest in real property;

(e) The authority to purchase, otherwise acquire, and accept title to, any interest in real property;

(f) The authority to add any interest in real property obtained pursuant to paragraph (e) above to the condominium project;

(g) The authority to promulgate such reasonable rules, regulations, and procedures as may be necessary or desirable to aid the Management Committee in carrying out any of its functions or to ensure that the project is maintained and used in a manner consistent with the interest of the unit owners; and

(h) The authority to perform any other acts and to enter into any other transactions which may be reasonably necessary for the Management Committee to perform its functions as agent for the unit owners.

(i) Any instrument executed by the Management Committee that recites facts which, if true, would establish the Management Committee's power and authority to accomplish through such instrument what is purported to be accomplished thereby, shall conclusively establish said power and authority in favor of any person who in good faith and for value relies upon said instrument.

5.3. **Other Duties.** In addition to duties imposed by the Declaration, these Bylaws or by resolution of the Association, the Management Committee shall have the following powers:

- (a) Care, upkeep and surveillance of the Property, the Common Areas, and the limited Common Areas;
- (b) Bringing and defending actions by or against the Association pertinent to the operation of the condominium;
- (c) Borrowing money on behalf of the condominium when required in connection with the operation, care, upkeep and maintenance of the common elements, provided, however the consent of a Majority of the Membership Vote, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall be required for the borrowing of any sum exceeding twenty-five percent (25%) of the annual budget;
- (d) Collection of monthly assessments from the owners;
- (e) Employing and terminating the employment of employees and independent contractors, purchasing supplies and equipment, entering into contracts and generally having the powers of manager in connection with the condominium;
- (f) Such other duties as set forth in the Declaration.

5.4. **Management Agent.** The Management Committee may employ for the Association a management agent or agents at a compensation established by the Committee to perform such duties and services as the Committee shall authorize for a term not to exceed two years.

5.5. **Election and Term of Office.** Each respective committee member shall be elected to serve a term of three (3) years. Committee members shall be elected at the annual meeting. The committee members shall hold office until their successors have been elected and hold their first meeting.

5.6. **Vacancies.** Vacancies in the Management Committee caused by any reason other than the removal of a committee member by a vote of the Association shall be filled by vote of the majority of the remaining committee members, even though the number voting affirmatively for a replacement committee member may constitute less than quorum; and each person so appointed shall fill the remainder of the term of the committee member which they replaced.

5.7. **Removal of Committee Members.** At any regular or special meeting duly called, any member of the Committee may be removed with or without cause by a Majority of the Membership vote and a successor may then and there be elected to fill the vacancy thus created. Any committee member whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting.

5.8. Organization Meeting. The first meeting of a newly elected Management Committee shall be held within ten (10) days of election at such a place as shall be fixed by the committee members at the meeting at which such committee members were elected, and no notice shall be necessary to the newly elected committee members in order legally to constitute such meeting, providing a majority of the whole committee shall be present.

5.9. Regular Meetings. Regular meetings of the Management Committee may be held at such time and place as shall be determined, from time to time, by a majority of the committee members, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Management Committee shall be given to each committee member, personally, by telephone, by mail or by email, at least three (3) days prior to the day set for such meeting. Meetings of the Management Committee shall be open to all Members, unless litigation or potential litigation, contract negotiation or employment, or personnel matters are being discussed. In these cases, the meetings shall be addressed in Executive Session. Committee members shall be afforded the opportunity to participate in meetings via a conference call.

5.10. Open Meetings; Executive Sessions.

(a) Open Meetings. All meetings of the Management Committee shall be open to Unit Owners. However, no Owner shall have a right to participate in the Committee meeting unless the Owner is also a member of the Committee, or who is asked to participate by the Chairman. The Management Committee shall have the authority to exclude an Owner who disrupts the proceedings at a Committee meeting.

(b) Executive Sessions. At the discretion of the Management Committee, the following matters may be considered in executive session:

- (i) Consultation with legal counsel concerning the rights and duties of the Association regarding existing or potential litigation or criminal matters;
- (ii) Personnel matters, including salary negotiations and employee discipline;
- (iii) The negotiation of contracts with third parties;
- (iv) Collection of unpaid assessments; and
- (v) Other matters of a sensitive, private, or privileged nature at the discretion of the Management Committee.

5.11. Meetings by Telephonic or Electronic Communication. In the event of an emergency, or by decision of the Management Committee, meetings of the Committee may be conducted by telephonic communication or by the use of a means of communication that allows all members of the Committee participating to hear each other simultaneously or otherwise to be able to communicate during the meeting.

5.12. Special Meetings. Special meetings of the Management Committee may be called by the Chairman on three-days' notice to each committee member given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and the purpose of the meeting. Special meetings of the Management Committee shall be called by the Chairman or Secretary in like manner and on like notice on the written request of at least two committee members.

5.13. Waiver of Notice. Before or at any meeting of the Management Committee, any committee member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a committee member at any meeting of the Management shall be a waiver of notice by the committee member of the time and place thereof. If all the committee members are present at any meeting of the Management Committee, no notice shall be required, and any business may be transacted at such meeting.

5.14. Management Committee's Quorum. At all meetings of the Management Committee, a majority of the committee members shall constitute a quorum for the transaction of business, and the acts of the majority of the committee members present at a meeting at which a quorum is present shall be the acts of the Management Committee. If, at any meeting of the Management Committee, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At the resumption of any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

5.15. Fidelity Bonds. The Management Committee shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

5.16. Compensation. No committee member shall receive any compensation for any service rendered to the Association in that capacity. Reimbursement for actual expenses may be made upon approval by the Management Committee.

