



ENT 20594:2020 PG 1 of 63
JEFFERY SMITH
UTAH COUNTY RECORDER
2020 Feb 19 1:30 pm FEE 66.00 BY SM
RECORDED FOR LEHI CITY CORPORATION

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF
GRAY FARMS OFFICE CONDOMINIUMS**
An Expandable Utah Condominium Project

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**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF
GRAY FARMS OFFICE CONDOMINIUMS**
An Expandable Utah Condominium Project

This Declaration is made on the date hereinafter set forth by Lehi Main Street Office, LLC, a Utah limited liability company, hereinafter referred to as the "Declarant."

RECITALS

A. The Declarant is the owner of the following described parcels of land, hereinafter collectively the "Land," which are located in Utah County, State of Utah:

A portion of that Real Property described in Deed Entry No. 78613:2018 of the Official Records of Utah County located in the NW1/4 of Section 18, Township 5 South, Range 1 East, Salt Lake Base and Meridian, located in Lehi, Utah, more particularly described as follows:

Beginning at the northwest corner of GRAY FARMS PHASE 3-TOWNHOMES AMENDED, according to the Official Plat thereof on file in the Office of the Utah County Recorder located N0°08'52"W along the Section line 797.40 feet and East 336.67 feet from the West 1/4 Corner of Section 18, T5S, R1E, S.L.B.& M.; thence N1°14'25"E 69.90 feet to the southwest corner of Lot 1, Phase 7A, GRAY FARMS Subdivision, according to the Official Plat thereof on file in the Office of the Utah County Recorder; thence along said lot and the extension thereof the following 2 (two) courses: S89°22'15"E 189.92 feet; thence N0°48'00"E 240.48 feet to the southwest corner of that Real Property described in Deed Entry No. 86200:2018 of the Official Records of Utah County; thence S89°22'15"E along said deed 590.93 feet to the southeast corner of said deed at the westerly line of GRAY FARMS CONDOMINIUMS PHASE 4 AMENDED, according to the Official Plat thereof on file in the Office of the Utah County Recorder; thence S0°14'18"W along said Plat 305.28 feet to the north line of GRAY FARMS Phase 2 Subdivision, according to the Official Plat thereof on file in the Office of the Utah County Recorder; thence along said plat the following 2 (two) courses: N89°27'09"W 294.28 feet; thence S0°48'00"W 3.99 feet to the northeast corner of said GRAY FARMS PHASE 3-TOWNHOMES AMENDED; thence N89°27'09"W along said plat 490.10 feet to the point of beginning.

B. The Declarant has constructed on the Land a building and other improvements as shown on the Map referred to below.

C. The Declarant by recording this Declaration and the Map has submitted the Land, the building, and all other improvements situated in or upon the Land to the provisions of the Utah Condominium Ownership Act, Utah Code Ann., § 57-8-1, et seq. (hereinafter the "Condominium Act") as a fee simple Project and to impose on said property mutually beneficial restrictions under a general plan of improvement for the benefit of all Condominiums within said project and the Owners thereof.

DECLARATION

NOW, THEREFORE, the Declarant hereby declares this Declaration is intended to establish declarations, covenants, conditions and restrictions for the mutual benefit of all Owners thereof and as follows:

ARTICLE 1. DEFINITIONS

Unless the context clearly indicates otherwise, certain terms as used in this Declaration shall have the meanings set forth in this ARTICLE 1.

1.01 “Annual Assessment” shall have the meaning set forth in Section 9.02 below.

1.02 “Articles” shall mean the Articles of Incorporation of the Gray Farms Owners Association, Inc., attached to this Declaration as Exhibit B.

1.03 “Association” shall mean Gray Farms Owners Association, Inc., a Utah nonprofit corporation, formed by Declarant pursuant to the law of the State of Utah.

1.04 “Board of Directors” shall mean the governing board or management committee of the Association, appointed or elected in accordance with the Declaration and in accordance with the Articles of Incorporation and Bylaws of Gray Farms Owners Association, Inc., attached hereto as Exhibit B and Exhibit C respectively, and incorporated herein by this reference.

1.05 “Building” shall mean the office structure located upon the Land, comprised of three (3) above ground stories.

1.06 “Bylaws” shall mean the Bylaws of Gray Farms Owners Association, Inc., attached to this Declaration as Exhibit C.

1.07 “Common Areas” shall mean all physical portions of the Project, including Limited Common Areas, General-use Common Areas, and Common Facilities as respectively defined below in Section 1.20, 1.17, and 1.09, except all Units.

1.08 “Common Expense Fund” shall mean the fund created or to be created pursuant to the provisions of ARTICLE 9 of this Declaration and into which all monies of the Association shall be deposited.

1.09 “Common Facilities” shall mean all furniture, furnishings, equipment, facilities, and other property (real, personal, or mixed) and interests therein at any time leased, acquired, owned, or held by the Association for the use and benefit of all Owners and all other property (real, personal or mixed) hereafter purchased in accordance with this Declaration to be part of the Common Areas, except to the extent otherwise expressly provided in this Declaration.

1.10 “Condominium” shall mean a Unit and the undivided interest (expressed as a percentage of the entire ownership interest) in the Common Areas appurtenant to such Unit, as set forth in Exhibit A attached hereto and by this reference made a part hereof.

1.11 “Condominium Act” shall mean the Utah Condominium Ownership Act, Utah Code Ann., § 57-8-1, et seq.

1.12 “Declarant” shall mean Lehi Main Street Office, LLC, a Utah limited liability company.

1.13 “Declaration” shall mean the declaration of the Association of even date herewith regarding the use of the Building.

1.14 “Eligible First Mortgagee” shall have the meaning set forth in Section 14.03 below.

1.15 “First Mortgage” shall mean a first Mortgage lien on any Unit in the Project.

1.16 “First Mortgagee” shall mean the holder of a First Mortgage.

1.17 “General-use Common Areas” shall mean all Common Areas which are not Limited Common Areas.

1.18 “Land” shall mean the land upon which the Project is situated, as more particularly described in Paragraph A of the Recitals above, together with any of the Additional Land hereafter submitted to this Declaration pursuant to an amendment to this Declaration recorded in the office of the County Recorder of Utah County, State of Utah pursuant to the provisions of ARTICLE 16 below.

1.19 “Lease” shall mean any agreement for leasing or rental of the property.

1.20 “Limited Common Areas” shall mean any Common Areas or Common Facilities designated as reserved for the use of a certain Unit or Units to the exclusion of the other Units in the Project. There may be Limited Common Areas on building interiors, and no walls or other barriers shall be erected so as to interfere with use of the same. Interior Limited Common Areas to be shared by Units must continue to be shared. Structural separations between Units or the space which would be occupied by such structural separations may become Limited Common Areas for the exclusive use of the Owner or Owners of the Units on either side thereof as provided in Section 4.03 hereof.

1.21 “Map” shall mean the Gray Farms Office Condominiums Plat Map and any Supplemental Plat Maps pertaining to the Project and recorded or to be recorded in the office of the County Recorder of Utah County, State of Utah.

1.22 “Member” and “Membership” shall have the meaning set forth in Section 7.01.

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

1.24 “Mortgagee” shall mean (a) any persons named as the mortgagee or beneficiary under any mortgage or deed of trust by which the interest of any Owner is encumbered, or (b) any successor to the interest of such person under such mortgage or deed of trust.

1.25 “Owner” shall mean the person or persons, including the Declarant, owning in fee simple a Condominium in the Project, as such ownership is shown on the records of the County Recorder of Utah County, State of Utah. The term “Owner” shall not refer to any Mortgagee (unless such Mortgagee has acquired title to a Condominium for other than security purposes) or to any person or persons purchasing a Condominium under contract (until such contract is fully performed and legal title conveyed of record).

1.26 “Person” shall mean any natural person, partnership, trust, corporation, limited liability company, or other legal entity.

1.27 “Project” shall mean the Land, the Buildings, the Common Areas, and all improvements submitted to the provisions of the Condominium Act by this Declaration, any amendment to this Declaration, and the Map.

1.28 “Reimbursement Assessment” shall have the meaning set forth in Section 9.07 below.

1.29 “Reserve Analysis” shall mean an analysis to determine (i) the need for a reserve fund to accumulate money to cover the cost of repairing, replacing, and restoring Common Areas and Facilities that have a useful life of three years or more, but excluding any cost that can reasonably be funded from the general budget or other funds of the Association; and (ii) the appropriate amount of any reserve fund.

1.30 “Rules and Regulations” shall mean the rules and regulations adopted by the Board of Directors pursuant to the provisions of this Declaration.

1.31 “Special Assessment” shall have the meaning set forth in Section 9.05 below.

1.32 “Total Votes of the Association” shall mean the total number of votes appertaining to all Units in the Project, as shown in Exhibit A attached hereto.

1.33 “Unit,” shall mean an individual unit, consisting of all airspace, walls, partitions, floors, ceilings and any portions thereof which are contained within the vertical and horizontal boundaries of such Unit as shown on the Map. The Map designates as boundaries of each Unit the underside surface of the floor covering, the upper side of the finished surface or the acoustic tile on the ceiling, the midpoint of each interior wall which separates said Unit from other Units or which separates said Unit from Common Area corridors, entryways, landings, or stairs, and the outside perimeter of each exterior wall, not including glass or the exterior finish attached to such wall (i.e., brick, stucco, siding, stone). All doors and windows which are bounded on both sides by the same Unit are a part of said Unit. All doors and windows which are bounded on only one side by a Unit are not a part of said Unit but are Limited Common Areas; however, the finish on the Unit side of said doors and windows is a part of said Unit. The Unit side of a door or window shall mean the side of a door or window which faces inward to the Unit when the window or door is closed. Notwithstanding the fact that they may be within the boundaries of such Unit, all structures, supports, installations, equipment, and apparatus necessary for the support or for the use and enjoyment of any other Unit, including but not limited to bearing walls, floors (except the floor covering thereon), ceilings (except the interior surfaces thereof),

and roofs, foundations, columns, supports, beams, ceiling equipment, tanks, pumps, pipes, vents, ducts, shafts, flues, chutes, conduits, wires, and other utility installations, except the outlets thereof when located within the Unit, shall be Common Areas and shall not be a part of a Unit.

ARTICLE 2. SUBMISSION AND DIVISION INTO CONDOMINIUMS

2.01 Submission to Condominium Act. The Declarant hereby submits the Land, the buildings, and all other improvements now or hereafter made in or upon the land to the provisions of the Condominium Act. All of said property is and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, and improved as a fee simple Project to be known as Gray Farms Office Condominiums, an Expandable Utah Condominium Project. All of said property is and shall be subject to the covenants, conditions, restrictions, uses, limitations, and obligations set forth herein, each and all of which are declared and agreed to be for the benefit of said Project and in furtherance of a plan for improvement of said property and division thereof into Condominiums. Further, each and all of the provisions hereof shall be deemed to run with the land and shall be a burden and a benefit on the land and shall be binding upon the Declarant, its successors and assigns, and to any person acquiring, leasing or owning an interest in the real property and improvements comprising the Project, and to their respective personal representatives, heirs, successors, and assigns.

2.02 Division into Condominiums. The Project is hereby divided into Condominiums, each such Condominium consisting of a Unit and an appurtenant undivided interest in the Common Areas, as set forth in Exhibit A attached hereto.

ARTICLE 3. BUILDINGS, UNITS, COMMON AREAS, AND LIMITED COMMON AREAS

[3.01 Buildings and Improvements. The building consists of a three level office high rise building (13,000 sq. ft. main floor, 13,000 on the second floor, and 13,000 on the third floor). The roof well holds mechanical units for the third floor. The mechanical units for floors one and two are in closets on the respective floors. A recirculation system is connected to the boiler that provides hot water for the building. The building is a Type VB wood and steel structure with a standing seam metal roof, is fully fire sprinkled, and has a weather barriered EIFS exterior finish. There is one elevator and three stairwells.]

3.02 Description of Units. The Map contains the Unit number (or other designation of each Unit), location, and dimensions of each Unit in the Project and all other information necessary to identify each such Unit.

3.03 Description of Common Areas and Limited Common Areas. The Map contains a description of the Common Areas of the Project. The Map also designates the Unit or Units to which each of the Limited Common Areas is reserved.

ARTICLE 4. NATURE OF OWNERSHIP

4.01 Interior of Units. Subject to the provisions of this Section 4.01 and ARTICLE 6, each Owner shall have the exclusive right to paint, repaint, tile, wax, paper, carpet, or otherwise decorate the interior surfaces of the walls, ceilings, floors, and doors forming the boundaries of such Owner's Unit and the surfaces of all walls, ceilings, floors, and doors within such boundaries. Subject to the provisions of this Section 4.01 and ARTICLE 6, each Owner shall also have the right, to construct partition walls, fixtures, and improvements within the boundaries of such Owner's Unit; provided however, that such partition walls, fixtures, and improvements (a) shall comply with all applicable laws, ordinances, and building codes, (b) shall not interfere with facilities necessary for the support, use, or enjoyment of any other part of the Project or any other Unit, if a shared facility, (c) shall not impair the structural soundness or integrity of the Building in which it is located, and (d) shall not encroach upon the Common Areas or any part thereof, unless the Board of Directors shall consent in writing to such encroachment. Furthermore, the Board of Directors may impose reasonable regulations regarding hours of construction upon the exercise of the rights specified in this Section 4.01 by Owners of Units.

4.02 Maintenance of Units. Each Owner shall keep the interior of his Unit, including without limitation, interior walls, windows, ceilings, floors, and permanent fixtures and appurtenances thereto, in a clean and sanitary condition and in a state of good repair. In the event that any such Unit shall develop an unsanitary or unclean condition or fall into a state of disrepair, and in the event that the Owner of such Unit shall fail to correct such condition or state of disrepair promptly following written notice from the Board of Directors, the Board of Directors on behalf of the Association shall have the right, at the expense of the Owner and without liability to the Owner for trespass or otherwise, to enter said Unit and correct or eliminate said unsanitary or unclean condition or state of disrepair; provided, however, that the Association shall in no event have the obligation to correct or eliminate such condition or state of disrepair. The Board of Directors may elect to provide cleaning and maintenance services to Unit Owners so wishing to receive such services provided that the assessments for such services are levied in accordance with Section 9.06 herein.

4.03 Right to Combine or Divide Units. Subject to ARTICLE 6, Units may be utilized by the Owner or Owners thereof as if they were one Unit. At any time, upon the request of the Owner of one of such adjoining Units, any opening between the two units which, but for joint utilization of the two Units, would have been occupied by structural separation, shall be closed, at the equal expense of the Owner or Owners of each of the two Units and the structural separations between the two Units shall thereupon become Common Areas. Division of a Unit shall require an amendment to this Declaration and the Map showing the new boundaries of any such new Unit. Such amendment for division of a Unit may be approved by a majority vote of the Board of Directors notwithstanding the amendment requirements of Section 17.07 below.

4.04 Title. Title to a Condominium within the Project may be held or owned by any person or entity, or any combination thereof, and in any manner in which title to any other real property may be held or owned in the State of Utah, including without limitation joint tenancy or tenancy in common.

