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SAN JUAN COUNTY CORPORATION
For: ANDERSON-OLIVER TITLE INSUR

**Condominium Declaration For
Moab Business Park Condominiums
(A Common Interest Community)**

This Condominium Declaration for Moab Business Park Condominiums ("Declaration")
Is made and entered into this 24th day of April, 2006, by Moab Business Park, LLC, a Colorado limited
liability company ("Declarant")

Recitals

Declarant is the owner of certain real property located in the County of San Juan, State of Utah, which
is more particularly described as:

Parcel A Willow Court Estates

- B. Declarant desires to create a Common Interest Community on the Property, pursuant to the Utah
Condominium Act, Utah Code-Title 57-Chapter 8-as amended from time to time ("Act"), in
which portions of the Property will be designated for separate ownership and the remainder of
which will be for common ownership solely by the Unit Owners of the separate ownership
interests.
- C. The Common Interest Community shall be a Condominium
- D. The Declarant has incorporated Moab Business Condominium, as Moab Business Park LLC, A
Colorado Limited Liability Corporation, for the purpose of exercising the functions herein set
forth

ARTICLE 1. SUBMISSION OF PROPERTY

- 1.1 Declarant hereby publishes and declares that the Property shall be held, sold, conveyed,
transferred, leased, subleased and occupied subject to the following easements, covenants,
conditions, and restrictions which are or the purpose of protecting the value and
desirability of the Property, and which shall run with the Property and shall be binding
upon and vlnure to the benefit of all parties having any right, title, or interest in the
Property, or any portion thereof, their heirs, personal representatives, successors, and
assigns. Additionally, Declarant hereby submits the Property to the provisions of the Act.
To the extent this Declaration is silent on a mater covered by the Act, the provisions of the
Act shall apply. If the Act is repealed, the Act as it was in effect on the effective date if of
such repeal shall remain applicable. To the extend this Declaration and the Act conflict,
this Declaration shall govern.

ARTICLE 2. DEFINITIONS

- 2.1 **General.** When used in this Declaration, unless the context indicates otherwise, capitalized
terms not otherwise defined in the Act or in the Plat or Map of the Property shall have the
following meanings:
 - 2.1.1 "Allocated Interests" means the undivided interest in the Common Elements,
the Common Expense Liability and votes in the Association.
 - 2.1.2 "Approval" or "Approved" shall mean securing the prior, written approval as
required herein before doing that for which such approval is required.
 - 2.1.3 "Architectural Control Committee" means all the directors of the Association.
 - 2.1.4 "Assessments" means all Common Expense Assessments, Special
Assessments, Individual Assessments and Fines levied by the Executive Board
pursuant to the Documents.

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- 2.1.5 "Association" means Moab Business Park Condominium Association
- 2.1.6 "Bylaws" means any instruments, however denominated, which are adopted by the Association for the regulation and management of the Association, including amendments to those instruments.
- 2.1.7 "Capitol Improvements" means the construction, erection or installation of substantial structures(s) or other substantial improvement(s) in the Common Interest Community
- 2.1.8 "Common Elements" means the areas designated as such on the Plat or Map, being all portions of the condominium other than the Units.
- 2.1.9 "Common Expense Assessments" means all Assessments made for Common Expenses.
- 2.1.10 "Common Expenses Liability" means the liability for Common Expenses allocated to each Unit .
- 2.1.11 "Common Expenses" means expenditures made or liabilities incurred by or on behalf of the Association, together with any allocations to reserves. These expenses for the operation of the Common Interest Community include, but are not limited to:
- (a) expenses of administering, maintaining, leasing, insuring, repairing or replacing the Common Elements;
 - (b) expenses declared to be Common Expenses by this Declaration;
 - (c) expenses agreed upon as Common Expenses by the Association; and
 - (d) such reasonable reserves as may be established by the Association , whether held in trust or by the Association, for repair, replacement or addition to the Common Elements or any other real or personal property acquired or held by the Association
- 2.1.12. "Common Interest Community" means the Property.
- 2.1.13. "Declarant" means any Person or group of Persons acting in concert who: (a) As part of a common promotional plan, offers to Dispose of to a Purchaser such Declarant's interest in a Unit not previously Disposed of to a Purchaser; (b) Reserves or succeeds to any Special Declarant right; (c) Moab Business Park LLC; or (d) Kevin Carroll or Buck Graybill Jr.
- 2.1.14. "Declaration" means this Declaration, including any amendments hereto and also including, but not limited to, Plats or Map of the Property recorded in the Office of the Clerk or Recorder of San Juan County, Utah.
- 2.1.15. "Development Rights" means any right or combination of rights reserved by a declarant in the declaration to: (a) Add real estate to a common interest community; (b) Create units, common elements, or limited common elements within a common interest community ;(c) Subdivide units or convert units into common elements; or (d) Withdraw real estate from a common interest community.
- 2.1.16. "Director" means director of the Association
- 2.1.17. "Dispose" or "Disposition" means a voluntary transfer or any legal or equitable interest in a Unit, but not including the transfer or release of a Security Interest.

- 2.1.18. "Documents" means this Declaration, the Plat or Map as recorded and filed, the Bylaws, and the Rules and Regulations as they may be amended from time to time together with any exhibit, schedule or certificate accompanying such Documents.
- 2.1.19. "Executive Board" means the Executive Board designated in this Declaration to act on behalf of the Association
- 2.1.20. "Fines" means any monetary penalty imposed by the Executive Board against a Unit Owner because of a violation of this Declaration, the Articles of Incorporation of the Association, its Bylaws or the Rules and Regulations by such Unit Owner, or Unit Owner's family, guest, tenant, customer, or invitee.
- 2.1.21. "Governmental Items" means items currently benefiting all Units as a whole, but not those which benefit Units individually, which the applicable government agency or entity currently maintains.
- 2.1.22. "Identifying Number" means a symbol or address that identifies only one unit in the common interest community.
- 2.1.23. "Individual Assessments" means any Assessments made against a Unit or Unit Owner pursuant to the provisions of the Documents, other than Common Expense Assessments, or Special Assessments.
- 2.1.24. "Limited Common Elements" means a portion of the Common Elements allocated in Section 3.8 hereinafter, or by operation of the Act, for the exclusive use of one or more Units but fewer than all of the Units.
- 2.1.25. "Manager" means a Person employed or engaged to perform management services for the Common Interest Community and the Association.
- 2.1.26. "Member" means every Person who is a Unit Owner and/or a shareholder of the Association
- 2.1.27. "Person" means an individual, corporation, business, trust, estate, Limited Liability Company, limited partnership, general partnership, association, joint venture, government, government subdivision, or agency, or other legal or commercial entity, or any combination thereof.
- 2.1.28. "Plat" or "Map" mean the plat or map prepared in accordance with the Act and recorded in the records of the Clerk and Recorder of San Juan County, Utah, regarding this Declaration.
- 2.1.29. "Property" means all of the real property described in Recital "A" above.
- 2.1.30. "Purchaser" means a person, other than the Declarant or a Dealer, who, by means of a transfer, acquires a legal or equitable interest in a Unit, other than: (a) A leasehold interest in a Unit of less than forty (40) years, including renewal options, with the period of a leasehold interest, including renewal options, being measured from the date the initial term commences; or (b) A Security Interest.
- 2.1.31. "Real Estate" means any leasehold or other estate or interest in, over, or under land including structures, fixtures, and other improvements and interests that, by custom, usage, or law, pass with a conveyance of land through not described in the contract of sale or instrument of conveyance. Real Estate includes parcels with or without horizontal boundaries and space that may be filled with air or water.