ARTICLE VI OFFICERS

6.1. Designation. The principal officers of the Association shall be a Chairman, a Vice Chairman, a Secretary, and a Treasurer, all of whom shall be elected by the Management Committee. The committee members may appoint an assistant treasurer, and an assistant secretary, and such other officers or committees as in their judgment may be necessary. The offices of Treasurer and Secretary may be filled by the same person.

6.2. Election of Officers. The officers of the Association shall be elected annually by the Management Committee at the organization meeting after election of new committee members and shall hold office at the pleasure of the committee members.

6.3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Management Committee, any officer may be removed, either with or without cause, and a successor elected at any regular meeting of the Management Committee, or at any special meeting of the committee members called for such purpose.

6.4. Chairman. The Chairman shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Management Committee. The chairman shall have all of the general powers and duties which are usually vested in the office of

president of any association, or chairman of any board, including but not limited to, the power to appoint executive committees from among the owners from time to time as the chairman may decide is appropriate to assist in the conduct of the affairs of the Association.

6.5. Vice Chairman. The Vice Chairman shall take the place of the Chairman and perform duties whenever the Chairman shall be absent or unable to act. If neither the Chairman nor the Vice Chairman can act, the Management Committee shall appoint some other member of the Management Committee to do on an interim basis. The Vice Chairman shall also perform such other duties as shall from time to time be imposed by the Chairman or the Management Committee.

6.6. Secretary. The Secretary shall keep the minutes of all meetings of the Management Committee and the minutes of all meetings of the Association; the secretary shall have the charge of such books and papers as the Management Committee may direct; and shall, in general, perform all the duties incident to the office of Secretary.

6.7. Treasurer. The Treasurer shall have responsibility for Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Management Committee.

6.8. Compensation. No officer shall receive any compensation for any service rendered to the Association in that capacity, except for the Secretary or Treasurer, who may receive such compensation, if any, as the committee may determine. Reimbursement of actual expenses may be made upon approval by the Committee.

ARTICLE VII MORTGAGES

7.1. Notice of Association. A Unit Owner who mortgages his or her unit shall, upon request of the Committee, notify the Association through the Management Agent, if any, or the Chairman of the Management Committee in the event there is no Management Agent, of the name and address of his mortgagee; and shall comply with applicable provisions in the Declaration respecting mortgages.

7.2. Notice of Unpaid Assessments. The Association shall at the request of a mortgagee of a unit report any unpaid assessment due from the owner of such unit and provide such other notice as set forth in the Act.

ARTICLE VIII AMENDMENTS & CONSTRUCTION

8.1. Amendment. These bylaws may be amended by a vote of at least sixty-seven percent (67%) of the Undivided Interests. If an amendment is approved, the Management

Committee shall provide notice within fifteen (15) days to the Unit Owners of an amendment adopted under this Article.

(a) An Amendment may be disapproved if within 60 days after the date of the Special Meeting wherein the approval vote was enacted Unit Owners submit a petition stating disapproval and signed by twenty-five percent (25%) of the Unit Owners (not 25% of the Undivided Interests).

(b) Upon the Management Committee receiving the petition, the Amendment is stayed until after a subsequent Special Meeting is held. At that Special Meeting the Management Committee shall provide an open forum giving all Unit Owners an opportunity to be heard.

(c) Upon a Unit Owner proposing a motion which is duly seconded, a vote of disapproval may be called for at the Special Meeting and the amendment is rendered void if a Supermajority vote indicates such.

(d) Amendments not rendered void may become effective as soon as 61 days after the original approving votes are cast and Certificate of any Amendment shall be made and properly recorded with Washington County Recorder to become effective.

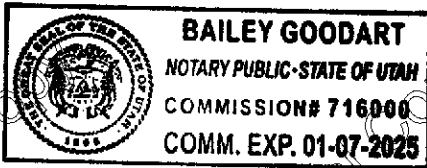
8.2. Construction. These Bylaws shall be construed wherever possible as consistent with the Declaration and the Utah Condominium Ownership Act. Wherever there is a conflict between the Declaration or said statute and these Bylaws, the Declaration or the statute shall control.

CERTIFICATION

The Management Committee Chairman of Blackrock Condominiums at Stonebridge Owners Association, a Utah nonprofit corporation, certifies that the foregoing Amended and Restated Declaration of Covenants, Conditions and Restrictions and Amended and Restated Bylaws of the Blackrock Condominiums at Stonebridge Owners Association are duly adopted by the affirmative vote of at least sixty-seven percent (67%) of the voting interests in the Association.

Dated this 14th day of April, 2022

Blackrock Condominiums at Stonebridge
Owners Association
A Utah nonprofit corporation



ER Russo
By:
Chairman, Management Committee

STATE OF UTAH)
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COUNTY OF WASHINGTON)

On this 14 day of April, 2022, personally appeared before me ER Russo, who being duly sworn or affirmed did say that he is the Management Committee Chairman of Blackrock Condominiums at Stonebridge Owners Association, a Utah nonprofit corporation, and that the foregoing document was signed by him/her on behalf of the Association by authority of its articles of incorporation, declaration, bylaws, or other governing documents, and he/she acknowledged before me that he/she executed the document on behalf of the Association and for its stated purpose.

Bur J
Notary Public