4.05 Ownership Interests in the Common Areas. The percentage of undivided ownership interest in the Common Areas shall be allocated among the Units on a pro rata basis based upon the total number of square feet of floor area in each Unit as compared to the total number of square feet of floor area in all Units combined. The initial undivided ownership interest in the Common Areas appurtenant to each Unit in the Project shall be as set forth in Exhibit A attached hereto. The percentages appurtenant to each Unit as shown in said Exhibit A shall have a permanent character and shall not be altered (a) except with the unanimous written consent of all Owners expressed in an amendment to this Declaration duly recorded, or, (b) except to the extent necessary to allow for the expansion or contraction of the Project as provided in ARTICLE 16 of this Declaration and the Condominium Act. Except as otherwise provided in this Declaration, any Owner shall be entitled to nonexclusive use of the General-use Common Areas in any manner that does not hinder or encroach upon the rights of other Owners and is not contrary to any Rules and Regulations promulgated by the Association. Except as otherwise provided in this Declaration, any Owner shall have the exclusive right to use and enjoy any Limited Common Areas that may be designated for exclusive use by such Owner, subject to any Rules and Regulations promulgated by the Association.

4.06 Inseparability. Title to no part of a Condominium within the Project may be separated from any other part thereof, and each Unit and the undivided interest in the Common Areas appurtenant to each Unit shall always be conveyed, devised, encumbered, and otherwise affected only as a complete Condominium. Every devise, encumbrance, conveyance, or other disposition of a Condominium, or any part thereof, shall be construed to be a devise, encumbrance, conveyance, or other disposition, respectively, of the entire Condominium, together with all appurtenant rights created by law or by this Declaration, including appurtenant membership in the Association as hereinafter set forth.

4.07 No Partition. The Common Areas shall be owned in common by all of the Owners, and no Owner may bring any action for the partition thereof.

4.08 Separation Mortgages by Owners. Each Owner shall have the right separately to mortgage or otherwise encumber such Owner's Condominium. No Owner shall attempt to or shall have the right to mortgage or otherwise encumber the Common Areas or any part thereof, except the undivided interest therein appurtenant to such Owner's Condominium. Any mortgage or other encumbrance of any Condominium within the Project shall be subordinate to all the provisions of this Declaration, and in the event of foreclosure, the provisions of this Declaration shall be binding upon any Owner whose title is derived through foreclosure by private power of sale, judicial foreclosure, or otherwise.

4.09 Separate Taxation. Each Condominium within the Project including each Unit and appurtenant undivided interest in the Common Areas, shall be deemed to be a parcel and shall be assessed separately for all taxes, assessments, and other charges of the State of Utah or of any political subdivision or of any special improvement district or of any other taxing or assessing authority. For purposes of such assessment, the valuation of the Common Areas shall be apportioned among the Units in proportion to the undivided interests in Common Areas appurtenant to such Units. All such taxes, assessments, and other charges on each respective

Condominium shall be separately levied against the Owner thereof. No forfeiture or sale of any Condominium for delinquent taxes, assessments, or other governmental charges shall divest or in any way affect the title to any other Condominium.

4.10 Mechanic's Lien. No labor performed or material furnished for use in connection with any Unit with the consent or at the request of an Owner or his agent or subcontractor shall create any right to file a statement of mechanic's lien against the Unit of any other Owner not expressly consenting to or requesting the same or against any interest in the Common Areas, except the undivided interest herein appurtenant to the Unit of the Owner for whom such labor shall have been performed and such materials shall have been furnished.

4.11 Description of the Condominium. Every contract for the sale of a Condominium and every other instrument affecting title to a Condominium within the Project may describe a Unit by its identifying number or symbol as indicated in this Declaration or as shown on the Map. Such description will be construed to describe the Unit, together with its appurtenant undivided interest in the Common Areas, and to incorporate all rights incident to ownership of a Condominium within the Project and all of the limitations on such ownership.

ARTICLE 5. EASEMENTS

5.01 Easements for Encroachments. If any part of the Common Areas encroaches or shall hereafter encroach upon any Unit, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Areas, or upon an adjoining Unit, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of the Common Areas or any part of a Unit shall hereafter encroach on real property now owned by the Declarant outside the boundaries of the land, an easement for such encroachment shall and does exist. Such encroachments shall not be considered to be encumbrances either on the Common Areas or the Units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of the Building or any improvements constructed or to be constructed within the Project, by error in the Map, by settling, rising, or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project, or any part thereof, in accordance with the provisions of this Declaration.

5.02 Easements for Maintenance, Cleaning and Repair. Some of the Common Areas are or may be located within the Units or may be conveniently accessible only through the Units. The Association shall have the irrevocable right to have access to each Unit and to all Common Areas from time to time during such reasonable hours as may be necessary and after reasonable notice to the occupant of such Unit for the maintenance, cleaning, repair or replacement of any Common Areas and in connection with any cleaning, maintenance repair, replacement of any Common Areas and in connection with any cleaning, maintenance repair, replacement, landscaping, construction, or reconstruction for which the Association is responsible. The Association shall also have the irrevocable right of access to each Unit for making emergency repairs necessary to prevent damage to the Common Areas or to another Unit or Units, provided that a reasonable effort is made to provide notice to the occupant of the Unit prior to entry. Any such entry shall be made with as little inconvenience to the Owners as practicable, and any

damage caused thereby shall be repaired by the Association with funds from the Common Expense Fund.

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

5.04 Association's Right to Use Common Areas. The Association shall have an easement to make such use of the Common Areas as may be necessary or convenient to perform duties and functions that it is obligated or permitted to perform pursuant to this Declaration, including without limitation the right to construct and maintain in the General-use Common Areas facilities for use by Owners generally or by the Association and its agents exclusively.

5.05 Easement for Completion of Project. The Declarant shall have a transferable easement over and on the Common Areas for the purpose of completing construction of the Project and making improvements therein as shown on the Map and for the purpose of doing all things reasonably necessary or appropriate in connection therewith. To the extent that damage is inflicted on any part of the Project by any person utilizing said easement, the Declarant and the person causing the damage shall be liable to the Association for the prompt repair of such damage.

5.06 Easements Hereafter Deemed Created. All conveyances of Condominiums within the Project hereafter made, whether by the Declarant or otherwise, shall be construed to grant and reserve such reciprocal easements as are provided herein, even though no specific reference to such easements appears in any such conveyances.

5.07 Emergency and Utility Services. Fire, police and other emergency personnel and utility and communication companies shall have an easement over and upon all exterior walkways and sidewalks within the Project for purposes of carrying out their duties and responsibilities.

ARTICLE 6. USE RESTRICTIONS

6.01 Primary Uses. The Project is a mixed-use condominium project consisting of office and retail uses. Units shall be used and occupied solely in accordance with the following provisions of this Section 6.01:

(a) Units. Subject to the provisions of this Section 6.01(a), the Units may be used for such uses as are allowed only in accordance with the ordinances of the City of Lehi, Utah; provided however, that Units shall not be used for any of the following uses: adult book and/or video store; amusement center; betting parlor; bingo parlor; bowling alley; carnival; check cashing services; electronic, mechanical games or amusement arcade; flea market; tattoo or body piercing parlor; fortune telling, palm reading or other business

relating to the occult; gambling establishment; illegal, offensive, noisy or dangerous trade; any sexually oriented business; novelty shop or store; nude or partially nude entertainment; pet grooming or boarding; pornographic shop or store; sale of firearms and/or ammunition; thrift shop; self service laundry; skating rink; store or shop engaged primarily in the sale of used products; veterinarian's services. Notwithstanding anything to the contrary in this Section 6.01(a), no Unit shall be used for (1) photo processing, (2) any use resulting in the emission of smoke, fumes, odors, gases, vapors, steam, dust, sweepings, dirt, cinders or other particles or substances into the atmosphere or which are detectable outside the boundaries of such Unit or which may be detrimental to the health, safety, welfare or comfort of any Owner or any other person, to the condition of any other portion of the Project, or to any vegetation within the Project, (3) any use resulting in the recurrent or continuous emission of sound or noise from such Unit which may be heard without instruments outside the boundaries of such Unit, (4) any use resulting in the discharge of glare or heat, subsonic or ultrasonic sounds, or atomic, electromagnetic, microwave, ultra-violet, laser or other radiation which is detectable from any point exterior to such Unit, (5) any use resulting in recurrent or continuous ground vibrations perceptible without instruments at any point exterior to such Unit, (6) any use resulting in the discharge of fluids, gases, solid wastes or other harmful materials into any drainage facility or other waterway which may adversely affect the health, safety, welfare or comfort of any Owner or other person or the condition of any portion of the Project, or (7) dry cleaning or laundry plants or facilities other than facilities used solely for the collection of soiled clothing and other fabrics from customers and distribution of clean clothing and other fabrics to customers, unless said dry cleaning or laundry activities are carried out in strict compliance with any Federal, State, or local law, statute, order, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated, including but not limited in any way to the Resource Conservation and Recovery Act (RCRA), the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), the Clean Water Act (CWA), the Clean Air Act (CAA), the Emergency Planning and Community Right-to-Know Act (EPCRA), the Occupational Safety and Health Act (OSHA), the Safe Drinking Water Act (SDWA), and the Toxic Substances and Control Act (TSCA). Notwithstanding anything to the contrary in this Section 6.01(a), the Owner of any Unit may request a determination from the Board of Directors as to whether a particular use of a Unit is permitted by the provisions of this Section 6.01(a) and such determination by the Board of Directors shall be binding on the Association and all Owners; provided, however, that the Board of Directors shall not have authority to permit a variance from the provisions of this Section 6.01(a). No commercial uses may be conducted in any Unit until the Owner or the Owner's tenant of such Unit complies with all permits, licensing, and other commercial requirements and conditions imposed by Lehi City. No Unit may be used for residential purposes.

6.02 Pets and Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept in any Unit or in the Common Areas. The Board of Directors may adopt Rules and Regulations specifying the manner in which the provisions of this Section 6.02 will be implemented.

6.03 Sign Restrictions. Except as provided otherwise in Section 6.01 above, no signs or advertising devices of any kind (including, but not limited to, “for sale,” “for rent,” or other similar signs) shall be erected or maintained in any Unit that are visible from any other Unit or from any portion of the Common Areas. In a location that the Board of Directors deems suitable, the Board of Directors shall provide, designate, and erect a board in and for public display within the Common Areas and shall permit Owners to post signs or advertising devices on said board, subject to reasonable limitations set forth in the Rules and Regulations adopted by the Board of Directors. No sign or advertising device of any kind shall be erected or maintained in any Unit except normal and customary commercial signage that: (a) complies with applicable state law and local ordinances; (b) is either placed within or on an exterior window of such Unit (subject to the provisions of Section 6.14 herein) or within the sign band or on an awning located on the exterior surface of the exterior wall of such Unit or, with respect to blade signs, attached to the soffit immediately in front of such Unit; and (c) there is no movement or flashing if the sign is neon or lighted.

6.04 No Noxious, Offensive, or Unsightly Activities or Conditions. No noxious, offensive, or unsightly activities or conditions shall be carried on, in, or upon any part of the Project, nor shall anything be done or placed in or upon any part of the Project which is or may become a nuisance or which may cause disturbance or annoyance to Owners. No activities shall be conducted, improvements constructed, nor conditions created in or upon any part of the Project which are or may become unsafe or hazardous to any person or property. So long as all commercially reasonable efforts to design and maintain ventilation systems of restaurants so as to eliminate food odors to the greatest degree possible, and so long as the restaurant operators diligently use procedures to minimize emission of such odors, the occasional emission of such odors in the normal course of restaurant operations shall not be deemed a violation of this provision.

6.05 No Smoking. To the extent allowed by law, smoking of any kind or form is strictly forbidden from any of the premises of the Project, indoors or outdoors, including but not limited to within Units, General-use Common Areas, Common Facilities, or Limited Common Areas.

6.06 No Alterations, Additions, Removals, or Improvements. No Owner shall, without the prior written consent of the Board of Directors in each specific instance, do any act that would impair the structural soundness or integrity of the Buildings or other improvements, or jeopardize the safety of persons or property or impair any easement or hereditament appurtenant to the Project. Except as otherwise provided in Section 4.03 above, no Owner shall, without the prior written consent of the Board of Directors in each specific instance, make, or cause to be made any alteration, addition, removal, or improvement in or to the Common Areas or any part thereof.

6.07 No Obstructions. No Owner shall obstruct the General-use Common Areas or Limited Common Areas or any part thereof except as provided for in this Declaration, the Bylaws, or the Rules and Regulations. No Owner shall store or cause to be stored in the General-use Common Areas or Limited Common Areas any property whatsoever, unless

expressly permitted by this Declaration, the Bylaws, or the Rules and Regulations or unless the Board of Directors shall consent thereto in writing.

6.08 No Overloading. No Owner shall bring anything into such Owner's Unit or permit anything to be done in such Owner's Unit that will cause damage to a Building or structure. No Owner shall overload the floor of such Owner's Unit. For purposes of this Declaration, the floor area of a Unit shall be deemed to be overloaded if the load being carried exceeds forty (40) pounds per square foot. No Owner shall permit the use or operation in his Unit of any equipment, machinery, or other apparatus that will in any manner injure, vibrate, or shake the Building or portions thereof.

6.09 Prohibition of Damage and Certain Activities. Except with the prior written consent of the Board of Directors, nothing shall be done or kept in any Unit, in the Common Areas, or in any other part of the Project that would result in cancellation of the insurance on the Project or any part thereof, or shall anything be done or kept in any Unit that would increase the rate of insurance on the Project or any part thereof over that which the Association, but for such activity, would pay. Nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would be in violation of any statute, rule, ordinance, regulation, permit, or other validly imposed requirement of any governmental authority. No damage to, or waste of, the Common Areas or any part thereof shall be committed by any Owner or guest of any Owner, and each Owner shall indemnify and hold harmless the Association and other Owners from and against all loss resulting from any such damage or waste caused by such Owner or by the guests, tenants, licensees, or invitees of such Owner. There shall be no subrogation rights against an Owner, tenant, or Association for any loss covered by any insurance.

6.10 Rules and Regulations. Each Owner shall comply strictly with all Rules and Regulations adopted by the Association for the governance of the Units, the Common Areas, and the Project, as such Rules and Regulations may be modified, amended, and construed by the Association in accordance with the provisions of this Declaration.

6.11 Construction Period Exemption. During the course of actual construction of any permitted structures or improvements within the Project, the provisions, covenants, conditions and restrictions contained in this Declaration shall be deemed waived to the extent necessary or convenient to permit such construction; provided, however, that during the course of such construction, nothing shall be done which will result in a violation of any said provisions, covenants, conditions, or restrictions upon completion of the construction.

6.12 Trash Removal. Each Unit Owner or tenant shall be responsible for the removal of all the trash and refuse from that Owner's Unit to the central collection points located within the Project for trash collection or to such other locations outside the Project as such Unit Owner may determine. Three central trash collection points will consist of trash compactors built into the Buildings. Said trash collection points with trash compactors shall be accessible to collection trucks at all times between the hours of 10:00 o'clock p.m. and 7:00 o'clock a.m. No hazardous substances shall be handled or disposed of in any manner in the central trash and refuse collection points. The term "hazardous substances" is used in its very broadest sense, and refers to materials which because of their quantity, concentration, or physical, chemical, or infectious

characteristics may cause or pose a present or potential hazard to human health or the environment when improperly handled, treated, stored, transported, disposed of, or otherwise managed. The term shall include, but is not limited to, all hazardous substances, hazardous materials and hazardous wastes listed by the U.S. Environmental Protection Agency and the state of Utah under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), the Resource Conservation and Recovery Act (RCRA), the Toxic Substances Control Act (TSCA), and the Federal Water Pollution Control Act (FWPCA), and comparable state and federal statutes. The Association shall provide for payment of all expenses arising out of or connected with the maintenance and operation of the central trash collection points through a common area assessment as provided for in ARTICLE 9 herein. The Board of Directors may adopt additional Rules and Regulations regulating the trash collection sites.