- 2.1.32. "Rules and Regulations" means any instruments, however denominated, which are adopted by the Association for the regulation and management of the Common Interest Community, including any amendment to those instruments.
- 2.1.33. "Security Interest" means an interest in real estate or personal property, created by contact or conveyance, which secures payment or performance of an obligation. The term includes a lien created by a mortgage, deed of trust, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of lease or rents intended a security, pledge of an ownership interest in an association, and any other consensual lien or title retention contract intended as security for an obligation. "first Security Interest" means a Security Interest in a Unit prior to all other Security Interests except the Security Interest for real property taxes and assessments made by San Juan County, Utah, or other governmental authority having jurisdiction over the Common Interest Community.
- 2.1.34. "Special Assessments" means the special assessment for Capital Improvements and other items which are described in Section *.5 of this Declaration.
- 2.1.35. "Special Declarant Rights" means rights reserved for the benefit of a declarant to perform the following acts as specified in the Act: to complete improvements indicated on Plats and Maps filed with the declaration; to exercise any development right; to maintain sales offices, management offices, signs advertising the common interest community, and models; to use easements through the common elements for the purpose of making improvements within the common interest community or with real estate which may be add to the common interest community. To make the common interest community subject to a master association; to merge or consolidate a common interest community of the same for of ownership; or to appoint or remove any officer of the association or any executive board member during any period of declarant control.
- 2.1.36. "Unit: means the physical portion of the Common Interest Community designated for separate ownership or occupancy and the boundaries of which are described in or determined from this Declaration, and shown on the Plat or Map. Unit includes the heating, water and electrical apparatus exclusively serving the Unit, whether or not located within the boundaries of the Unit.
- 2.1.37. "Unit Owner" means the Declarant or other Person who owns a Unit but does not include a Person having solely a Security Interest in a Unit. The Declarant is the Unit Owner of any Unit created in this Declaration until that Unit is conveyed to another Person.
- 2.2 **Other Terms Defined in Act.** Unless the context clearly indicates otherwise, other terms defined in the Act shall have the meanings attributable to such terms in the Act.
- 2.3 **Other Terms in Declaration.** The other terms in this Declaration shall be defined in specific provisions contained herein and shall have the meaning assigned by such definition.

ARTICLE 3. COMMON INTEREST COMMUNITY INFORMATION

- 3.1 **Name.** The name of the Common Interest Community is Moab Business Park.
- 3.2 **Association.** The name of the Association is Moab Business Park Association
- 3.3 **Planned Community.** The Common Interest Community is a Condominium

- 3.4 **County.** The name of every county in which any part of the Common Interest Community is situate is San Juan County, Utah.
- 3.5 **Legal Description.** The legal description of he Property included in the Common Interest Community is ser forth in Recital "A" above.
- 3.6 **Maximum Number of Units.** The maximum number of Units that the Declarant reserves the right to create within the Common Interest Community is seventy (70).
- 3.7 **Boundaries of Units.** The boundaries and Identifying Number of each Unit created by the Declaration are set forth on the Plat or Map of the Property, including the walls, floors, and ceilings of the Units.
- 3.8 **Limited Common Elements.** The Limited Common Elements are set forth on the Plat or Map, and are designated thereon as "L.C.E." Limited Common Elements also include those items in the Act, unless specifically provided for to the contrary herein.
- 3.9 **Development Rights and Special Declarant Rights.** Declarant reserves the right, in addition to other rights reserved pursuant to the Act, to perform any acts, including but not limited to any Special Declarant Rights as defined above, necessary to complete the construction of the improvements upon the Property (see legal description above), including all buildings, Units, Common Elements, Limited Common Elements and all structural and items related thereto. Declarant reserves the right to construct 5 (5) additional Units on the Property (see legal description above), on or near the building shown on the Plat or Map. Declarant reserves the right to combine or subdivide any Units. Declarant reserves the right to convert any Unit to Common Elements or Limited Common Elements. Declarant may exercise the Development Rights and/or Special Declarant Rights until December 31, 2015.
- 3.10 **Recording Date.** All easements and licenses to which the Common Interest Community is presently subject are set forth on the Plat or Map of the Property.
- 3.11 **Description of Condominium Unit.** After the Plat or Map and this Declaration have been recorded in the office of the Clerk ad Recorder of San Juan County, Utah, every contract, deed, lease, Security Interest, trust deed, will or other instrument may legally describe a Unit as follows:

Condominium Unit _____, Moab Business Park, in accordance with The Condominium Map of Moab Business Park recorded _____ 2006, at Reception No. _____, and subject to the Condominium Declaration for Moab Business Park recorded, _____ 2006, at Reception No. _____ of the San Juan County, Utah records.

Every such description shall be good and sufficient for all purposes to sell, convey, encumber, or otherwise affect not only the Unit, but also the undivided interest in the Common Elements appurtenant to said Unit and all other appurtenant properties and property rights, and incorporates all of the rights and burdens incident to ownership of a Condominium Unit and all of the limitations thereon as described in this Declaration and the Plat or Map. Each such description shall e construed to include a non-exclusive easement for use of all the Limited Common Elements appurtenant to said Unit, and all the general Common Elements.

- 3.12 **Notices.** Notice of matters affecting the Common Interest Community may be given to Unit Owners by the Association or by other Unit Owners in the following manner: Notice shall be hand-delivered or sent by United States mail, postage prepaid, to the mailing address of each Unit or to any other mailing address designated in writing b the Unit Owner to the Association. Such notice shall be deemed given when hand-delivered or when deposited in the United States mail, postage prepaid.