6.13 Lighting Devices. No string lights, mini lights, or any other lighting, including but not limited to holiday lighting, other than normal and customary lamps and light fixtures, shall be erected or maintained on or in any Common Area or Unit so that it is visible from any other Unit or Common Area; provided however, that the Board of Directors may permit such lighting to be erected or maintained so long as the Board of Directors adopts Rules and Regulations which require all such lighting within the Project to maintain a consistent appearance and which limit the time period during which said lighting may be erected and maintained in or on any Units or Common Areas.

6.14 Windows. If the interior surfaces of windows are covered, the windows shall be covered with normal and customary window coverings such as curtains, drapes, shutters or blinds. The window coverings shall maintain a consistent appearance throughout the Project. The Association shall adopt Rules and Regulations to establish the manner in which said consistency shall be maintained. However, in no event shall the Association permit the exterior side of window coverings to be any color other than white. In addition, no signs, paint, or window treatments shall be affixed to any window designated as a Limited Common Area as set forth in Section 1.20 unless the Board of Directors adopts Rules and Regulations which require all such signs, paint, or window treatments to maintain a consistent appearance throughout the Project.

6.15 Automobile Maintenance. There shall be no maintenance (other than vehicle washing and cleanup) or repairs, including but not limited to oil changes, performed within the Project on any automobile except for any emergency repairs that are necessary in order to remove the vehicle to a proper repair facility.

6.16 Commonly-Metered Utilities. The Board of Directors may adopt Rules and Regulations regulating the use of any commonly-metered utilities that are paid by the Association.

6.17 Compliance With Law. No Owner shall permit anything to be done or kept in his or her Unit that violates any law, ordinance, statute, rule or regulation of any local, county, state or federal agency.

6.18 Sound Transmissions. Without the prior written consent of the Board of Directors, no Unit shall be altered in any manner that would increase sound transmissions, resonances or reverberations to any adjoining or other Unit, including, but not limited to, the replacement, modification or penetration of any flooring or floor covering, ceiling or wall or the penetration of any wall, floor or ceiling that increases sound transmissions, resonances or reverberations to any other Unit.

6.19 Noise and Outdoor Activities. On Friday and Saturdays the Board of Directors may permit outdoor entertainment and activities, including but not limited to, concerts, outdoor movies, and farmer's markets, to take place on the Common Areas of the Project. All noise emanating from such activities shall cease by Midnight on Friday and Saturday nights and shall never be of a volume as to create a public nuisance. The Board of Directors may adopt Rules and Regulations to more specifically regulate the noise and other impacts that such activities will have on the Units.

6.20 Window Cleaning. Each Unit Owner shall be responsible for cleaning all exterior surfaces of the windows of or appurtenant to such Owner's Unit.

6.21 Limitations on Painting. Fire sprinkling heads in some of the Units are recessed into the ceilings of the Units and are covered by a cap. No Unit Owner shall allow any covering, including paint, to be placed on or over the caps to the fire sprinkling systems and when painting the ceilings of a Unit all such caps shall be removed prior to painting and replaced after painting in accordance with the Rules and Regulations. Furthermore, no Unit Owner shall allow any covering, including paint, to be placed on or over any fire sprinkling heads, regardless of whether such heads are recessed.

6.22 Architectural Committee. The Board of Directors may, from time to time and in the discretion of the Board of Directors, appoint an Architectural Committee and delegate to such Architectural Committee the right and power to approve and disapprove matters submitted to the Board pursuant to the provisions of Sections 4.01, 4.03, 6.03, 6.06, 6.14, and 6.18. The Architectural Committee shall consist of three (3) members, one of whom shall be a member of the Board of Directors. The remaining members of the Architectural Committee shall be Members of the Association. The members of the Architectural Committee serve at the pleasure of the Board of Directors and may be removed from time to time and at any time. For a period of fifteen (15) days following the determination of any matter by the Architectural Committee, the decisions of the Architectural Committee shall be appealable to the Board of Directors.

6.23 Additional Services. The Board of Directors may elect to cause the Association to provide additional services to some, but less than all, of the Units provided that the cost of such services shall be charged to the Units receiving such Services pursuant to the provisions of Section 9.06.

6.24 Right of Inspection. Upon reasonable notice and in the company of either the Owner of such Unit or a person designated in writing by the Owner of such Unit, a representative of the Association shall have the right to inspect each Unit to verify compliance with the provisions of this Declaration, the Bylaws, and the Rules and Regulations.

ARTICLE 7. THE ASSOCIATION

7.01 Each Owner is a Member. Each Owner shall be entitled and required to be a Member of the Association; Membership shall begin immediately and automatically upon becoming an Owner and shall terminate immediately and automatically upon ceasing to be an Owner. If title to a Condominium is held by more than one person, the Membership appurtenant to that Condominium shall be shared by all such persons in the same proportionate interest and by the same type of tenancy in which title to the Condominium is held; provided, however, that the vote in the Association appurtenant to each Unit may not be further divided or fractionalized among the Owners of such Unit and, to be counted, the vote in the Association appurtenant to such Unit must be cast by the unanimous consent by all Owners of such Unit. An Owner shall be entitled to one Membership for each Condominium owned by such Owner. Each Membership shall be appurtenant to the Condominium to which it relates and shall be transferred automatically by conveyance of that Condominium. Ownership of a Condominium within the Project cannot be separated from Membership in the Association appurtenant thereto; and any devise, encumbrance, conveyance, or other disposition of a Condominium shall be construed to be a devise, encumbrance conveyance, or other disposition respectively of the Owner's Membership in the Association and rights appurtenant thereto. No person or entity other than an Owner may be a Member of the Association, and Membership in the Association may not be transferred except in connection with the transfer of the Condominium.

7.02 Board of Directors. Until either of the following events has occurred, the Declarant shall have the exclusive right to appoint and to remove all Directors of the Association:

- (a) The fifth anniversary of the date on which this Declaration is recorded, or
- (b) Units to which three-fourths of the undivided interests in the Common Areas appertain have been conveyed.

Upon the occurrence of either of the foregoing events, the Directors of the Association shall be elected by the Members in accordance with the Bylaws.

7.03 Votes. Each Unit in the Project shall have a vote in the Association equal in number to the percentage of the sum of all undivided interests in the Common Areas appurtenant to such Unit. The number of votes appurtenant to each respective Condominium shall be as set forth in Exhibit A. The number of votes appurtenant to each Condominium as set forth in said Exhibit A shall have a permanent character and shall not be altered without the unanimous written consent of all Owners expressed in a duly recorded amendment to this Declaration except to the extent necessary to allow for the expansion or contraction of the project as provided in ARTICLE 16 of this Declaration and the Condominium Act.

7.04 Amplification. The provisions of this ARTICLE 7 may be amplified by the Articles of Incorporation and Bylaws of the Association; provided, however, that no such amplification shall substantially alter or amend any of the rights or obligations of the Owners set forth in this Declaration. The initial Bylaws of the Association shall be in the form of Exhibit C.

**ARTICLE 8: RIGHTS AND DUTIES OF THE
ASSOCIATION AND DIRECTORS**

8.01 Common Areas. The Board of Directors, acting on behalf of the Association and, subject to the rights and duties of the Owners as set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Areas and all improvements thereon (including the Common Facilities), and shall keep the same in a good, clean, attractive, safe, and sanitary condition, order, and repair; provided, however, that unless otherwise stated herein, each Owner shall keep the Limited Common Areas designated for use in connection with his Unit, if any, in a clean, sanitary, and attractive condition. The Association shall be responsible for the maintenance and repair of the exterior of the Buildings, other improvements and grounds, including without limitation painting thereof, repair and replacement of exterior trim, roofs and fences, and maintenance of landscaping, walkways, and driveways. The Board of Directors shall also be responsible for maintenance, repair, and replacement of Common Areas within the Buildings, including without limitation landings, stairways, utility lines, Common Facilities, and all improvements and other items located within or used in connection with the Common Areas. The specification of duties of the Board of Directors with respect to particular Common Areas shall not be construed to limit its duties with respect to other Common Areas. All goods and services procured by the Board of Directors in performing its responsibilities under this Section shall be paid for with funds from the Common Expense Fund.

8.02 Miscellaneous Goods and Services. The Board of Directors may, in behalf of the Association, obtain and pay for the services of such personnel as the Board of Directors shall determine to be necessary or desirable for the proper operation of the Project, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Board of Directors may, in behalf of the Association, obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Declaration. In addition to the foregoing, the Board of Directors may, in behalf of the Association, acquire and pay for out of the Common Expense Fund water, sewer, garbage collection, electrical, gas, and other necessary or desirable utility services for the Common Areas (and for the Units to the extent not separately metered or billed), insurance, bonds, and other goods and services common to the Units.

8.03 Real and Personal Property. The Board of Directors may acquire and hold on behalf of the Association real, personal, and mixed property of all types for the use or benefit of all of the Owners and may dispose of such property by sale or otherwise; provided that any acquisition or disposition of any real, personal or mixed property by the Board of Directors wherein the value of such property exceeds \$15,000.00 must be approved by a vote of at least sixty-seven percent (67%) of the Total Votes of the Association at a Meeting duly called for that purpose. All such property, including Common Facilities, shall be paid for out of the Common Expense Fund and all proceeds from the disposition thereof shall be part of such fund.

8.04 Rules and Regulations. The Board of Directors may make reasonable rules and regulations (the "Rules and Regulations") governing the use of the Units, the General-use Common Areas, the Limited Common Areas, and all parts of the Project, which Rules and Regulations shall be consistent with the rights and duties established by this Declaration. The Board of Directors may adopt one set of Rules and Regulations which shall apply to the Units

and Owners of the Units. If there is any conflict between the provisions of this Declaration and the Rules and Regulations, the provisions of this Declaration shall control. The Board of Directors in behalf of the Association may take judicial action against any Owner to enforce compliance with such Rules and Regulations or other obligations of such Owner arising hereunder, or to obtain damages for noncompliance therewith, as permitted by law. In the event of such judicial action, the Association shall be entitled to recover its costs, including reasonable attorneys' fees, from the offending Owner.

8.05 Granting of Easements. The Board of Directors may grant or create, on such terms as it deems advisable, utility and similar easements and rights-of-way over, under, across, and through the Common Areas.

8.06 Duties Imposed by the Condominium Act. All duties, responsibilities, rights, and powers imposed upon or granted to the "management committee" or to the "manager" under the Condominium Act shall be duties, responsibilities, rights, and powers of the Board of Directors hereunder.

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

ARTICLE 9. ASSESSMENTS

9.01 Agreement to Pay Assessments. The Declarant, for each Condominium owned by it within the Project, and for and as the owner of the Project and every part thereof, hereby covenants and each Owner of any Condominium by the acceptance of instruments of conveyance and transfer therefor, whether or not it be so expressed in said instruments, shall be deemed to covenant and agree with each other and with the Association to pay to the Association all assessments made by the Association for the purposes provided in this Declaration. Such assessments shall be fixed, established, and collected from time to time as provided in this ARTICLE 9.

9.02 Annual Assessments. Annual Assessments shall be computed and assessed against all Condominiums in the Project as follows:

(a) Common Expense. "Annual Assessments" shall be based upon advance estimates of the Association's cash requirements to provide for payment of all estimated expenses arising out of or connected with maintenance and operation of the Common Areas and/or furnishing utility services and other common items to the Units. Such estimated expenses may include, among other things, the following: Expenses of management; expenses arising from the provision of security, concierge, or valet services; real property taxes, impact fees, and special assessments (unless and until the Condominiums are separately assessed); premiums for all insurance that the Association is required or permitted to maintain hereunder; repairs and maintenance; wages for Association employees, including fees for a Manager (if any); utility charges, including charges for utility services to the Units to the extent not separately metered or billed;

legal and accounting fees; any deficit remaining from a previous period; creation of an adequate contingency reserve, major maintenance reserve, and/or sinking fund; creation of an adequate reserve fund for maintenance repairs, and replacement of those Common Areas that must be replaced on a periodic basis, and such reserve shall preferably be funded by monthly payments in accordance with Section 9.02(c) below, but, if necessary, extraordinary special assessments may be made; and any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under or by reason of this Declaration. Such shall constitute the Common Expense, and all funds received from assessments under this Section 9.02(a) shall be part of the Common Expense Fund.

(b) Annual Budget. Annual Assessments shall be determined by the Board of Directors on the basis of a fiscal year beginning January 1 of each year and ending the December 31 next following; provided the first fiscal year shall begin on the date of this Declaration and end on the December 31 next following. On or before November 15 of each year, the Board of Directors shall prepare and furnish to each Owner, or cause to be prepared and furnished to each Owner, an operating budget for the upcoming fiscal year. The budget shall itemize the estimated expenses of Common Expense for such fiscal year, anticipated receipts (if any), and any deficit or surplus from the prior operating period. The budget shall serve as the supporting document for the Annual Assessment for the upcoming fiscal year and as the major guideline under which the Project shall be operated during such annual period. Such budgets shall be unnecessary for Annual Assessments relative to, or for operation of the Project during, any operating period ending before January 1, 2020.

(c) Notice and Payment. Except with respect to the first fiscal year, the Board of Directors shall notify each Owner as to the amount of the Annual Assessment against such Owner's Condominium on or before November 15 each year for the fiscal year beginning on January 1 next following. Each Annual Assessment shall be payable in twelve equal monthly installments, one such installment due on the first day of each calendar month during the fiscal year to which the assessment relates; provided, however, the Annual Assessment for the first fiscal year shall be based upon such portion of the first fiscal year and shall be payable in such installments and at such times as the Association, in the sole discretion of its Board of Directors, may determine. All unpaid installments of any Annual Assessment shall become delinquent and shall bear interest at a rate equal to the lesser of the maximum rate allowed by law or fifteen percent (15%) per annum from the date each such installment becomes due until paid. In addition, in the event that any installment of any Annual Assessment is not paid on the date such installment becomes due, it shall be subject to a penalty for late payment of a specified amount per day to be determined by the Board of Directors from the date each such installment becomes due until paid. The failure of the Board of Directors to give timely notice of any Annual Assessment as provided herein shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of any Owner from the obligation to pay such assessment or any other assessment; but the date when the payment shall become due in such case shall be deferred to a date fifteen (15) days after notice of such assessment shall have been given to the Owner in the manner provided in this Declaration.

(d) Inadequate Funds. In the event that the Common Expense Fund proves inadequate at any time for whatever reason, including nonpayment of any Owner's assessment, the Board of Directors may on behalf of the Association levy additional assessments in accordance with the procedure set forth in Section 9.05 below, except that the vote therein specified shall be unnecessary.

9.03 Reserve for Replacement of Improvements. Each Annual Assessment shall include a portion for reserves in such amount as the Board of Directors in its discretion considers appropriate to meet the cost of the future repair, maintenance, restoration, and replacement of improvements to those portions of the General-use Common Areas and Limited Common Areas that the Association is required to maintain. Such reserves shall be maintained out of the Annual Assessments. At least once every three years, the Board of Directors shall cause to be conducted a reasonably competent and diligent visual inspection of the accessible areas of those portions of the General-use Common Areas and the Limited Common Areas that the Association is required to maintain. The Board of Directors shall review this study annually and shall consider and implement necessary adjustments to the Board of Directors' analysis of the reserve account requirements for the Project as a result of that review. Such study shall include:

(a) identification of those portions of the General-use Common Areas and Limited Common Areas that the Association is required to maintain that have a remaining useful life of less than thirty (30) years;

(b) identification of the probable remaining useful life of those portions of the General-use Common Areas and Limited Common Areas identified pursuant to Section 9.03(a) above;

(c) an estimate of the cost of repair, replacement, restoration, or maintenance of each portion of the General-use Common Areas and Limited Common Areas identified in Section 9.03(a) above during and at the end of its useful life; and

(d) an estimate of the total annual contribution necessary to defray the cost to repair, replace, restore, or maintain each portion of the General-use Common Areas and Limited Common Areas identified in Section 9.03(a) above during and at the end of its useful life.

9.04 Commencement of Annual Assessments. Annual Assessments shall commence for each Condominium Unit on the first day of the month immediately following the date of the transfer of title to such Condominium Unit by the Declarant to a purchaser or on the first day of the third month following the date of the issuance of a certificate of occupancy by the City of Lehi to such Condominium Unit, whichever occurs first. In the event that Annual Assessments commence against a Unit owned by the Declarant, the Association shall assess against said Declarant-owned Unit a reduced Annual Assessment equal to fifty percent (50%) of the Annual Assessment assessed individually against Units of the same type (commercial) and on the same floor within the project, provided that said Declarant-owned Unit has never been sold, used or leased for any commercial purpose. No Condominium Unit shall be subject to Special Assessments until Annual Assessments have commenced against that Condominium.

9.05 Special Assessments. In addition to the Annual Assessments authorized by this ARTICLE 9, the Board of Directors may, on behalf of the Association, levy, at any time and from time to time, upon the affirmative vote of at least fifty-one percent (51%) of the Total Votes of the Association, "Special Assessments," payable over such periods as the Board of Directors may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Project or any part thereof, or for any other expenses incurred or to be incurred as provided in this Declaration (including without limitation Common Expenses). This Section shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections or Articles hereof. Any sums assessed pursuant hereto shall be assessed to owners in proportion to their respective undivided interests in the Common Areas. Notice in writing of the amount of each such Special Assessment and the time for payment thereof shall be given promptly to the Owners; no payment shall be due less than thirty (30) days after such notice shall have been given. All unpaid portions of any Special Assessment shall bear interest at a rate equal to the lesser of the maximum rate allowed by law or fifteen percent (15%) per annum from the date such portions become due until paid. In addition, in the event that any Special Assessment is not paid on the date such Special Assessment becomes due, it shall be subject to a penalty for late payment of a specified amount per day to be determined by the Board of Directors from the date each such Special Assessment becomes due until paid. All funds received from assessments under this Section shall be part of the Common Expense Fund.

9.06 Apportionment of Annual Assessments and Special Assessments. Except as provided below in this Section 9.06, Annual Assessments and Special Assessments shall be apportioned among and assessed to the Owners in proportion to their respective undivided interests in the Common Areas; provided, however, that the Board of Directors shall have the right to:

- (a) install meters, sub-meters or flow gauges to any utility equipment or fixture for the purpose of allocating utility costs to individual Units, and
- (b) allocate the costs for services which are excluded from some of the Units to the Units not excluded from receiving such services, with such allocation being made on a pro rata basis based on the respective undivided interests in the Common Areas allocated to each such Unit as compared to the aggregate undivided interests in the Common Areas allocated to all such Units.

The Declarant shall be liable for the amount of any assessments against the Condominiums owned by it.

9.07 Reimbursement Assessments. Subject to the provisions of this Section 9.07, the Board of Directors shall have the authority to levy "Reimbursement Assessments" against one or more Owners to reimburse the Association for any costs incurred or to be incurred by the Association as the result of any act or omission of any Owner or occupant of any Unit or the family members, guests, agents, or pets of any such Owner or occupant. Such Reimbursement Assessments shall not include any portion of such costs that is paid or will be paid by any insurer under a policy maintained by the Association; provided, however, that payment of any

deductible amount shall be the responsibility of the Owner. In addition to reimbursing the Association for costs necessary to repair any Common Area or other property that is maintained by the Association, the Association may seek reimbursement for any costs incurred by the Association, including attorneys' fees, to bring the Owner or Occupant or the Owner's Unit into compliance with this Declaration, the Articles, the Bylaws or the Rules and Regulations. Prior to the levy of any Reimbursement Assessment against any Unit, the Board of Directors must comply with the following:

(a) The Board of Directors must give the Owner of such Unit notice of the amount of such Reimbursement Assessment and the reasons for such Reimbursement Assessment.

(b) Prior to the effective date of any such Reimbursement Assessment, the Board of Directors must give the Owner of the Unit against which the Reimbursement Assessment is being levied an opportunity to be heard, orally or in writing, by the Board of Directors. The Owner shall have the opportunity to present witnesses on the Owner's behalf and to cross-examine any witnesses who may testify against the Owner and may be represented by legal counsel.

Any claim or controversy between or among an Owner and the Board of Directors regarding a Reimbursement Assessment shall first be attempted to be resolved by non-binding mediation with each party bearing its own costs and fees associated with such mediation. Said mediation shall be directed by a Utah Certified Mediator. Should said mediation fail to resolve the claim or controversy, said claim or controversy shall then be resolved by binding arbitration in accordance with the applicable arbitration rules of the American Arbitration Association. The prevailing party in any arbitration proceeding shall be entitled to an award of all costs and fees (including attorney's fees and costs, arbitration and administration fees and costs, and arbitrator(s)' fees).

9.08 Fines. The Board of Directors shall have the authority to impose fines upon Unit Owners who fail to comply with the provisions of this Declaration, the Articles of Incorporation, the Bylaws, or the Rules and Regulations. Such fines shall be levied upon Unit Owners as a Reimbursement Assessment in accordance with the provisions of Section 9.07 above.

9.08.1 Notice. Before assessing a Fine, the Board of Directors shall give notice to the Unit Owner of the violation and inform the Unit Owner that a Fine will be imposed if the violation is not cured within 48 hours (or such longer period that the Board of Directors identifies in the notice). The Board of Directors may assess a fine against the Unit Owner without further notice if: (a) the Unit Owner commits another violation of the same rule or provision identified in the notice within one year after the day on which such notice was issued; or (b) for a continuing violation, if the Unit Owner does not cure the violation within 48 hours of the notice. After the Board of Directors assesses a fine against the Unit Owner, the Board of Directors may assess an additional fine without further notice against the Unit Owner each time the Unit Owner: (a) commits a violation of the same rule or provision within one year after the day on which the Board of Directors assesses a fine for a violation of the same rule or provision; or (b) allows a violation to continue for 10 days or longer after the day on which the Board of Directors assesses the fine.

9.08.2 *Limitations.* A Fine assessed under this Section 9.08 shall: (a) be made only for a violation of a Rule or Regulation that is specifically listed in the Rules and Regulations as an offense which is subject to a Fine; (b) be in the amount specifically provided for in the Rules or Regulations for that specific type of violation, not to exceed \$500.00; and (c) accrue interest at the rate 18% both before and after judgment, until paid in full, and late fees. Cumulative Fines for a continuing violation may not exceed the amount of \$500.00 per month.

9.08.3 *Hearing.* A Unit Owner who is assessed a Fine may request an informal hearing to protest or dispute the Fine within 30 days from the date the Fine is assessed. The hearing shall be conducted in accordance with the following standards: (a) the Board of Directors shall hear the protest or dispute; (b) the Unit Owner may present evidence and examine witnesses, which shall be informal and shall not be subject to formal rules of evidence; (c) any member of the Board of Directors may examine evidence and ask questions of witnesses; (d) the decision of a majority of the members of the Board of Directors shall be the action of the Board of Directors; and (e) the Board of Directors shall make a determination whether the applicable Rule or Regulation has been violated, applying a "reasonable person" standard. No interest or late fees may accrue until after the hearing has been conducted and a final decision has been rendered.

9.08.4 *Appeal.* A Unit Owner may appeal a Fine by initiating a civil action within 180 days after: (a) a hearing has been held and a final decision has been rendered by the Board of Directors under Section 9.08.3; or (b) the time to request an informal hearing under Section 9.08.3 has expired without the Unit Owner making such a request.

9.08.5 *Right to Collect from Tenants.* If an Owner shall at any time let or sublet his Unit and shall default for a period of one (1) months in the payment of any assessments, the Association may, at its option, so long as such default shall continue, demand and receive from any tenant or subtenants of the Owner occupying the Unit so much of the rent due or becoming due and payable as is necessary to cure said default and the payment of such rent to the Association shall be sufficient payment and discharge of such tenant or subtenant and the Owner to the extent of the amount so paid.

9.09 Termination of Utilities and Use of Recreational and Service Facilities. The Board of Directors shall have the authority to terminate the access to and use of recreational and service facilities and to terminate the provision of utility services paid for out of assessments received by the Association to any Owner and/or their respective agents, employees or tenants in the event that such Owner is delinquent in payment of assessments to the Association. Prior to the termination of such access, use, and services, the Board of Directors must give the Owner of such Unit notice of and reasons for the termination of such access, use, and services.

9.10 Lien for Assessments. All sums assessed to Owners of any Condominium within the Project pursuant to the provisions of this ARTICLE 9, together with penalties and interest thereon as provided herein, shall be secured by a lien on such Condominium in favor of the Association. To evidence a lien for sums assessed pursuant to this ARTICLE 9, the Board of Directors may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Condominium, and a description of the Condominium. Such a notice shall be signed and acknowledged by a duly authorized officer of the association and may be recorded in the office of the County Recorder of

Utah County, State of Utah. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by sale or foreclosure conducted in accordance with the provisions of law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any other manner permitted by law. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding (including reasonable attorneys' fees) and such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Condominium which shall become due during the period of foreclosure, and all such assessments shall be secured by the lien being foreclosed. The Board of Directors shall have the right and power in behalf of the Association to bid in at any foreclosure sale, and to hold, lease, mortgage, or convey the subject Condominium in the name of the Association.

9.11 Appointment of Trustee. The Declarant appoints Farnsworth Johnson PLLC, having an address of 180 North University Avenue, Suite 260, Provo, Utah 84601, to have and exercise the power of the trustee and the power to bid on a Unit at a foreclosure or other sale and to acquire, hold, lease, mortgage and convey such Unit. The Declarant hereby conveys and warrants pursuant to Utah Code Ann. § 57-1-20 and 57-8-45 to Farnsworth Johnson PLLC, with power of sale, the Units and all improvements to the Units for the purpose of securing payment of assessments under the terms of the Declaration. A Unit Owner's acceptance of interest in a Unit constitutes a simultaneous conveyance of the Unit in trust, with power of sale, to the designated trustee. The Management Committee may appoint another qualified trustee by executing a substitution of trustee form.

9.12 Personal Obligation of Owner. The amount of any Annual, Special, or Reimbursement Assessment against any Condominium shall be the personal obligation of the Owner of such Condominium to the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish any such personal obligation by waiver of the use and enjoyment of any of the Common Areas or by abandonment of his Condominium or by waiving any services or amenities provided for in this Declaration. In the event of any suit to recover a money judgment for unpaid assessments hereunder, the involved Owner shall pay the costs and expenses incurred by the Association in connection therewith, including reasonable attorneys' fees. The personal obligation for delinquent Annual, Special, or Reimbursement Assessments shall not pass to successors in title or interest to an Owner unless assumed by such successors.

9.13 Establishment of Reserve. Upon the first transfer of any Condominium by the Declarant, the transferee of such Condominium shall pay to the Association an amount equal to two times the then current amount of the monthly installments of the Annual Assessment for such Condominium. The obligation to pay such amounts pursuant to this Section 9.12 shall be in addition to the obligation to pay any other amounts pursuant to this Declaration or by law, including, but not limited to, Annual, Special and Reimbursement Assessments associated with such Condominium. Such reserve shall be held by the Association as a working-capital fund to help defray unforeseen expenditures or to purchase additional equipment or services. Such reserve may not be used to reimburse Declarant for the cost of improvements installed by Declarant. In the event that funds from such reserve are expended for any reason, the Board of

Directors shall adopt by resolution a written payment plan providing for repayment of such expended funds within a reasonable time period.

9.14 Security Deposit. Upon the acquisition of a Condominium in the Project (including at the time of the first transfer of such Condominium by Declarant), the Owner acquiring such Condominium shall deposit with the Association as a Security Deposit (hereinafter the "Security Deposit") an amount equal to the product of the then current monthly installment of the Annual Assessments payable with respect to such Condominium pursuant to Section 9.02(c) above multiplied by three (3). The Security Deposit shall be held by the Association as security for the payment of all amounts assessed with respect to such Condominium pursuant to this ARTICLE 9 at the times and in the manner specified in this ARTICLE 9. If an Owner is then current in the payment of such Owner's assessments, the Security Deposit shall be returned (without interest) to such Owner upon the transfer of such Owner's Condominium and receipt by the Association of a Security Deposit from the transferee Owner of such Condominium. The Association may intermingle the Security Deposit with other funds held by the Association. If an Owner fails to timely pay any amount assessed with respect to such Owner's Condominium pursuant to the provisions of this ARTICLE 9, the Association may, prior to, concurrently with or subsequent to exercising any other right or remedy, use, apply or retain all or any part of the Security Deposit for the payment of any monetary obligation then due under this ARTICLE 9 with respect to such Owner's Condominium. The application of all or any part of a Security Deposit pursuant to this Section shall not cure any default by an Owner under this ARTICLE 9. If all or any portion of an Owner's Security Deposit is so used, applied or retained, such Owner shall immediately deposit with the Association cash in an amount sufficient to restore the Security Deposit to the original amount. In the event an Owner fails to deposit and maintain the full amount of the Security Deposit required of such Owner pursuant to the provisions of this Section 9.13, the Association shall have all of the rights and remedies specified in this ARTICLE 9 with respect to a failure to pay an assessment under this ARTICLE 9.

9.15 Joint and Several Liability of Grantor and Grantee for Unpaid Assessments. In a voluntary conveyance of any Unit, the grantee of a Unit shall be jointly and severally liable with the Grantor for all unpaid assessments against the latter for his share of the common expenses up to the time of the grant of conveyance, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee. However, any such grantee shall be entitled to a statement from the Board of Directors setting forth the amounts of the unpaid assessments against the grantor, and such grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments against the grantor in excess of the amount set forth.

ARTICLE 10. INSURANCE

10.01 Types of Insurance. The Association shall obtain and keep in full force and effect at all times the following types of insurance coverage, provided by companies licensed to do business in the State of Utah:

(a) Master Property Insurance. The Association shall obtain and maintain a "master" or "blanket" multi-peril policy of property insurance equal to a full replacement value (i.e., 100% of current "replacement cost" exclusive of land, foundation, excavation and other items normally excluded from coverage) of the Project (including all building

service equipment and the like and any fixtures or equipment within the Condominium Unit which are financed under the mortgage) with an Agreed Amount Endorsement or its equivalent, if available, or an Inflation Guard Endorsement. Such insurance shall afford protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage; and such other risks as are customarily covered in similar projects or as are commonly required by private institutional mortgage investors for projects similar in construction, location and use. All policies or property insurance shall provide that, despite any provisions giving the insurance carrier 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 Association may be a party, or any requirement bylaw. Any blanket policy of property insurance shall contain or have attached a standard mortgagee clause (without contribution) customarily used in the area in which the Project is located which must be endorsed to provide that any proceeds shall be paid to The Midtown Condominium Owners' Association for the use and benefit of the Owners and their respective First Mortgagees, as their interests may appear.