- 3.13 **Use of Units Owned by Declarant.** Declarant may maintain sales offices and/or management offices in any and all Units owned by it or any of its members, or owned by any business entity of which it or any of its members is an owner. The number, size and location of such offices shall be related directly to those Units owned. The offices may be relocated as ownership of the relevant Units changes.
- 3.14 **Easement Rights.** Declarant has an easement through the Common Elements as is Reasonably necessary for the purpose of discharging Declarant's obligations or exercising Development Rights or Special Declarant Rights.

ARTICLE 4. MEMBERSHIP, VOTING RIGHTS, AND ALLOCATIONS

- 4.1 **Membership.** Every owner of any Unit which is subject to Common Expense Assessments shall be a Member of the Association. The foregoing is not intended to include Persons who hold only a Security Interest. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to Common Expense Assessments by the Association. Ownership of such Unit shall be the sole qualification for a membership. When more than one(1) Person holds a membership interest in any Unit, all such Persons shall be Members. The vote for such Unit shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Unit.
- 4.2 **Voting Rights and Assignment of Votes.** The effective date for assigning votes to Units created pursuant to this Declaration shall be the date on which the Declaration is recorded in the records of the Clerk and Recorder of San Juan County, Utah.
- 4.3 **Allocated Interest.** The undivided interest in the Common Element, Common Expense Liability, and votes in the Association shall be allocated among the Unit Owners as follows:
- 4.3.1. Each Unit Owner's share of the undivided interest in the Common Elements and Common Expenses shall be a fraction, the numerator of which shall be the number of Units owned by the Unit Owner and the denominator of which shall be the total number of Units, currently nineteen (19), but to be expanded to seventy (70)
- 4.3.2. Each Unit Owner shall be entitled to one (1) vote for each Unit owned.

The undivided interest in the Common Element, Common Expense Liability, and votes in the Association for each Unit are set forth in Exhibits "A-1" and "A-2."

ARTICLE 5. ASSOCIATION AND EXECUTIVE BOARD

- 5.1 **Authority and Power.** The business and affairs of the Common Interest Community shall be managed by the Association. The administration of the Common Interest community shall be governed by this Document and the Act. The Association shall have all of the powers, authority and duties permitted pursuant to the Documents and the Act which are necessary and proper to manage the business and affairs of the Common Interest Community.
- 5.2 **Membership.** The Executive Board shall consist of Members and/or Unit Owners elected in accordance with the Association's Bylaws and the other Documents
- 5.3 **Executive Board Powers and Duties.** The Executive Board may act in all instances on behalf of the Association, except as provided in this Declaration or the Bylaws. The Executive Board shall have limitations contained in this Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Common Interest Community, including, but not limited to, the following:

- (a) Adopt and amend Bylaws; (b) Adopt and amend Rules and Regulations regarding the use and enjoyment of the Common Elements, and the activities of occupants thereon; (c) Adopt and amend budgets necessary to cover any shortage in revenue due to under-budgeting or due to failure to ratify a budget; (f) Hire and discharge Managers, independent contractors, and other employees and agents; (g) Institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violation of the Documents in the Association's name, on behalf of the Association, or two (2) OR MORE Unit Owners on any matters affecting the Common Interest Community; (h) Make contracts and incur liabilities; (i) Regulate the use, maintenance, repair, replacement and modification of the Common Elements including, but not limited to snow removal; (j) Cause additional improvements to be made as a part of the Common Elements; (k) Acquire, hold, encumber, and convey in the Association's name, any right, title or interest to real or personal property, except the Common Elements may be conveyed or subjected to a Security Interest only pursuant to the Act; (l) Grant easements for any period of time, including permanent easements, leases, licenses and concessions through or over the Common Elements; (m) Impose and receive payments, fees or charges for the use, rental or operation of the Common Elements other than the Limited Common Elements described in the Act; (n) Impose reasonable charges for late payment of Assessments, recover reasonable attorney's fees and other legal costs for collection of Assessments and other actions to enforce the power of the Association, regardless of whether legal proceedings were initiated, and, after notice and an opportunity to be heard, levy reasonable Fines for violation of the Documents; (o) Impose reasonable charges for the Assessments; (p) provide for the indemnification of the Association's officers and the Executive Board and maintain Directors' and Officers' liability insurance; (q) Assign the Association's right to future income including the right to receive Common Expense Assessments, only upon the affirmative vote of the Unit Owners of Units to which at least Fifty Percent (50) of the votes in the Association are allocated, at a meeting called for that purpose; (r) Make Assessments for legal, accounting and other professional employment regarding taxes, legal and general advice; (s) Exercise any other powers conferred by the Documents; (t) Exercise all other powers that may be exercised in this state by legal entities of the same type as the Association; (u) Exercise any other powers necessary and proper for the governance and operation of the Association;

(v) By resolution, establish permanent and standing committees of Directors to perform any of the above functions under specifically delegated administrative standards as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Unit Owners and Executive Board. Actions taken by a committee may be appealed to the Executive Board by any Unit owner within forty-five (45) days of publication of a notice. If an appeal is made, the committee's action must be ratified, modified or rejected by the Executive Board at its next regular meeting, or at a special meeting called for the purpose; (w) Refund excess reserves, if it determines, in its sole discretion, that reserves are excessive. In refunding any excess reserves, the Executive Board shall allocate such refunds in the same proportion as the Common Expenses were allocated. However, the Executive Board may allocate a reasonably disproportionate amount to any Unit Owner who has owned a Unit for less than twelve (12) months and has therefore, contributed a disproportionate share to the reserve fund; and (x) Exercise all other powers necessary and proper to insure that the Common Elements conform to all applicable federal, state and local laws, statutes, ordinances and regulations. Specifically, and without limitation, the Association may ensure that the Common Elements, and the use thereof, complies with the federal Americans with Disabilities Act, and all hazardous materials laws.

5.4 Professional Management and Contract Termination Provisions. The Association

may utilize professional management in performing its duties hereunder. Any contracts, licenses or leases entered into by the Association while there is Declarant control of the Association may be terminated pursuant to the Act.

- 5.5 Executive Board Limitations.** The Executive Board may not act on behalf of the Association to amend this Declaration, to terminate the Common Interest Community, or to elect members of the Executive Board or determine their qualifications, powers, and duties or the terms of office of Executive Board members, but the Executive Board may fill vacancies in its membership for the unexpired portion of any term.