(b) Public Liability Insurance. The Association shall obtain and maintain a comprehensive policy of public liability insurance covering all of the Common Areas, commercial spaces and public ways (if any) in the Project, with a Severability of Interest Endorsement or equivalent coverage which would preclude the insurer from denying the claim of a Condominium Owner because of the negligent acts of the Association, such Owner, or another Owner, with limits of not less than \$3,000,000.00 covering all claims for personal injury and/or property damage arising out of a single occurrence, including protection against water damage liability, liability for non-owned and hired automobile, liability for property of others, and such other risks as are customarily covered in similar projects. The scope of coverage also includes all other coverage in the kinds and amounts required by private institutional mortgage investors for projects similar in construction, location and use.

(c) Worker's Compensation Insurance. The Association shall obtain and maintain worker's compensation and 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 law.

(d) Fidelity Insurance or Bond. The Association shall obtain and maintain adequate fidelity coverage to protect against dishonest acts by its officers, members of the Board of Directors, and employees and all others who are responsible for handling funds of the Association. Such fidelity bonds shall meet the following requirements:

- (1) all shall name the Association as an obligee;
- (2) all shall be written in an amount which shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time

during the term of each bond, but in no event less than the sum of three (3) months aggregate assessments on all Units plus reserves;

(3) all shall contain waivers of any defenses based upon the exclusion of persons who serve without compensation from any definition of “employee” or similar expression, or shall contain an appropriate endorsement to the policy to cover any persons who serve without compensation if the policy would not otherwise cover volunteers;

(4) all shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premiums) without at least ten (10) days prior written notice to the Association or any Insurance Trustee.

10.02 Insurance Policy Requirements. The Master Multi-Peril Property, Public Liability and Flood Insurance policies obtained by the Association pursuant to Section 10.01 above shall be subject to the following additional requirements:

(a) the named insured under any such policies shall be the Association, as a trustee for the Owners, or its authorized representative, including any trustee with which such Association may enter into any Insurance Trust Agreement, or any successor trusts, each of which shall be referred to as the “Insurance Trustee” who shall have exclusive authority to negotiate losses under these policies;

(b) insurance coverage obtained and maintained pursuant to the requirements of Sections 10.01(a) and 10.01(b) shall not be brought into contribution with any insurance purchased by any Owner or such Owner’s mortgagee;

(c) coverage must not be prejudiced by (1) any act or neglect of the Association, any employee or agent of the Association, or any Owner, or (2) any failure of the Association to comply with any warranty or condition regarding any portion of the promises over which the Association has no control;

(d) coverage may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days prior written notice to any and all insureds, including each First Mortgagee scheduled as a holder of a first mortgage in the applicable policy, except in the case of non-payment of premiums where cancellation may occur upon ten (10) days prior notice given in the manner specified in this Section 10.02(d);

(e) all policies must contain a waiver of subrogation by the insurer as to any and all claims against the Association, the Owners and/or their respective agents, employees or tenants, and of any defenses based on coinsurance or on invalidism arising from the acts of the insured;

(f) each hazard insurance policy shall be written by a hazard insurance carrier which has a financial rating by Best’s Insurance Reports of Class VI or better;

(g) policies shall be deemed unacceptable where (1) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against a Condominium Owner, such Owner's First Mortgagee or any First Mortgagee's designee or such designee's designee; (2) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders, or members; or (3) the policy includes any limiting clauses (other than insurance conditions) which could prevent a Condominium Owner, his First Mortgagee or any First Mortgagee's designee or such designee's designee from collecting insurance proceeds;

(h) all policies of hazard insurance shall contain or have attached the standard mortgagee clause commonly accepted by private institutional mortgage investors in the area in which the Project is located.

10.03 Additional Coverage. The provisions of this Declaration shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage in addition to any insurance coverage required by this Declaration, in such amounts and in such forms as the Association may deem appropriate from time to time.

10.04 Owner's Own Insurance.

(a) Unit Owners. Each Owner, at his own expense, shall procure and maintain at all times fire and extended coverage insurance covering personal property of such owner and additional fixtures and improvements added by such Owner and covering all windows appurtenant to such Owner's Unit, whether or not such windows are part of the Unit or a Limited Common Area appurtenant to said Unit, against loss by fire and other casualties, including without limitation vandalism and malicious mischief. All policies providing such casualty insurance shall provide that they do not diminish the insurance carrier's coverage for liability arising under insurance policies obtained by the Association pursuant to this ARTICLE 10.

(b) Owner's Additional Insurance. Notwithstanding the provisions of this Section 10.04, each Owner may obtain insurance at his own expense providing such other coverage upon such Owner's Condominium, such Owner's personal property, such Owner's personal liability, and covering such other risks as such Owner may deem appropriate provided that each such policy shall provide that it does not diminish the insurance carrier's coverage for liability arising under insurance policies obtained by the Association pursuant to this ARTICLE 10. If obtainable under industry practice without an unreasonable additional charge for such waiver, all such insurance shall contain a waiver of the insurance company's right of subrogation against the Association, the Declarant, the Manager, other Owners, and their respective servants, agents and guests.

10.05 Annual Review of Insurance. The Association shall review annually the coverage and policy limits of all insurance on the Project and adjust the same at its discretion. Such annual review may include an appraisal of the improvements in the Project by a representative of the insurance carrier or carriers providing the policy or policies on the Project, or by such other qualified appraisers as the Association may select.

ARTICLE 11. DAMAGE OR DESTRUCTION

11.01 Association as Attorney in Fact. All of the Owners irrevocably constitute and appoint the Association their true and lawful attorney in fact in their name, place, and stead for the purpose of dealing with the Project upon its damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from the Declarant or from any Owner shall constitute an appointment by said grantee of the Association as such grantee's attorney in fact as herein provided. As attorney in fact, the Association shall have full and complete authorization, right and power to make, execute, and deliver any contract, deed, or other instrument with respect to the interest of an Owner in which may be necessary or appropriate to exercise the powers herein granted.

11.02 Definition of Repair and Reconstruction. Repair and reconstruction of the improvements as used herein means restoring the Project to substantially the same condition in which it existed prior to the damage or destruction, with each Unit and the Common Areas having substantially the same vertical and horizontal boundaries as before.

11.03 Procedures. In the event any part of the Project is damaged or destroyed, the Association shall proceed as follows:

(a) Notice to Eligible First Mortgage Holders. The Association shall give timely written notice to each Eligible First Mortgagee holding a First Mortgage on a Unit in the event of substantial damage to or destruction of such Unit or any part of the Common Areas.

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

(c) Sufficient Insurance. If the proceeds of the insurance maintained by the Association exceed the estimated costs to repair and reconstruct the damaged or destroyed part of the Project such repair and reconstruction shall be carried out.

(d) Insufficient Insurance – Less than 75% Destruction. If the proceeds of the insurance maintained by the Association are less than the estimated costs to repair and reconstruct the damaged or destroyed part of the Project and if less than seventy-five percent (75%) of the Project is damaged or destroyed, such repair and reconstruction shall nevertheless be carried out. The Association shall levy a Special Assessment sufficient to provide funds to pay the actual costs of such repair and reconstruction to the extent that such insurance proceeds are insufficient to pay such costs. Such Special Assessment shall be allocated and collected as provided in Section 9.05 hereof, except that the vote therein specified shall be unnecessary. Further levies may be made in like manner if the amounts collected (together with the proceeds of insurance) are insufficient to pay all actual costs of such repair and reconstruction.

(e) Insufficient Insurance – 75% or More Destruction. If the proceeds of the insurance maintained by the Association are less than the estimated costs to repair and

reconstruct the damaged or destroyed part of the Project and if seventy-five percent (75%) or more of the Project is damaged or destroyed, such damage or destruction shall be repaired and reconstructed if, but only if, within one hundred (100) days following the damage or destruction, the Owners shall elect by a vote of at least seventy-five percent (75%) of the Total Votes of the Association to carry out such repair and reconstruction. If, however, the Owners shall not, within one hundred (100) days after such damage or destruction, elect by a vote of at least seventy-five percent (75%) of the Total Votes of the Association to carry out such repair and reconstruction, the Association shall, subject to the provisions of Section 14.03, record in the office of the County Recorder of Utah County, State of Utah, a notice setting forth such facts. Upon the recording of such notice, the following shall occur:

(1) The Project shall be deemed to be owned in common by the Owners;

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

(3) Any liens affecting any of the Condominiums shall be deemed to be transferred, in accordance with the existing priorities, to the undivided interest of the respective Owner in the Project; and .

(4) The Project shall be subject to an action for partition at the suit of any Owner, in which event the net proceeds of any sale resulting from such suit for partition, together with the net proceeds of the insurance of the Project, if any, shall be considered as one fund and shall be divided among all Owners in proportion to the respective fair market values of the Condominium Units immediately prior to the date of the event causing the damage, as determined by an independent appraisal made by a qualified real estate appraiser selected by the Board of Directors after first paying out of the respective share of each Owner, to the extent sufficient for the purposes, all liens on the undivided interest in the Project owned by such Owner.

(f) Priority. In no event shall an owner of a Unit or any other party have priority over any First Mortgagee holding a First Mortgage on such Unit with respect to the distribution to such unit of any insurance proceeds.

11.04 Repair or Reconstruction. If the damage or destruction is to be repaired and reconstructed as provided above, the Association shall, as soon as practicable after receiving the said estimate of costs, commence and diligently pursue to completion the repair and reconstruction of that part of the Project damaged or destroyed. The Association may take all necessary or appropriate action to effect repair and reconstruction, as attorney in fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith, except as otherwise expressly provided herein. The Project shall be restored or repaired to substantially the same condition in which it existed prior to the damage or destruction, with each Unit and the Common Areas having the same vertical and horizontal boundaries as before.

11.05 Disbursement of Funds for Repair and Reconstruction. If repair or reconstruction is to occur, the insurance proceeds held by the Association and any amounts received from assessments made pursuant to Section 11.03(d) hereof shall constitute a fund for the payment of costs of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for costs of repair and reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair and reconstruction, such balance shall be distributed to the Owners in proportion to their respective percentages of Ownership of the Common Areas.

11.06 Amendment of Article. This ARTICLE 11 shall not be amended unless the Owners of all Condominiums in the Project unanimously consent and agree to such amendment by duly executed and recorded instruments.

ARTICLE 12: EMINENT DOMAIN

12.01 Condemnation. If at any time or times all or any part of the Project shall be taken or condemned by any public authority under power of eminent domain, the provisions of this ARTICLE 12 shall apply. A voluntary sale or conveyance of all or any part of the Project in lieu of condemnation, but under threat of condemnation, shall be deemed to be a taking by power of eminent domain. If any Unit or portion thereof or the Common Areas or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Board of Directors shall give prompt written notice of any such proceeding or proposed acquisition to each Owner in the Project and to any Eligible First Mortgagee holding a First Mortgage on a Unit in the Project.

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

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

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

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

(1) The total amount apportioned to taking of or injury to the Common Areas shall be allocated among and distributed to all Owners (including Owners

whose entire Units have been taken) in proportion to their respective undivided interests in the Common Areas;

(2) The total amount apportioned to severance damages shall be allocated among and distributed to the Owners of those Condominiums that have not been taken, in proportion to their respective undivided interests in the Common Areas;

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

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

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

(6) Distribution of allocated proceeds shall be made by check payable jointly to individual Owners and their respective Mortgagees, as appropriate; and

(7) No provision of this ARTICLE 12 or any other provisions in this Declaration, the Articles, or the Bylaws shall entitle the Owner of a Unit or other party to priority over any First Mortgagee holding a First Mortgage lien on such Unit with respect to the distribution to such Unit of the proceeds of any award, settlement, or proceeds from any eminent domain or condemnation proceeding.

(b) Continuation and Reorganization. If less than the entire Project is taken by power of eminent domain, condominium ownership pursuant hereto shall not terminate, but shall continue. In such event, the Project shall be reorganized as follows:

(1) If any partial taking results in the taking of an entire Unit, the Owner thereof shall cease to be a Member of the Association and all voting rights and the undivided interest in the Common Areas appertaining to such Unit shall be reallocated to, and shall appertain to, the remaining Units in proportion to their respective undivided interests in the Common Areas.

(2) If any partial taking results in the taking of a portion of a Unit and if no determination is made by the Board of Directors that such taking makes it impractical to use the remaining portion of such Unit for any lawful purpose permitted by this Declaration, then the fair market value of such remaining portion of the Unit shall be determined by the Board of Directors and all voting rights and the undivided interest in the Common Areas appertaining to such Unit shall be reduced in proportion to the diminution in fair market value of such Unit resulting from the taking. The voting rights and undivided interest in the Common Areas so divested from such Unit shall be reallocated to, and shall appertain to, such Unit and the other Units in the Project in proportion to their respective undivided

interests in the Common Areas; provided, however, that such Unit shall participate in such reallocation on the basis of the undivided interest reduced in accordance with the preceding sentence.

(3) If any partial taking results in the taking of a portion of a Unit and if there is a determination made by the Board of Directors that such taking makes it impractical to use the remaining portion of such Unit for any lawful purpose permitted by this Declaration, then all voting rights and the entire undivided interest in the Common Areas appertaining to such Unit shall be reallocated to, and shall appertain to, the remaining Units in proportion to their respective undivided interests in the Common Areas, and the remaining portion of such Unit shall thenceforth be part of the Common Areas.

(4) The Board of Directors shall have the duty and authority to make all determinations and to take all actions necessary or appropriate to effectuate reorganization of the Project under the provisions of this Section 12.04(b); provided, however, that if any such determination shall have been or such action taken by judicial decree, the Board of Directors shall defer thereto and proceed in accordance therewith.

(c) Repair and Reconstruction. Any repair and reconstruction necessitated by condemnation shall be governed by the provisions of ARTICLE 11 hereof for cases of Damage or Destruction; provided, however, that the provisions of said Article dealing with sufficiency or insufficiency of insurance proceeds shall not be applicable.

ARTICLE 13. OBSOLESCENCE

13.01 Adoption of Plan. Subject to the provisions of ARTICLE 14 hereof, Owners holding seventy-five percent (75%) or more of the Total Votes of the Association may agree that the Project is obsolete and adopt a written plan for the renewal and reconstruction of the Project. Written notice of adoption of such a plan shall be given to all Owners and Mortgagees.

13.02 Payment for Renewal and Reconstruction. The Association shall levy a Special Assessment sufficient to provide funds to pay the estimated expenses of renewal or reconstruction. Such Special Assessment shall be allocated and collected as provided in Section 9.05. hereof, except that the vote therein specified shall be unnecessary. Further levies may be made in like manner if the amounts collected prove insufficient to pay the actual expenses of such renewal or reconstruction. In the event amounts collected pursuant hereto are in excess of the amounts required for renewal or reconstruction, such excess shall be distributed to the Owners in proportion to their respective percentages of ownership of the Common Areas.