ARTICLE 6. COMMON ELEMENTS

- 6.1 Dedication of Common Elements.** Declarant hereby dedicates the Common Elements to the common use and enjoyment of the Members, as hereinafter provided
- 6.2 Description of Common Elements.** The Common Elements within the Common Interest Community shall consist of the following property, easements and such additional Common Elements as shall be conveyed to the Association in the future.
- 6.2.0.1. Easements.** The Common Elements includes the right to maintain and use, and to the extent necessary for the Association to perform its duties with respect to the Common Elements, all utility easements, access easements, pedestrian access easements and landscaping easements as shown on the Plat or Map. Nothing in this Section shall be construed as creating an ownership interest by the Association in said easements.
- 6.2.0.2. Landscaping.** All existing lawns, shrubs, bushes, trees, flowers, other plants and landscaping materials.
- 6.2.0.3. Parking Facilities and Driveways.** All parking areas, including curbs and gutters not maintained by San Juan County, Utah or, if applicable at a later date, the City of Moab, driveways and lighting components related to the parking areas and driveways.
- 6.2.0.4. Sidewalks.** All sidewalks leading to exterior entrances of the building or otherwise utilized by the general public.
- 6.2.0.5. Water Facilities.** All underground water lines, up to the point at which such water lines enter a Unit, or the point at which a Unit's shutoff valve is located, whichever is further from the Unit. Underground sprinkler systems, including lawn and landscape sprinkler systems now in existence or installed in the future.
- 6.2.0.6. Miscellaneous Improvements.** All other improvements installed by the Association within any utility easements, access easements, pedestrian access easements, and/or landscaping easements.
- 6.2.0.7. Exclusions.** Specifically excluded from Common Elements (but not necessarily excluded from Limited Common Elements) are patios, balconies, awnings or shades, building exteriors and interiors, or any part or extension thereof, including , but not limited to , shutters, lights, antennas, doors, windows, flagpoles, decorative hardware , window boxes, chimneys, wires, conduits, foundations, loading docks, supporting structures, and like items.
- 6.2.0.8. Real Property.** Common Elements does not include any ownership interest in any real property, including easements.
- 6.3 Maintenance and Regulation of Common Elements.** Regarding existing Common

Elements and after the installation of new improvements or facilities comprising the Common Elements, such improvements or facilities shall be maintained, repaired and replaced by the Association as necessary so that any such Common Elements present an aesthetically attractive appearance, and/or to serve the purpose for which such improvements or facilities were installed.

- 6.4 Common Utilities.** The Association shall charge each Unit Owner his or her allocated Share of the utilities for maintenance of the common Elements, including but not limited to, water, sewer, and electricity for the exterior building and/or parking lot lighting.
- 6.5 Unit Owner's Easements of Enjoyment.** Each Unit Owner shall have a right and easement of enjoyment in and to the Common Elements and such easement shall be appurtenant to and shall pass with title to every Unit, subject to the following provisions:
- (a) The right of the Association to promulgate and publish reasonable Rules and Regulations as provided in the Declaration.
 - (b) The right of the Association to suspend voting rights and the right to use the Common Elements by a Unit Owner for any period during which any Assessments against his or her Unit remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published Rules and Regulations.
 - (c) The right of the Association to dedicate or transfer any part of the Common Elements to any public agency, authority, utility or other entity for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer shall be effective unless Approval is obtained from the Unit Owners. An agreement to dedicate, transfer, or convey all or any part of the Common Elements must be evidenced by execution and recordation of an agreement or ratification thereof in the same manner as deed by requisite number of Unit Owners. Such agreement must specify a date after which the agreement will be void unless recorded before the date.
 - (d) The right of the Association to close or limit use of the Common Elements while maintaining, repairing and making replacements in or to the Common Elements.
- 6.6 Delegation of Use.** Unit Owners may delegate, in accordance with the Bylaws, their right of enjoyment to the Common Elements and facilities, but not their voting rights, to their tenants or contract purchasers who occupy the relevant Unit.
- 6.7 No Partition of Common Elements.** The Common Elements are not subject to partition, and any purported conveyance, judicial sale, or other voluntary or involuntary transfer of an undivided interest in the Common Elements made without the Unit to which that interest is allocated is void.

ARTICLE 7 LIMITED COMMON ELEMENTS

- 7.1 Limited Common Elements.** "Limited Common Elements" means a portion of the Common Elements designated in this Declaration, on the Plat or Map, or by the Act for the exclusive use of one (1) or more, but fewer than all, of the Units. In addition to those portions of the Common Elements described in the Act, following are designated as Limited Common Elements: heating, air-conditioning, and hot water tanks and heaters which serve only one(1)Unit. Regarding those Limited Common Elements set forth on the Plat or Map, such Limited Common Elements shall be allocated to the Unit to which the Limited Common Element is attached or, if not attached, adjacent. This allocation may not be altered without the approval of the Unit Owners whose Units are affected by such allocations.

- 7.2 **Allocation of Specified Common Elements.** The Executive Board may designate part of the Common Elements from time to time for use by less than all of the Unit Owners or by non-owners for specified periods of time or by only those persons paying fees or satisfying other reasonable conditions for use as may be established by the Executive Board. Any such designation by the Executive Board shall not be a sale or disposition of such portion of the Common Elements.
- 7.3 **Expense Allocation.** Any Common Expense associated with the maintenance, repair, Or replacement of a Limited Common Element shall be assessed against the Unit to which the Limited Common Element is assigned.

ARTICLE 8. ASSESSMENTS

- 8.1 **Personal Obligation of Assessments and Special Assessments.** Declarant, for each Unit owned within the Property, shall be deemed to covenant and agrees, and each Unit Owner, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed covenant and agree to pay to the Association all Assessments and Fines, together with such interest thereon and costs (including Court costs) of collection thereof as herein provided. Said Assessments, Fines, interest and costs of collection, including reasonable attorney's fees, shall be the personal obligation of the Person who was the Unit Owner at the time when the Assessments or Fines became due. The personal obligation for any delinquent Assessments or Fines shall no pass to his or her successors in title unless expressly assumed by them. No Unit Owner may become exempt from liability for payment as Assessment or Fines by waiver of the use or enjoyment of the Common Elements or by abandonment of the Unit against which Assessments are made. Nothing in this Section shall be construed to, in any way, limit the Association's ability to place liens upon real property.
- 8.2 **Purpose of Assessments.** The Assessments levied by the Association through its Executive Board shall be used exclusively: (i) to promote the health, safety and welfare of the Unit Owners; (ii) to maintain repair and upkeep the Common Elements and for any other maintenance obligations or common services which may be deemed necessary by the Association for the common benefit of the Unit Owners; (iii) to maintain property values; (iv) to pay expenses which may be incurred by virtue of an agreement with, or requirement of, any city, county or other local government authority; (v) to maintain the Government Items to the extent such maintenance is permissible under applicable governmental regulation or law, if and only if the applicable governmental entity having jurisdiction thereof fails to maintain the same; (vi) to provide adequate insurance of various types and in such amounts deemed necessary by the Executive Board for the Common Elements; and (vii) to provide a reserve fund for replacement of Common Elements or items thereon.
- 8.3 **Annual Common Expense Assessments.** The total annual Common Expense Assessments against all units shall be based upon the Association's advance budget of the cash requirements needed by it to provide for the administration and performance of its duties such Common Expenses Assessments year.
- 8.4 **Budget.** The executive Board shall fix the amount of the annual Common Expense Assessments against each Unit at least annually. Adjustments to the budget may be made by the Executive Board more frequently. Written notice of the Common Expense Assessments shall be sent to every Unit Owner subject to thereto. After he first budget year of the Association, within thirty (30) days after adoption of a proposed budget for the Common Interest Community, the Executive Board shall mail, by ordinary first-class mail, or otherwise deliver a summary of the budget to all Unit Owners and shall set a date for a meeting of the Unit Owners to consider ratification of the budget. The meeting shall be not less than fourteen (14) nor more than sixty (60) days after mailing or other delivery of the summary. Unless at the meeting a majority of all unit Owners