13.03 Amendment of Article. This ARTICLE 13 shall not be amended unless the Owners of all of the Condominiums in the Project and all of the Mortgagees holding Mortgage liens on Units in the Project, based on one vote for each mortgage, unanimously consent and agree to such amendment by duly executed and recorded instruments.

ARTICLE 14. MORTGAGE PROTECTION

14.01 Notices of Action. A holder, insurer, or guarantor of a First Mortgage, upon written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and identify the Unit encumbered by such First Mortgage) shall be entitled to timely written notice of the following:

- (a) Any proposed action that requires the consent of Eligible First Mortgagees;
- (b) Any proposed termination of the Project;
- (c) Any condemnation loss or any casualty loss which affects a material portion of the Project or which affects any Unit on which there is a First Mortgage held, insured, or guaranteed by such holder, insurer or guarantor;
- (d) Any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to the First Mortgage of such holder, insurer or guarantor where such delinquency has continued for a period of 60 days;
- (e) Any lapse, cancellation or material modification of any insurance policy maintained by the Association pursuant to this Declaration.

14.02 Matters Requiring Prior Approval of Sixty-Seven Percent of Eligible First Mortgagees. Unless Eligible First Mortgagees holding First Mortgage liens on Condominium Units representing at least sixty-seven percent (67%) of the Total Votes of the Association have given their prior written approval, neither the Association nor the Owners shall be entitled to abandon or terminate the Project, except for abandonment or termination in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain.

14.03 Matters that Require Approval of 51% of Eligible First Mortgage Holders. Except to the extent that any provision of this Declaration requires approval of a greater number of First Mortgagees, unless Eligible First Mortgagees holding First Mortgage Liens on Condominium Units representing at least fifty-one percent (51%) of the Total Votes of the Association have given their prior written approval, neither the Association nor the Owners shall be entitled to:

- (a) Cause any amendment to be made to the Declaration, the Articles, or the Bylaws, which would change the percentage interests of the Owners in the Project except to the extent necessary to allow for the expansion or phasing of the Project as provided in ARTICLE 16 below and the Condominium Act;
- (b) Partition or subdivide any Condominium; or
- (c) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas of the Project;

(d) elect to terminate the Project after substantial destruction of the Project or substantial taking by exercise of the power of eminent domain of the Project;

(e) repair and reconstruction of the Project following any partial condemnation or damage due to an insurable hazard in a manner different than as specified in ARTICLE 11 and ARTICLE 12 of this Declaration;

(f) materially amend any provisions of this Declaration, the Bylaws or the Articles to change any provisions which establish, provide for, govern, or regulate any of the following:

(1) Voting;

(2) Increases in the amount of Annual Assessments that increase the amount assessed by more than twenty-five percent (25%) of the Annual Assessment for the previous year, assessments, assessment liens or subordination of such liens;

(3) Reserves for maintenance, repair and replacement of Common Areas;

(4) Hazard or fidelity insurance requirements;

(5) Rights to use the Common Areas;

(6) Responsibility for maintenance and/or repairs;

(7) Except as provided in ARTICLE 16, expansion, conversion, or contraction of the Project or the addition, annexation or withdrawal of property to or from the Project;

(8) The interests in the Common Areas;

(9) Convertibility of Units into Common Areas and/or convertibility of Common Areas into Units;

(10) Leasing of Units;

(11) Imposition of any right of first refusal or other similar restriction on the right of a Unit Owner to sell, transfer, or otherwise convey such Owner's Unit; and

(12) The benefits expressly granted in this Declaration, the Bylaws, or the Articles to mortgage holders, insurers, or guarantors.

As used in this Section 14.03, in Section 14.02, and in any other Section of this Declaration, Eligible First Mortgagees shall mean First Mortgagees who have delivered a written request for

notice to the Association (such request to state the name and address of such First Mortgagee and identify the Unit encumbered by such First Mortgage).

14.04 Prior Liens Relate Only to Individual Units. All taxes, assessments, and charges which may become liens prior to the first mortgage under local law shall relate only to the individual Condominiums and not to the Project as a whole.

14.05 Subordination of Common Expense Lien. Any lien which the Association may have on any Unit in the Project for the payment of any assessments of the Association attributable to such Unit shall be subordinate to the lien or equivalent security interest of any First Mortgage on the Unit recorded on or before the date on which any such assessments became due.

14.06 Implied Consent of First Mortgagees. Notwithstanding anything to the contrary in this Declaration, the Bylaws, or the Articles, an Eligible First Mortgagee shall be deemed to have approved any matter calling for the vote, consent, approval or determination of First Mortgagees if such Eligible First Mortgagee fails to respond to a written request for such vote, consent, approval or determination within thirty (30) days after such Eligible First Mortgagee receives written notice of such request provided that such written notice was delivered by certified or registered mail with a "return receipt" requested.

14.07 Priority of Mortgage Holder in Event of Damage. In the event of substantial damage to or destruction of any Unit or any part of the Common Areas and/or Common Facilities, any Eligible First Mortgagee holding a First Mortgage on a Condominium shall be entitled to timely written notice of any such damage or destruction and no provision of the Declaration, Articles, or Bylaws or any amendment thereto shall entitle the Owner of a Unit or other party to priority over a First Mortgagee with respect to the distribution to such Unit of any insurance proceeds.

14.08 Priority of Mortgage Holder in Event of Condemnation. If any Unit or portion thereof or the Common Areas and Common Facilities or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then any Eligible First Mortgagee holding a First Mortgage on a Unit shall be entitled to timely written notice of any such proceeding or proposed acquisition and no provision of the Declaration, Articles, or Bylaws (or any amendment thereto), shall entitle the Owner of a Unit or other party to priority over a First Mortgagee with respect to the distribution to such unit of the proceeds of any award or settlement.

14.09 Mortgage Holder Rights in Event of Foreclosure. Each holder of a First Mortgage lien on a Unit who comes into possession of the Unit by the virtue of mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Unit free of any claims for unpaid assessments and charges against the Unit which accrue prior to the time such holder comes into possession of the Unit, except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units in the Project, including the Unit which is the subject of such mortgaged unit.

14.10 Notice to First Mortgage Holders. The Association shall give each Eligible First Mortgagee holding a First Mortgage on a Unit prompt notice of any default in the Unit

Mortgagor's obligations under the Condominium documents not cured within thirty (30) days of default.

14.11 No Right of First Refusal. No "right of first refusal" shall be included in or added by amendment to the Declaration, Articles, or Bylaws.

14.12 Amendment. No provision of this ARTICLE 14 shall be amended without the prior written consent of Eligible First Mortgagees holding First Mortgage Liens on Condominium Units representing at least sixty-seven percent (67%) of the Total Votes of the Association.

ARTICLE 15. ENFORCEMENT OF DECLARATION AND BYLAWS

15.01 Compliance. Each Owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation and Bylaws of the Association, Rules and Regulations promulgated by the Association, and the decisions and resolutions of the Association adopted pursuant thereto, as the same may lawfully be modified and amended from time to time. Failure to comply with any of the same shall be grounds for the imposition of a fine by the Association upon any non-compliant Owner pursuant to Section 9.08 herein or shall be grounds for an action to recover sums due for damages or for injunctive relief or for both, maintainable by the Association or by an aggrieved Owner.

15.02 Enforcement of Remedies. The obligations, provisions, covenants, restrictions, and conditions contained in this Declaration, or in any Supplemental or amended Declaration, with respect to the Association or Condominiums within the Project shall be enforceable by the Declarant or by any Owner of a Condominium within the Project, subject to this Declaration, by a proceeding for a prohibitive or mandatory injunction, or by a suit or action to recover damages or to recover any amount due or unpaid. The obligations, provisions, covenants, restrictions, and conditions contained in this Declaration, or in any Supplemental or amended Declaration, with respect to a person or entity or property of a person or entity other than the Association or the Declarant shall be enforceable by the Declarant or by the Association or by an aggrieved Owner by a proceeding for a prohibitive or mandatory injunction or by a suit or action to recover damages or to recover any amount due or unpaid.

ARTICLE 16. EXPANDABLE CONDOMINIUM

16.01 Reservation Of Right to Expand. The Declarant hereby expressly reserves the option and right, from time to time, to expand Gray Farms Office Condominiums pursuant to Section 57-8-13.6 of the Condominium Act and subject to the provisions of this ARTICLE 16.

16.02 Consent of Owners Not Required. The consent of the Owners in the Project shall not be required for such expansion and the Declarant may proceed with such expansion at its sole option and as its sole action.

16.03 Preparation and Recording of Supplemental Plat Map and Amendment. Prior to adding any portion or all of the Additional Land to the Project, the Declarant shall:

(a) record, with regard to the Additional Land or any portion thereof that is being added to the Project, a supplemental plat map (the “Supplemental Plat Map”) which shall describe the land added to the Project and comply in all respects with the Condominium Act. Each such Supplemental Plat Map shall be certified as to its accuracy and compliance with the requirements of the Condominium Act by the land surveyor who prepared or supervised the preparation thereof; and

(b) prepare, execute and record simultaneously with each Supplemental Plat Map an amendment to the Declaration (hereinafter the “Amendment”) which shall contain a legal description by metes and bounds of the land added to the Project and shall reallocate individual interests in the Common Areas so that the Units created in the land added to the Project shall be allocated undivided interests in the Common Areas on the same basis as Units initially constructed in the Project. Each such Amendment shall assign an identifying number to each Unit, if any, formed out of the land added to the Project. Each such Amendment shall describe or delineate the Limited Common Areas and Limited Common Facilities, if any, formed out of the Land added to the Project.

16.04 Completion of Improvements. Prior to adding any portion or all of the Additional Land to the Project, Declarant shall substantially complete all improvements to such portion of the Additional Land being added to the Project.

16.05 Expiration of Right to Expand. The option to expand the Project pursuant to the provisions of this ARTICLE 16 shall expire seven (7) years after the recording of this Declaration; however, the Declarant may, at any time prior to the expiration of such period, terminate its option to expand by recording among the land records wherein this Declaration is recorded an executed and notarized document terminating this option.

16.06 Description of Additional Land. The Additional Land which may at the option of Declarant be added to and made part of the Project is located in Utah County, State of Utah and is more particularly described as follows:

[LEGAL DESCRIPTION]

16.07 Declarant’s Right to Add All or Portions of Additional Land. The Declarant need not add all or any portion of the Additional Land to the Project. Rather, the Declarant may, at its sole discretion and without limitation, add all or any portion or portions of the additional land to the Project and may do so at different times.

16.08 Location of Improvements. Declarant makes no assurances as to the locations of any improvements that may be made on any portions of the Additional Land added to the Project.

16.09 Maximum Number of Units. The improvements to be placed on the Additional Land shall contain no more than [12 Units].

16.10 Compatibility with Structures in Initial Project. Although Declarant intends to erect structures on any portion of the Additional Land added to the Project that will be compatible with the structures on the land initially within the Project, Declarant makes no

assurances in those regards; provided, however, that all improvements constructed on the Additional Land shall be consistent with the initial improvements to the Project in terms of structure type and quality of construction. Subject to the foregoing, Declarant hereby reserves the right to select the design and configuration of any improvements erected on any portion of the Additional Land added to the Project that in the judgment of the Declarant may be required to achieve the best development of the Project.

16.11 Other Improvements. Other improvements to be placed on the Additional Land shall be limited to roads, recreational and service facilities.

16.12 Units Not Identical to Initial Units. Although Declarant intends to create units in the improvements on the Additional Land that will be consistent (in terms of structure type and quality of construction) with the units initially constructed within the Project, Declarant makes no assurances as to whether units that may be created in the improvements on the Additional Land will be identical to units initially constructed within the Project.

16.13 Limited Common Areas. The Declarant reserves the right, in its sole discretion and without limitation, to create Limited Common Areas within any portion of the Additional Land and to designate Common Areas and Common Facilities therein which may subsequently be assigned as Limited Common Areas for the purpose of making patios, decks, entries, and such other traditional types of Limited Common Areas as the Declarant may see fit to create; provided, however, that all improvements constructed on the Additional Land shall be consistent with the initial improvements in terms of structure type and quality of construction.

ARTICLE 17. GENERAL PROVISIONS

17.01 Intent and Purpose. The provisions of this Declaration, and any Supplemental or Amended Declaration, shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of a Project. Failure to enforce any provision, restriction, covenant, or condition contained in this Declaration, or in any Supplemental or Amended Declaration, shall not operate as a waiver of any such provision, restriction, covenant, or condition or of any other provisions, restrictions, covenants, or conditions.

17.02 Persons Subject to This Declaration. All Owners, tenants of such Owners, employees of Owners and tenants, or any other person who may in any manner use this Property or any part thereof submitted to the provisions of this Declaration shall be subject to this Declaration, to the Condominium Act, and to the Bylaws and Rules and Regulations of the Association pursuant to the provisions of this Declaration.

17.03 Construction. The provisions of this Declaration shall be in addition and supplemental to the provisions of the Condominium Act and all other provisions of law. Whenever used herein, unless the context shall otherwise require, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both genders. The Article and Section headings set forth herein are for convenience and reference only and are not intended to expand, limit, or otherwise affect the meaning or interpretation of this Declaration or any provision hereof. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability

of any one provision or portion thereof shall not affect the validity or enforceability of any other provisions hereof.

17.04 Notices and Registration of Mailing Address. Each Owner shall register from time to time with the Association his current mailing address. All notices, demands, and other communications to any Owner as provided for in this Declaration shall be in writing and shall be sufficient for all purposes if personally served or if sent by first class U.S. mail postage prepaid, addressed to the Owner at his registered mailing address or, if no address has been registered, to the Unit of such Owner. All notices, demands, and other communications to the Association as provided for in this Declaration shall be in writing and shall be sufficient for all purposes if personally served or if sent by first class U.S. mail, postage prepaid, addressed to the Association at its office at 180 N University Ave, #200, Provo UT 84601, or to such other address as the Association may hereafter specify to the Owners in writing. Any notice, demand, or communication referred to in this Declaration shall be deemed to have been given and received when personally served or when deposited in the U.S. mail, postage prepaid, and in the form provided for in this Section, as the case be.

17.05 Review. Any Owner may at any reasonable time, upon appointment and at his own expense, cause a review or inspection to be made of the books and records maintained by the Association. The Association, at the expense of the Common Expense Fund, shall obtain a review, by certified public accountants, of all books and records pertaining to the Project at no greater than annual intervals, and copies thereof shall be furnished to the Owners.

17.06 Disclosure of Information. Within 120 days after the end of each fiscal year of the Association, the Association shall cause the books and records of the Association to be audited by a certified public accountant. Upon the written request of any person or entity that has either an interest or a prospective interest in a Condominium, the Association shall, within a reasonable time, provide such person or entity with a copy of an audited financial statement of the Association for the immediately preceding fiscal year. The Association shall, upon request, during normal business hours or under reasonable circumstances, make available to Owners, lenders, and holders and insurers of any First Mortgage current copies of the Declaration, Bylaws, and other rules governing the Project and other books, records and audited financial statements of the Association. The Association shall also, upon request, during normal business hours and under reasonable circumstances, make available to prospective purchasers current copies of the Declaration, Bylaws, other Rules and Regulations governing the Project, and the most recent audited financial statement for the Association.