reject the budget, the budget shall be ratified, whether or not a quorum is present. If the proposed budget is rejected, the periodic budget last ratified by the Unit Owners shall continue until the Unit Owners ratify a new budget proposed by the Executive Board.

8.5 Special Assessments.

- (a) In addition to the Common Expense Assessments authorized above, the Association may at any time, from time to time, determine, levy and assess Special Assessments for the purpose of defraying in whole or in part, payments for any construction, reconstruction, repair, demolition, replacement or maintenance of the Common Elements or for Capitol Improvements. Any such Special Assessment made by the Executive Board must be Approved by not less than Seventy-Five (75) Percent of the Members who are voting in person or by proxy at a meeting duly called for that purpose. The amounts determined, levied and assessed pursuant hereto shall be assessed proportionately against each Unit, in accordance with Section 4.3. Notice in writing setting forth the amount of such Special Assessments per Unit and the due date.
- (b) Notice and Quorum. Written notice of a meeting called for the purpose of taking any action authorized under this Section shall be sent to all Members not less than five (5) nor more than thirty (30) days in advance of the meeting. The required quorum at the meeting shall be Fifty Percent of all the votes of the membership, and at least one (1) elected officer (whose presence may be counted as part of the 50%).

8.6 Rate of Assessments. Both annual Common Expense Assessments and Special Assessments shall be fixed at a uniform rate for all Units, in accordance with Section 4.3.

8.7 Payment of Assessments: Due Dates. Assessments shall be collected quarterly, or at such other intervals as determined by the Executive Board, but in no event less than annually. Assessments shall be billed at least ten (10) days in advance of their respective due dates. The due dates shall be established by the Executive Board. Payment for Assessments shall be delinquent if not received on or before the 10th day after due. The Executive Board shall fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto.

8.8 Date of Commencement of Annual Common Expense Assessment. The Assessments provided for herein shall commence as to all Units on the first day of the month following the conveyance of a Unit by the Declarant to a Purchaser. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year.

8.9 Assessments Deposit. Upon the sale, transfer, or conveyance of a Unit, the Purchaser or transferee of the unit shall deposit with the Association as an Assessments deposit an amount equal to one-thirtieth (1/30) of the annual Assessments established by the Executive Board for the year in which the transfer occurs ("Assessments Deposit"). If, at any time, an Owner is in default in the payment of any Assessments due to the Association, the Association may use the Assessments Deposit or as much thereof as necessary, to pay any delinquent amount owed to the Association and to reimburse the Association for any expenses incurred by the Association in collecting delinquent Assessments from the Owner. In such event, the Owner shall, upon written demand of the Association, promptly remit to the Association a sufficient amount of cash to restore the Assessment Deposit to its original amount. If the Assessments Deposit is not used to make delinquent payments, it shall be refunded without interest to the Owner upon the sale of the Owner's Unit. The Association may commingle the Assessments

Deposit with other funds of the Association and shall have no obligation to retain the Assessments Deposit in a separate account or pay interest thereon. The Assessments Deposit shall not be deemed to be liquidated damages, and if claims of the Association against an Owner exceed the Assessments Deposit, the Owner shall remain liable for the payment of the balance of such claims to the Association.

ARTICLE 9. ASSOCIATION'S LIEN

- 9.1 **Association Lien and Effect of Non-Payment of Assessments.** The Assessments, including all charges, fees, Fines, impositions, interest, costs, late charges, expenses, and reasonable attorney's fees which may arise under the provisions of this Declaration, also including any installment thereof (collectively "Assessments"), shall be burdens running with, and perpetual liens in favor of the Association upon the specific Unit to which such Assessments apply. Recording of this Declaration constitutes record notice and perfection of the Association's lien. Further recording of a claim of lien for Assessment is not required. Any Assessment provided for in this Declaration which are not fully paid within ten (10) days after the due date thereof shall bear interest at the rate of not more than Twenty-One Percent (21%) per annum (or maximum set forth in the Act) from the due date or a rate established by the Association; and the Association may assess a late charge thereon, which late charge shall also be subject to interest charges. In the event of default in which any Unit Owner does not make payment of any Assessments levied against the Unit Owner's Unit within ten (10) days of the due date, the Executive Board may declare all unpaid Assessments for the pertinent fiscal year immediately due and payable.

The Association may bring an action at law or in equity, or both, against any Unit Owner personally obligated to pay such overdue Assessments, may foreclose its lien against such Unit Owner's Unit, and may, in its sole discretion, accept a deed in lieu of foreclosure. An action at law or in equity by the Association against a Unit owner to recover a money judgment for unpaid Assessment may be commenced and pursued by the Association without foreclosing or in any way waiving, the Association's lien therefore. If any such Assessments are not fully paid when due and the Association commences such action (or counterclaims or cross claims for such relief in any action) against any Unit Owner personally obligated to pay the same, or proceeds to foreclose its lien against the particular Unit, then all unpaid Assessments, and any and all late charges and accrued interest under this Section, the Association's cost of suit, expenses and reasonable attorneys' fee incurred for any such action and/or foreclosure proceedings shall be taxed by the court as a part of the cost of any such action or foreclosure proceeding and shall be recoverable by the Association from any Unit Owner personally obligated to pay the same and from the proceeds of the foreclosure. Sale of such Unit Owner's Unit. Foreclosure, attempted foreclosure, or failure to foreclose by the Association of its lien shall not be deemed to stop or otherwise preclude the Association from thereafter again foreclosing or attempting to foreclose its lien for any subsequent Assessments not fully paid when due.

The Association, or any other Unit Owner or Person, may bid on or purchase any Unit at foreclosure or other legal sale, and acquire and hold, lease, mortgage, vote the Association votes appurtenant to ownership thereof, convey or otherwise deal with the same. A lien for unpaid Assessments is extinguished unless proceedings to enforce the lien are instituted within six (6) years after the full amount of Assessments become due, except that if a Unit Owner subject to a lien under this Section files a petition for relief under the United States Bankruptcy Code, the time period for instituting proceedings to enforce the Association's lien shall be tolled until ninety (90) days after the automatic stay of proceedings under §362 of the Bankruptcy Code is lifted. In any action by the Association to collect Assessments or to foreclose a lien for unpaid Assessments, the court may appoint a receiver for the unit to collect all sums alleged to be due from the Unit Owner or a tenant of the Unit Owner prior to or during the pendency of the action.

to the extent of the Association's Assessments, based on a periodic budget adopted by the Association.

- 9.2 Priority of Liens.** A lien under this Section is prior to all other liens and Encumbrances on a Unit except: (a) Liens and encumbrances recorded before the recordation of his Declaration; (b) A First Security Interest on the Unit recorded before the date on which the Assessments sought to be enforced became delinquent; and (c) Liens for real estate taxes and other governmental assessments or charges against a Unit.

A lien under this Section is also prior to all Security Interests to the extent that the Assessments are based on the periodic budget adopted by the Association and which would have become due, in the absence of acceleration, during the six (6) months immediately preceding institution by the Association or any party holding a lien senior to any part of the Association's lien created herein of an action or a non-judicial foreclosure either to enforce or extinguish the lien. If a holder of a First Security Interest in a Unit in forecloses that Security Interest, the Purchaser at the foreclosure Sale is not liable for any unpaid assessment against the Unit which became due before the sale, other than the Assessments which are prior to the Security Interest under this Section of the Declaration. Any unpaid Assessments not satisfied from the proceeds of sale become Common Expense collectible from all Unit Owners, including the Purchaser. Sale or transfer of any Unit shall not affect the lien for said Assessment except that a sale or transfer of any Unit pursuant to foreclosure of any First Security interest, or any proceeding in lieu thereof, including deed in lieu of foreclosure, or cancellation or forfeiture of any such executory land sales contracts shall only extinguish the lien of Assessments which become due more than six (6) months immediately preceding institution of an action to enforce either the Association's lien or a Security Interest, and statutory liens recognized under the Utah law. No such sale transfer, foreclosure or other proceeding in lieu thereof, including deed in lieu of foreclosure, shall relieve any Unit from liability for any Assessments charges thereafter becoming due, nor from the lien thereof. This Section does not affect the priority of mechanics' or material men's liens.

- 9.3 Certificate of Status of Assessments or the Default.** The Association, upon written request to the Association's registered agent, personally delivered or delivered by certified mail, first class postage prepaid return receipt requested, and upon payment of a reasonable fee, but in no event less than Ten Dollars (\$10.00), shall be furnished to a Unit Owner or such Unit Owner's designee or to a holder of a Security Interest or its designee, a written statement, in recordable form setting out the amount of the unpaid Assessments or other defaults against the Unit. The statement must be furnished with fourteen (14) calendar days after the receipt of the request and is binding on the Association, the Executive Board and each Unit Owner. A properly executed certificate of the Association as to the status of Assessments on a Unit is binding upon the Association as of the date of its issuance. Omission or failure to fix Assessments or deliver or mail a statement for any period shall not be deemed a waiver, modification or release of a Unit Owner from his or her obligation to pay the same.
- 9.4 Exempt Property.** The following property subject to the Declaration shall be exempted from the Assessments and liens created herein: (a) All properties to the extent of any easement or other interest therein dedicated and accepted by a municipal or quasi-municipal corporation or other local public utility or authority and devoted to public use; and (b) All Common Elements.
- 9.5 Common Expenses Attributable to Fewer than All Units.**
- 9.5.1. Assessments to pay a judgment against the Association may be made only against the Units in the Common Interest Community at the time the judgment was entered, in proportion to their Common Expense Liabilities.

9.5.2. If a Common Expense is caused by the misconduct of a Unit Owner, the Association may assess that expense exclusively against that Unit Owner's Unit as more fully provided in Section 9.6 herein.

9.5.3. Fees, charges, taxes, impositions, late charges, Fines, collection costs and interest charged against a Unit Owner pursuant to the Documents and the Act are enforceable as Common Expense Assessments.

- 9.6 Unit Owner's Negligence and Individual Assessments.** Notwithstanding anything to the contrary contained in this Declaration, if the need for maintenance or repair of the Common Elements or any improvements located thereon is caused by the willful or negligent act, omission or misconduct of any Unit Owner, or by the willful or negligent act, omission or misconduct of any member of such Unit Owner's family, or by a guest or invitee of such Unit Owner, or by tenant or tenant's family, the costs of such repair and maintenance shall be the personal obligation of such Unit Owner, and any costs (including Court costs), expenses and fees, including reasonable attorneys' fees, incurred by the Association for such maintenance repair or reconstruction shall constitute an "Individual Assessment" and shall be added to and become part of the Assessments to which such Unit Owner's Unit is subject and shall be a lien against such Unit Owner's Unit as provided in this Declaration. In addition, the Executive Board may levy an Individual Assessment against any Unit Owner or his or her Unit if the Unit Owner, his or her family members, tenants, guests, or invitees willfully or negligently fail to comply with the terms and provisions of the Documents, resulting

in expenditure of funds by the Association to cause compliance by such Person with the terms and provisions of the Documents. The Executive Board shall be entitled to recover all costs (including Court costs), expenses and fees, including reasonable attorneys fees, related thereto, whether or not legal proceedings are instituted. An Individual Assessment shall be levied and the amount of the Individual Assessment shall be established only after notice to the Unit Owner and the right to be heard before the Executive Board in connection therewith, provided that any such determination for an Individual Assessment pursuant to the terms of this Section may be appealed by said Unit Owner to a court of law.

ARTICLE 10. INSURANCE

- 10.1 Insurance Requirements Generally.** To the extent reasonably available, and to the extent the Association deems necessary, the Association shall obtain and maintain the following insurance: (a) Comprehensive public liability insurance, including non-owned and hired automobile liability coverage and personal injury liability coverage; (b) Worker's compensation and employer's liability insurance as necessary to comply with applicable laws; (c) Directors' and Officers' liability insurance, if available, covering all of the Directors and Officers of the Association; and (d) Such other insurance which the Executive Board considers appropriate to protect the Association. If such insurance is not reasonably available, and the Executive Board determines that any insurance described in this Article will not be provided by the Association, the Executive Board shall cause notice of that fact to be hand-delivered or sent, postage prepaid, by United States mail to all Unit Owners at their respective last known addresses. Such insurance shall cover liabilities of the Association, its Directors, officers, employees, agents, and Members arising in connection with the ownership, operation, maintenance, occupancy, or use of the Common Elements and any other area the Association is required to maintain, repair, or replace.