17.07 Amendment. Except as otherwise provided herein (including, but not limited to, ARTICLE 14), this Declaration may be amended if Owners holding at least seventy-five percent (75%) of the Total Votes in the Association consent and agree to such amendment by instruments which are duly recorded in the office of the County Recorder of Utah, State of Utah. Notwithstanding the foregoing to the contrary, any amendment, charge, modification, waiver or termination to this Declaration, the Articles, the Bylaws, or to the Rules and Regulations promulgated by the Association which would have a materially adverse impact upon the Units shall require the prior written consent of the Owner(s) of such Units so impacted, which consent shall not be unreasonably withheld. In addition, notwithstanding the foregoing to the contrary, any amendment, charge, modification, waiver or termination to this Declaration, the Bylaws, or to the Rules and Regulations promulgated by the Association shall require the prior written

consent of the Declarant until the Declarant's right to expand the project expires in accordance with Section 16.05. Notwithstanding any of the foregoing in this Section to the contrary, the Declarant shall have the right to make minor modifications to Units owned by the Declarant and any modifications to Common Areas incidental thereto without the consent of any Owners provided that such minor modifications are made before the Declarant's right to expand the Project expires in accordance with Section 16.05 and provided that no such modification changes the total square footage of any Unit.

17.08 Termination. Subject to the provisions of ARTICLE 14 and except as provided by law or in this Declaration in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain, the prior written approval of Owners holding seventy-five percent (75%) or more of the Total Votes of the Association shall be required before the Project may be abandoned or terminated.

17.09 Effective Date. This Declaration shall be effective upon recording.

17.10 Agent for Service. The name and address of the person to receive service of process in all cases provided by the Condominium Act shall be the registered agent and address of the Association as shown in the official corporate records maintained in the office of the Utah Department of Commerce, Division of Corporations and Commercial Code. On the date of this Declaration, the registered agent of the Association is Steven Farnsworth, Farnsworth Johnson PLLC, 180 N. University Ave., Suite 260, Provo, UT 84601.

17.11 Limitation on Association's Liability. The Association shall not be liable for any failure of water service or other utility service (if any) to be obtained and paid for by the Association hereunder, or for injury or damage to any person or property caused by the elements or by another Owner or person in or upon the Project, or resulting from electricity, water, rain, snow, or ice which may leak or flow from outside or from any parts of the Building or its drains, pipes, conduits, appliances, or equipment, or from any other place, unless caused by the grossly negligent or willful misconduct of the Association. No diminution or abatement of any assessments under this Declaration shall be claimed or allowed for inconvenience or discomfort arising from the making of any repairs or improvements to or maintaining the Project or any part thereof, or from, any action taken to comply with the provisions of this Declaration or with the laws, ordinances, regulations, rules, or order of any governmental authority.

17.12 Owner's Obligations. All obligations of an Owner, under and by virtue of the provisions contained in this Declaration shall continue, notwithstanding that such Owner may be leasing, renting, or selling under contract such Owner's Condominium. The Owner of a Condominium within the Project shall have no obligation for expenses or other obligations accruing after he conveys such Condominium.

17.13 Estoppel Certificate. Within, fifteen (15) days following receipt by the Association of a written request by any Owner, the Board of Directors shall provide such Owner with a written statement containing the following information: (a) whether to the knowledge of the Association, the Owner or occupant of the Owner's Condominium is in violation of any of the provisions of this Declaration, the Articles, Bylaws, or Rules; (b) the amount of the Annual Assessments, Special, and Reimbursement Assessments, including installment payments, paid by the Owner during the fiscal year in which the request is received; and (c) the amount of any

assessments levied against the Owner's Condominium Unit that are unpaid as of the date of the statement, including any late charges, interest or costs of collection, and that, as of the date of the statement, are or may be made a lien against the Owner's Condominium Unit as provided by this Declaration. The Association may charge a fee to provide this information provided the fee shall not exceed the Association's reasonable cost to prepare and reproduce the requested items.

17.14 Transfer of Declarant's Rights. The rights of the Declarant under this Declaration may be transferred in whole or in part to other persons or entities, provided, however, that the transfer shall not reduce an obligation nor enlarge a right beyond that which Declarant has under this Declaration or under the Bylaws. No such transfer shall be effective unless it is in a written instrument signed by Declarant and duly recorded in the office of the County Recorder of Utah County, State of Utah.

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IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration the day and year first above written.

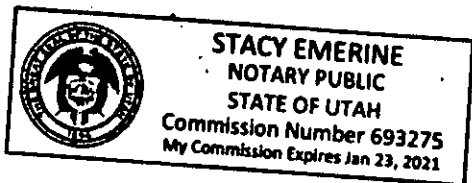
DECLARANT:

Lehi Main Street Office, LLC, a Utah limited liability company

By: Richard M Ellsworth
Name: RICHARD M ELLSWORTH
Title: MANAGER

STATE OF UTAH)
 :SS.
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this 4th day of November, 2019, by Richard Ellsworth, the Manager of Lehi Main Street Office, LLC, a Utah limited liability company.



Stacy Emerine
NOTARY PUBLIC

Residing At:

Provo, UT

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration the day and year first above written.

DECLARANT:

Lehi Main Street Office, LLC, a Utah limited liability company

By: [Signature]
Name: BRANSON BRINTON
Title: DIRECTOR

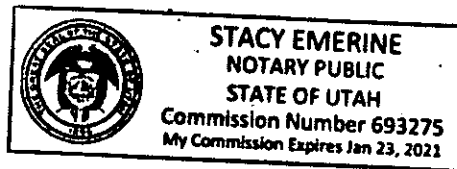
STATE OF UTAH)
 :SS.
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this 17th day of December, 2019, by Branson Brinton, the Director of Lehi Main Street Office, LLC, a Utah limited liability company.

[Signature]
NOTARY PUBLIC

Residing At:

Utah County



IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration the day and year first above written.

DECLARANT:

Lehi Main Street Office, LLC, a Utah limited liability company

By: *Gary Powell*
Name: *Gary Powell*
Title: *Owner*

STATE OF UTAH)
 :SS.
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this 17th day of December, 2019, by Gary Powell, the owner of Lehi Main Street Office, LLC, a Utah limited liability company.

Stacy Emerine
NOTARY PUBLIC
Residing At: *Utah County*

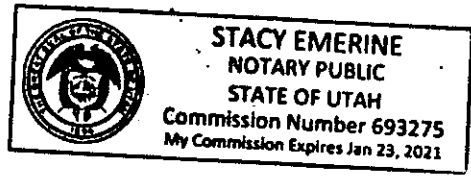


Exhibit A: Interests in Common Areas; Votes

Suite Number	Square Feet	Interest in Common Area; Votes
A101	2,106	3.61%
A102	2,891	4.95%
A105	892	1.53%
A107	4,568	7.83%
A201	2,219	3.80%
A203	3,022	5.18%
A205	3,031	5.19%
A207	2,331	3.99%
A301	5,490	9.41%
A305	2,975	5.10%
A307	2,460	4.22%
B101	1,845	3.16%
B103	2,425	4.16%
B105	2,428	4.16%
B107	1,929	3.31%
B201	1,845	3.16%
B203	2,479	4.25%
B205	2,483	4.26%
B207	1,929	3.31%
B301	1,979	3.39%
B303	2,479	4.25%
B305	2,483	4.26%
B307	2,063	3.54%
Total	58,352	100%

Exhibit B: Articles of Incorporation

ARTICLES OF INCORPORATION
OF
GRAY FARMS OFFICE ASSOCIATION, INC.

We, the undersigned natural persons all being of the age of eighteen years or more, acting as incorporators under the Utah Non-Profit Corporation and Cooperative Association Act, adopt the following Articles of Incorporation for such Corporation:

Article I
NAME

The name of the corporation is Gray Farms Office Association, Inc.

Article II
DURATION

The period of duration of this corporation is perpetual.

Article III
PURPOSE

(a) To act and operate exclusively as a nonprofit corporation pursuant to the laws of the State of Utah, and to promote the health, safety and welfare of the owners of the Gray Farms Office Condominiums located at Lehi, Utah.

(b) To engage in any and all activities and pursuits, and to support or assist such other organizations, as may be reasonably related to the foregoing and following purposes.

(c) To engage in any and all other lawful purposes, activities and pursuits, which are substantially similar to the foregoing and which are or may hereafter be authorized by Section 501(c)(3) of the Internal Revenue Code and are consistent with those powers described in the Utah Nonprofit Corporation and Cooperation Association Act, as amended and supplemented.

(d) To solicit and receive contributions, purchase, own and sell real and personal property, to make contracts, to invest corporate funds, to spend corporate funds for corporate purposes, and to engage in any activity "in furtherance of, incidental to, or connected with any of the other purposes."

(i) No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, trustees, officers, or other persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered to the corporation and to make payments and distributions in furtherance of the purposes set forth herein;

(ii) no substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office except as authorized under the Internal Revenue Code of 1954, as amended;

(iii) the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under 501(c)(3) of the Internal Revenue Code of 1954, as amended (or the corresponding provision of any future United States Internal Revenue law).

Article IV MEMBERS/STOCK

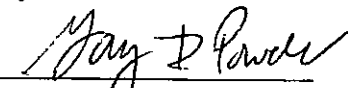
The qualifications for members/shareholders and the manner of their admissions shall be regulated by the by-laws.

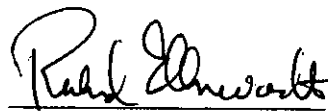
Article V BY-LAWS

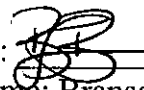
Provisions for the regulation of the internal affairs of the corporation shall be set forth in the By-Laws.

Article VI DIRECTORS

The number of directors of this Corporation shall be three (3), or more than three, as fixed from time to time by the By-Laws of the Corporation. The number of directors constituting the present Board of Directors of the Corporation is three, and the names and addresses of the persons who are to serve as directors until their successors are elected and shall qualify are:

By: 
Name: Gary D. Powell
Its: Director
5915 W. 10620 N.
Highland, UT 84003

By: 
Name: Richard Ellsworth
Its: Director
195 E 600 S
American Fork, UT 84003

By: 
Name: Branson Brinton
Its: Director
180 N University Ave, Ste 200
Provo, UT 84601

INCORPORATOR

The name and address of the incorporator are:

Steven W. Farnsworth
180 North University Ave., Ste. 260
Provo, UT 84601

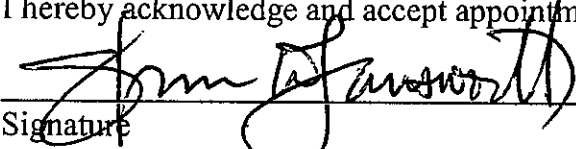
Article VIII
REGISTERED OFFICE AND AGENT

The address of the corporation's initial registered office shall be:

180 N. University Ave., Ste. 260
Provo, UT 84601

Such office may be changed at any time by the Board of Trustees without amendment of these Articles of Incorporation. The corporations initial registered agent at such address shall be: Steven W. Farnsworth.

I hereby acknowledge and accept appointment as corporate registered agent:


Signature

Article IX
PRINCIPAL PLACE OF BUSINESS

The principal place of business of this Corporation shall be 180 N. University Ave., Ste. 200, Provo, UT 84601. The business of this Corporation may be conducted in all counties of the State of Utah and in all states of the United States, and in all territories thereof, and in all foreign countries as the Board of Trustees shall determine.

Article X
DISTRIBUTIONS

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on

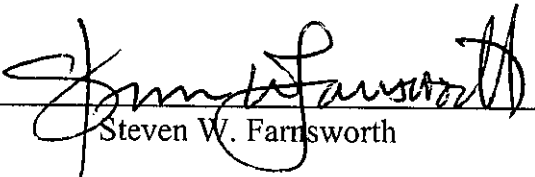
behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Articles of Incorporation, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, as amended or supplemented, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, as amended or supplemented.

Article XI DISSOLUTION

Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, as amended or supplemented, or shall be distributed to the federal government or to a state or local government for a public purpose. Any such assets not so disposed of shall be disposed of by the District Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

In Witness Whereof, I, Steven W. Farnsworth, have executed these Articles of Incorporation in duplicate this ____ day of December, 2019, and say:

That I am the incorporator herein; that I have read the above and foregoing Articles of Incorporation; know the contents thereof and that the same is true to the best of my knowledge and belief, excepting as to matters herein alleged upon information and belief and as to those matters I believe to be true.



 Steven W. Farnsworth

Exhibit C: Bylaws

BYLAWS OF
GRAY FARMS OFFICE
ASSOCIATION, INC.

A Utah Nonprofit Corporation

Pursuant to the provisions of the Utah Revised Nonprofit Corporation Act, the Board of Directors of Gray Farms Office Association, Inc., a Utah nonprofit corporation, hereby adopts the following Bylaws for such nonprofit corporation.

ARTICLE 1: NAME AND PRINCIPAL OFFICE

1.1 Name. The name of the nonprofit corporation is Gray Farms Office Association, Inc., hereinafter referred to as the "Association."

1.2 Offices. The principal office of the Association shall be at 180 North University Avenue, Ste. 200, Provo, UT 84601.

ARTICLE 2: DEFINITIONS

2.1 Definitions. Except as otherwise provided herein or as may be required by the context, all terms defined in Article I of the Declaration of Covenants, Conditions and Restrictions of Gray Farms Office Condominiums, a Utah Condominium Project, hereinafter referred to as the "Declaration", shall have such defined meanings when used in these Bylaws.

ARTICLE 3: MEMBERS

3.1 Annual Meetings. The annual meeting of Members shall be held on the first Monday in July of each year at the hours of 10:00 o'clock a.m., beginning with the year following the year in which the Articles of Incorporation are filed, for the purpose of electing Directors and transacting such other business as may come before the meeting. If the election of Directors shall not be held on the day designated herein for the annual meeting of the Members, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Members to be convened as soon thereafter as may be convenient. The Board of Directors may from time to time by resolution change the date and time for the annual meeting of the Members.

3.2 Special Meetings. Special meetings of the Members may be called by the Board of Directors, the President, or upon the written request of Members holding not less than ten percent (10%) of the Total Votes of the Association, such written request to state the purpose or purposes of the meeting and to be delivered to the Board of Directors or the President.

3.3 Place of Meetings. The Board of Directors may designate any place in Utah County, State of Utah as the place of meeting for any annual meeting or for any special meeting called by the Board. A waiver of notice signed by all of the Members may designate any place, either within or without the State of Utah, as the place for holding such meeting. If no designation is made, or if a special meeting is otherwise called, the place of the meeting shall be at the principal office of the Association.

3.4 Notice of Meetings. The Board of Directors shall cause written or printed notice of the time, place, and purposes of all meetings of the Members (whether annual or special) to be delivered, not more than fifty (50) nor less than ten (10) days prior to the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail addressed to the Member at his registered address, with first-class postage thereon prepaid. Each Member shall register with the Association such Member's current mailing address for purposes of notice hereunder. Such registered address may be changed from time to time by notice in writing to the Association. If no address is registered with the Association, a Member's Unit address shall be deemed to be his registered address for purposes of notice hereunder.

3.5 Members of Record. Upon purchasing a Condominium Office in the Project, each Owner shall promptly furnish to the Association a certified copy of the recorded instrument by which ownership of such Condominium Office has been vested in such Owner, which copy shall be maintained in the records of the Association. For the purpose of determining Members entitled to notice of or to vote at any meeting of the Members, or any adjournment thereof, the Board of Directors may designate a record date, which shall not be more than fifty (50) nor less than ten (10) days prior to the meeting, for determining Members entitled to notice of or to vote at any meeting of the Members. If no record date is designated, the date on which notice of the meeting is mailed shall be deemed to be the record date for determining Members entitled to notice of or to vote at the meeting. The persons or entities appearing in the records of the Association on such record date as the Owners of record of Condominium Offices in the Project shall be deemed to be the Members of record entitled to notice of and to vote at the meeting of the Members.