- 10.2 Each Unit Owner shall obtain and pay for liability insurance for the Unit Owner's Unit.**

ARTICLE 11. INDEMNIFICATION

- 11.1 To the full extent permitted by law, each officer, Director and member of the Exec.**

Board of the Association shall be and are hereby indemnified by the Unit Owners and the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon them on any proceeding to which they may be party, or in which they may become involved, by reason of their being or having been an officer or member of the Executive Board of the Association, or any settlement thereof, whether or not they are an officer or a member of the Executive Board of the Association at the time such expenses are incurred, except in such cases where such officer or member of the Executive Board is adjudged guilty of willful misfeasance or malfeasance in the performance of his or her duties; provided that in the event of a settlement, the indemnification shall apply only when the Executive Board approves such settlement and reimbursement as being in the best interest of the Association.

ARTICLE 12. ARCHITECTURAL CONTROL

12.1 Architectural Control Committee.

- 12.1.1. **Membership; Term.** The membership of the Architectural Committees shall be the Association's Directors. Each member of the Architectural Control Committee shall serve so long as the member is a Director. In the event of the death or resignation of any member of the Architectural Control Committee, the remaining members may appoint a successor.
- 12.1.2. **Decisions.** All decisions of the Architectural Control Committee shall be by a majority vote of those members of the Architectural Control Committee present at a meeting at which a quorum is present. A majority of the members of the Architectural Control Committee shall constitute a quorum.
- 12.1.3. **Compensation.** The members of the Architectural Control Committee shall not be entitled to any compensation for services performed pursuant to this Declaration.
- 12.1.4. **Delegation.** The Architectural Control Committee may delegate the responsibility for reviewing any application submitted to the Architectural Control Committee to a professional architect, landscape architect, engineer, or other professional person who is qualified to review the issues raised in the application. The Architectural Control Committee shall also have the power to require that the applicant pay the fees reasonably incurred by the Architectural Control Committee in retaining such professional to review the application submitted.
- 12.1.5. **Non-liability.** No member of the Architectural Control Committee shall be liable to the Association or to any Unit Owner or Member for any loss, damage, or injury arising out of or in connection with the performance of the duties of the Architectural Control Committee under this Declaration, unless such action constitutes willful misconduct or bad faith on the part of the Architectural Control Committee. Review and consideration of any application submitted to the Architectural Control Committee shall be pursuant to this Declaration, and any Approval granted shall not be considered Approval of the structural safety or integrity of the improvement to be construed or conformance of such improvement with building codes, zoning, resolutions, subdivision regulations, or other governmental rules and regulations applicable to the Common Interest Community.

- 12.2 **Control.** No complete or partial construction, alteration, addition, modification or reconstruction of the building exterior, or any fences, common signs, gates, awnings, loading docks, walls, structures, or other improvements within the

Common Interest Community shall begin or continue until the relative plans and specifications are Approved by the Architectural Control Committee.

12.2 Purpose. The Architectural Control Committee is established for the purpose of maintaining within the Common Interest Community a consistent and harmonious general character of development and a style and nature of building, design, and individual appeal consistent and harmonious general character of development and a style and nature of building, design and individual appeal consistent with the business environment and features of the Common Interest Community.

12.3 Review of Plans and Specifications. The Architectural Control Committee shall consider and act upon any and all requests submitted for its Approval. The Architectural Control Committee shall Approve plans and specifications submitted to it only if it determines that the construction, alteration, and additions contemplated thereby, and in the location as indicated, will comply with this Declaration; will serve to preserve and enhance the values of Units within the Common Interest Community; will be consistent with the spirit and intent of this Declaration; and will maintain a harmonious relationship among structures, vegetation, and topography within the Common Interest Community. The Architectural Control Committee shall consider the quality of workmanship, type of material, and harmony of exterior design and appearance with other Units. If the Architectural Control Committee fails to Approve or disapprove the plans and specifications submitted to it by a Unit Owner within thirty (30) days after complete submission of all required documents, the plans shall be resubmitted to the Architectural Control Committee by certified mail, return receipt requested, and if the Architectural Control Committee fails to Approve or disapprove any plans within fifteen (15) days after such resubmission, the plans shall be deemed to have been Approved, as submitted, and no further action shall be required, provided, however, that no building or other structure shall be erected or allowed to remain on any Unit which violates or is inconsistent with any of the covenants or restrictions contained in this Declaration. The issuance of a building permit or license for the construction of improvements inconsistent with this Declaration shall not prevent the Association or any Unit Owner from enforcing the provisions of this Declaration.

12.4 Submission. Each application for Approval shall include two (2) copies of the relevant plan.

12.5 Rules and Guidelines. The Architectural Control Committee may issue rules setting forth procedures for the submission of plans for Approval and may also issue guidelines setting forth the criteria that the Architectural Control Committee will use in considering plans submitted to it for Approval.

12.6 No Waiver for Future Approval. The Approval by the Architectural Control Committee of any proposals or plans and specifications for any work to be done on a Unit shall not be deemed to constitute a waiver of any right to withhold Approval to any similar proposals, plans, specifications, drawings, or other matters subsequently or additionally submitted for Approval by the same Unit Owner or by another Unit Owner.

12.7 Variances. The Architectural Control Committee may authorize variances from compliance with any provisions of this Declaration, including restrictions upon height, size, floor area, or placement of structures or similar restrictions, when circumstances such as scenic view, natural obstruction, hardships, aesthetics, or environmental considerations may require. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the members of the Architectural Control Committee. If any variance is granted, no violation of the provisions of this Declaration shall be deemed to have occurred with

respect to the matter for which the variance was granted; provided, however, that the granting of the variance effect in any way the Unit Owner's obligation to comply with all governmental laws and regulations affecting the property concerned, including, but not limited to, zoning ordinances and setback lines or requirements imposed by any governmental authority having jurisdiction.