3.6 Quorum. At any meeting of the Members, the presence of Members holding, or holders of proxies entitled to cast, more than fifty percent (50%) of the Total Votes of the Association shall constitute a quorum for the transaction of business. In the event a quorum is not present at a meeting, the Members present (whether represented in person or by proxy), though less than a quorum, may adjourn the meeting to a later date. Notice thereof shall be delivered to the Members as provided above. At the reconvened meeting, the Members and proxy holders present shall constitute a quorum for the transaction of business.

3.7 Proxies. At each meeting of the Members, each Member entitled to vote shall be entitled to vote in person or by proxy; provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been executed by the Member himself or by his attorney thereunto duly authorized in writing. If a Membership is jointly held, the instrument authorizing a proxy to act must have been executed by all holders of such Membership or their attorneys thereunto duly authorized in writing. Such instrument authorizing a proxy to act shall be delivered at the beginning of the meeting to the Secretary of the Association or to such other officer or person who may be acting as secretary of the meeting. The secretary of the meeting shall enter a record of all such proxies in the minutes of the meeting.

3.8 Votes. With respect to each mailer submitted to a vote of the members, each Member entitled to vote at the meeting shall have the right to cast, in person or by

proxy, the number of votes appertaining to the Condominium Office of such Member, as shown in the Declaration. The affirmative vote of a majority of the votes entitled to be cast by the Members present or represented by proxy at a meeting at which a quorum was initially present shall be necessary for the adoption of any matter voted on by the Members, unless a greater proportion is required by the Articles of Incorporation, these Bylaws, the Declaration, or Utah law. The election of Directors shall be by secret ballot. If a membership is jointly held, all or any holders thereof may attend each meeting of the Members, but such holders must act unanimously to cast the votes relating to their joint Membership.

3.9 Waiver of Irregularities. All inaccuracies and irregularities in calls or notices of meetings and in the manner of voting form of proxies, and method of ascertaining Members present shall be deemed waived if no objection thereto is made at the meeting.

3.10 Informal Action by Members. Any action that is required or permitted to be taken at a meeting of the Members may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

ARTICLE 4: BOARD OF DIRECTORS

4.1 General Powers. The property, affairs, and business of the Association shall be managed by its Board of Directors. The Board of Directors may exercise all of the powers of the Association, whether derived from law or the Articles of Incorporation, except such powers as are by law, by the Articles of Incorporation, by these Bylaws, or by the Declaration vested solely in the Members. The Board of Directors may by written contract delegate, in whole or in part, to a professional management organization or person such of its duties, responsibilities, functions, and powers as are properly delegable.

4.2 Number, Tenure and Qualifications. The number of Directors of the Association shall be three (3). The initial Board of Directors specified in the Articles of Incorporation shall serve until the first annual meeting of the Members. At the first annual meeting of the Members held after the Declarant turns over to the members responsibility for electing Directors, the Members shall elect three (3) Directors to serve for the following respective terms: one (1) Director to serve for a term of three (3) years; one (1) Director to serve for a term of two (2) years; and one (1) Director to serve for a term of one (1) year. At each annual meeting thereafter, the Members shall elect for terms of three (3) years each the appropriate number of Directors to fill all vacancies created by expiring terms of Directors. All Directors except Directors nominated by the Declarant shall be Members of the Association.

4.3 Regular Meetings. The regular annual meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of the Members. The Board of Directors may provide by resolution the time and place, within Utah County, State of Utah, for the holding of additional regular meetings without other notice than such resolution.

4.4 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of any Director. The person or persons authorized to call special meetings of the Board of Directors may fix any place, within Utah County, State of Utah, as the place for holding any special meeting of the Board of Directors called by such person or persons. Notice of any special meeting shall be given at least five (5) days prior thereto by written notice delivered personally, or mailed to each Director at his registered address, or by facsimile. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail so addressed, with first class postage thereon prepaid. If notice is given by facsimile, such notice shall be deemed to have been delivered when the facsimile is transmitted and the facsimile machine used to transmit such notice produces a receipt that the target destination was contacted and that such transmission was made. Any Director may waive notice of a meeting.

4.5 Quorum and Manner of Acting. A majority of the then authorized number of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of a majority of the Directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. The Directors shall act only as a Board, and individual Directors shall have no powers as such.

4.6 Compensation. No Director shall receive compensation for any services that he may render to the Association as a Director; provided, however, that a Director may be reimbursed for expenses incurred in performance of his duties as a Director to the extent such expenses are approved by the Board of Directors and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as a Director.

4.7 Resignation and Removal. A Director may resign at any time by delivering a written resignation to either the President or the Board of Directors. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any Director may be removed at any time, for or without cause, by the affirmative vote of seventy-five percent (75%) of the Total Votes of the Association at a special meeting of the Members duly called for such purpose.

4.8 Vacancies and Newly Created Directorships. If vacancies shall occur in the Board of Directors by reason of the death, resignation or disqualification of a Director (other than a Director appointed by Declarant), or if the authorized number of Directors shall be increased, the Directors then in office shall continue to act, and such vacancies or newly created Directorships shall be filled by a vote of the Directors then in office, though less than a quorum, in any way approved by such Directors at the meeting. Any vacancy in the Board of Directors occurring by reason of removal of a Director by the Members may be filled by election at the meeting at which such Director is removed. If vacancies shall occur in the Board of Directors by reason of death, resignation or removal of a director appointed by the Declarant, such vacancies shall be filled by appointments to be made by the Declarant. Any Director elected or appointed hereunder to fill a vacancy shall serve for the unexpired term of his predecessor or for the term of the newly created Directorship, as the case may be.

4.9 Informal Action by Directors. Any action that is required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a

consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

ARTICLE 5: OFFICERS

5.1 Officers. The officers of the Association shall be a President, Vice President, Secretary, Treasurer and such other officers as may from time to time be appointed by the Board of Directors.

5.2 Election, Tenure and Qualifications. The officers of the Association shall be chosen by the Board of Directors annually at the regular annual meeting of the Board of Directors. In the event of failure to choose officers at such regular annual meeting of the Board of Directors, officers may be chosen at any regular or special meeting of the Board of Directors. Each such officer (whether chosen at a regular annual meeting of the Board of Directors or otherwise) shall hold his office until the next ensuing regular annual meeting of the Board of Directors and until his successor shall have been chosen and qualified, or until his death, or until his resignation, disqualification, or removal in the manner provided in these Bylaws, whichever first occurs. Any one person may hold any two or more of such offices, except that the President may not also be the Secretary. No person holding two or more offices shall act in or execute any instrument in the capacity of more than one office. No officer need be a Director.

5.3 Subordinate Officers. The Board of Directors may from time to time appoint such other officers or agents as it may deem advisable, each of whom shall have such title, hold office for such period, have such authority, and perform such duties as the Board of Directors may from time to time determine. The Board of Directors may from time to time delegate to any officer or agent the power to appoint any such subordinate officers or agents and to prescribe their respective titles, terms of office, authorities, and duties. Subordinate officers need not be Members or Directors of the Association.

5.4 Resignation and Removal. Any officer may resign at any time by delivering a written resignation to the President or the Board of Directors. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any officer may be removed by the Board of Directors at any time, for or without cause.

5.5 Vacancies and Newly Created Offices. If any vacancy shall occur in any office by reason of death, resignation, removal, disqualification, or any other cause, or if a new office shall be created, such vacancies or newly created offices may be filled by the Board of Directors at any regular or special meeting.

5.6 The President. The President shall preside at meetings of the Board of Directors and at meetings of the Members. He shall sign on behalf of the Association all conveyances, mortgages, documents, and contracts, and shall do and perform all other acts and things that the Board of Directors may require of him.

5.7 The Vice President. The Vice President shall act in the place and stead of the President in the event of the President's absence or inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

5.8 The Secretary. The Secretary shall keep the minutes of the Association and shall maintain such books and records as these Bylaws, the Declaration, or any

resolution of the Board of Directors may require him to keep. The Secretary shall also act in the place and stead of the President in the event of the President's absence or inability or refusal to act. He shall be the custodian of the seal of the Association, if any, and shall affix such seal, if any, to all papers and instruments requiring the same. He shall perform such other duties as the Board of Directors may require of him.

5.9 The Treasurer. The Treasurer shall have the custody and control of the funds of the Association, subject to the action of the Board of Directors, and shall, when requested by the President to do so, report the state of the finances of the Association at each annual meeting of the Members and at any meeting of the Board of Directors. He shall perform such other duties as the Board of Directors may require of him.

5.10 Compensation. No officer shall receive compensation for any services that he may render to the Association as an officer, provided, however, that an officer may be reimbursed for expenses incurred in performance of his duties as an officer to the extent such expenses are approved by the Board of Directors and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as an officer.

ARTICLE 6: COMMITTEES

6.1 Designation of Committees. The Board of Directors may from time to time by resolution designate such committees as it may deem appropriate in carrying out its duties, responsibilities, functions, and powers. The membership of each such committee designated hereunder shall include at least one (1) Director. No committee member shall receive compensation for services that he may render to the Association as a committee member; provided, however, that a committee member may be reimbursed for expenses incurred in performance of his duties as a committee member to the extent that such expenses are approved by the Board of Directors and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as a committee member.

6.2 Proceedings of Committees. Each committee designated hereunder by the Board of Directors may appoint its own presiding and recording officers and may meet at such places and times and upon such notice as such committee may from time to time determine. Each such committee shall keep a record of its proceedings and shall regularly report such proceedings to the Board of Directors.

6.3 Quorum and Manner of Acting. At each meeting of any committee designated hereunder by the Board of Directors, the presence of members constituting at least a majority of the authorized membership of such committee (but in no event less than two members) shall constitute a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which a quorum is present shall be the act of such committee. The members of any committee designated by the Board of Directors hereunder shall act only as a committee, and the individual members thereof shall have no powers as such.

6.4 Resignation and Removal. Any member of any committee designated hereunder by the Board of Directors may resign at any time by delivering a written resignation to the President, the Board of Directors, or the presiding officer of the

committee of which he is a member. Unless otherwise specified therein, such resignation shall take effect upon delivery. The Board of Directors may at any time, for or without cause, remove any member of any committee designated by it hereunder.

6.5 Vacancies. If any vacancy shall occur in any committee designated by the Board of Directors hereunder, due to disqualification, death, resignation, removal, or otherwise, the remaining members shall, until the filling of such vacancy, constitute the then total authorized membership of the committee and, provided that two or more members are remaining, may continue to act. Such vacancy may be filled at any meeting of the Board of Directors.

ARTICLE 7: INDEMNIFICATION

7.1 Indemnification -- Third Party Actions. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a Director or officer of the Association, or is or was serving at the request of the Association as a director, trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by an adverse judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

7.2 Indemnification -- Association Actions. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a Director or officer of the Association, or is or was serving at the request of the Association as a director, trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against expenses (including attorney's fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association and except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

7.3 Determinations. To the extent that a person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Sections 7.1 or 7.2 hereof, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith. Any other indemnification under Sections 7.1 or 7.2 hereof shall be made by the Association only upon a determination that indemnification of the person is proper in the circumstances because he has met the applicable standard of conduct set forth respectively in Sections 7.1 or 7.2 hereof. Such determination shall be made either (i) by the Board of Directors by a majority vote of disinterested Directors or (ii) by independent legal counsel in a written opinion, or (iii) by the Members by the affirmative vote of at least fifty percent (50%) of the Total Votes of the Association at any meeting duly called for such purpose.

7.4 Advances. Expenses incurred in defending a civil or criminal action, suit, or proceeding as contemplated in this ARTICLE 7 may be paid by the Association in advance of the final disposition for such action, suit, or proceeding upon a majority vote of a quorum of the Board of Directors and upon receipt of an undertaking by or on behalf of the person to repay such amount or amounts unless it ultimately be determined that he is entitled to be indemnified by the Association as authorized by this ARTICLE 7 or otherwise.

7.5 Scope of Indemnification. The indemnification provided for by this ARTICLE 7 shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any provision in the Association's Articles of Incorporation, Bylaws, agreements, vote of disinterested Members or Directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. The indemnification authorized by this ARTICLE 7 shall apply to all present and future Directors, officers, employees, and agents of the Association and shall continue as to such persons who cease to be Directors, officers, employees, or agents of the Association and shall inure to the benefit of the heirs and personal representatives of all such persons and shall be in addition, to all, other rights to which such persons may be entitled as a matter of law.

7.6 Insurance. The Association shall purchase and maintain insurance on behalf of any person who was or is a Director, officer, employee, or agent of the Association, or who was or is serving at the request of the Association as a trustee, director, officer, employee, or agent of another corporation, entity, or enterprise (whether for profit or not for profit), as may be required by Article 10 of the Declaration.

7.7 Payments and Premiums. All indemnification payments made, and all insurance premiums for insurance maintained pursuant to this ARTICLE 7 shall constitute expenses of the Association and shall be paid with the funds from the Common Expense Fund referred to in the Declaration.

ARTICLE 8: FISCAL YEAR AND SEAL

8.1 Fiscal Year. The fiscal year of the Association shall begin on the first day of January each year and end on the 31st day of December next following except that the first fiscal year shall begin on the date of incorporation.

8.2 Seal. The Board of Directors may by resolution provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association, the state of incorporation, and the words "Corporate Seal".


ARTICLE 9: RULES AND REGULATIONS

9.1 Rules and Regulations. The Board of Directors may from time to time adopt, amend, repeal, and enforce reasonable rules and regulations governing the use and operation of the Project, to the extent that such rules and regulations are not inconsistent with the rights and duties set forth in the Articles of Incorporation, the Declaration, or these Bylaws. The Members shall be provided with copies of all rules and regulations adopted by the Board of Directors, and with copies of all amendments and revisions thereof.

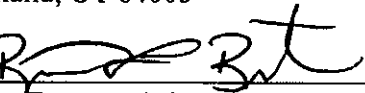
ARTICLE 10: AMENDMENTS

10.1 Amendments. Except as otherwise provided by law, by the Articles of incorporation, by the Declaration (e.g., Article 14), or by these Bylaws, these Bylaws may be amended, altered, or repealed and new bylaws may be made and adopted by the Members upon the affirmative vote of at least sixty-six percent (66%) of the Total Votes of the Association; provided, however, that such action shall not be effective unless and until a written instrument setting forth (i) the amended, altered, repealed, or new bylaw, (ii) the number of votes cast in favor of such action, and (iii) the Total Votes of the Association, shall have been executed and verified by the current President of the Association and recorded in the office of the County Recorder of Utah County, State of Utah.

IN WITNESS WHEREOF the undersigned, constituting all of the Directors of Gray Farms Office Association, Inc., have executed these Bylaws effective on the 9th day of December, 2019.

By: 
Name: Gary D. Powell
Its: Director
5915 W. 10620 N.
Highland, UT 84003

By: _____
Name: Richard Ellsworth
Its: Director
195 E 600 S
American Fork, UT 84003

By: 
Name: Branson Brinton
Its: Director
180 N University Ave, Ste 200
Provo, UT 84601

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180 N University Ave, Ste 200
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