ARTICLE 13. RESTRICTIVE COVENANTS AND OBLIGATIONS

- 13.1 No Improvement on Exterior Unit.** Except for those improvements erected or installed by the Declarant, no exterior additions to, exterior alterations of, or exterior decoration of a Unit shall be commenced, erected or maintained without prior written approval.
- 13.2 Noxious or Offensive Trades Prohibited.** No noxious or offensive trades, services or activities shall be conducted within the Common Interest Community or within any of the Units, nor shall anything be done thereon which may become an annoyance or nuisance to the Unit Owners of other Units within the Common Interest Community, including, without limitation, allowing or creating unsightliness or excessive emission of fumes, odors, glare, vibration, electromagnetic disturbance, gases, radiation, dust, liquid waste, smoke or noise.
- 13.3 Temporary Modular and Storage Structures.** No temporary structures, including but not limited to, trailers, mobile homes, converted trailers, campers, shacks, basements, tents, garages, or accessory buildings, shall be used on any Unit or Common Elements, without Approval of the Architectural Control Committee. No modular constructed structures allowed. No garages are allowed.
- 13.4 Additional Prohibitions.** No window air conditioners, display or storage racks, or fences are allowed.
- 13.5 Utilities.** All utilities installed within the Common Interest Community must be Underground unless otherwise Approved by the Architectural Control Committee.
- 13.6 Antennas and Satellite Dishes.** Antennas are allowed if the Architectural Control Committee determines they are not unsightly and Approves the same. Satellite dishes not exceeding twenty-four (24) inches in diameter are allowed, provided that the location thereof is Approved by the Architectural Control Committee and the satellite dish is mounted on the roof, out of sight from the street.
- 13.7 Storage of Vehicles.** Overnight storage of vehicles of any kind is not allowed.
- 13.8 Maintenance of Units and Improvements.** Each Unit Owner shall keep or cause to be kept his or Unit in good repair. Rubbish, refuse, garbage, and other solid, semi-solid, and liquid waste shall be kept within sealed containers, shall not be allowed to accumulate on any Unit, and shall be disposed of in a sanitary manner. No Unit shall be used or maintained as a dumping ground for any materials. All containers shall be kept in a neat, clean, and sanitary conditions and shall be stored inside. No trash, litter, or junk shall be permitted to remain exposed upon any Unit or visible from adjacent streets or other Units. Burning of trash on a Unit shall be prohibited. No lumber or other building materials shall be stored or permitted to remain on any Unit unless screened from view from other Units and except for reasonable storage during construction.
- 13.9 Animals.** No animals of any kind, including pets, shall be allowed on the Common Elements or in any Unit at any time.
- 13.10 Nuisance.** Nothing shall be done or permitted on any Unit which is or may become a nuisance. No obnoxious or offensive activities shall be conducted on any

Unit. Recreational use of all-terrain vehicles, motorcycles, snowmobiles and similar vehicles or equipment on a Unit or on the Common Elements is prohibited.

- 13.11 Damage or Destruction of Improvements.** If any Unit or structure constructed on a Unit is damaged, either in whole or in part, by fire or other casualty, said structure shall be rebuilt in a timely manner, not to exceed six (6) months from the date of damage.
- 13.12 Signs.** No sign of any character shall be displayed or placed upon any Unit except one(1) sign per Unit limited to 4' wide by 1'6" high over the Unit's entrance door, or a painted sign on the glass portion of the Unit's entrance door. No lighted signs allowed.
- 13.13 Color.** All improvements constructed on any Unit shall be stained or painted colors authorized and Approved by the Architectural Control Committee.
- 13.14 Nighttime Lighting.** Units may be continuously illuminated during the period of sunset to sunrise with lights necessary for security.
- 13.15 Further Subdivision.** No Unit may be further subdivided without the Approval of the Executive Board, which Approval shall be within its sole discretion. This provision shall not be construed to prohibit or prevent the dedication or conveyance of any portion of a Unit as an easement for public utilities. Further, this provision shall not be construed to limit Declarant's right to further subdivide the Units.
- 13.16 Discharge of Weapons.** No person shall discharge, fire, or shoot any gun, pistol, revolver, rifle, shotgun, crossbow, bow and arrow, sling shot, pellet gun, or other firearm or weapon whatsoever within any portion of the Common Interest Community, including a Unit Owner's own Unit. Notwithstanding the foregoing, the discharge of firearms or weapons by any member of any law enforcement office in the course of such member's official duty shall not be deemed a violation of this provision.
- 13.17 Disturbing the Peace.** No Person shall disturb, tend to disturb or aid in disturbing the peace of others by violent, tumultuous, offensive, disorderly, or obstreperous conduct, and no Unit Owner shall knowingly permit such conduct.
- 13.18 Drainage.** No Unit Owner shall modify or change the topography or contour of any drainage areas or easements, including swales, existing upon any portion of the Common Interest Community.
- 13.19 Parking.** No parking shall be allowed behind any Unit, except temporary parking only to facilitate loading and unloading of vehicles. Unit Owners, employees, customers, guests, and invitees shall park only in front of the Units in the designated parking lot. Declarant and Members may tow vehicles, assess Fines, establish Rules and Regulations and take any other reasonable action necessary to enforce the provisions of this Section. The remedies in this section shall be cumulative with other remedies and/or rights set forth in other sections of this Declaration.
- 13.20 General Prohibition.** No use shall be made of an Unit Owner's Unit which will in any manner violate the statutes, ordinances, rules and regulations of any governmental authority having jurisdiction over the use of said Unit's Owner's Unit.

ARTICLE 14. GENERAL PROVISIONS

- 14.1 Employees; Maintenance of Common Elements.** The Association shall have no Employees. All maintenance of the Common Elements will be contracted to outside companies. The Executive Board may set a management fee for the

managing Director to cover accounting, legal, and other costs associated with management of the Association and management of the Common Elements.

- 14.2 Record of Receipts and Expenditures.** The Association shall keep detailed and Accurate records in chronological order of all of its receipts and expenditures, specifying and itemizing the maintenance and repair of expenses of the Common Elements and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available on request for examination by the Unit Owners and others with an interest, such as prospective lenders.
- 14.3 Enforcement.** The Association or any Unit Owner may enforce the restrictions, conditions, covenants, and reservations imposed by the provisions of any document by proceedings at law or in equity against any Person or against the Association violating or attempting to violate any of the terms of this Document, either to recover damages for such violations, including reasonable attorney's fees incurred in enforcing this Declaration or the Documents, or to restrain such violation or attempted violation or to modify or remove structures fully or partially completed in violation thereof, or both. Failure of the Association or of any Unit Owner to enforce any covenant or restriction contained in the Documents shall in no event be deemed a waiver of the right to do so thereafter. The Association shall not be liable to reimburse any Unit Owner for attorneys' fees or costs incurred in any suit brought by a Unit Owner against anyone other than the Association to enforce or attempt to enforce this Declaration or other Documents.
- 14.4 Term of Declaration.** This Declaration shall run with the land, shall be binding upon all Persons owning Units and any Persons hereafter acquiring said Units, and shall be in effect in perpetuity unless amended or terminated as provided in the Act.
- 14.5 Amendment of Declaration.** Except as otherwise provided in the Act and this Declaration, any provision, covenant, condition, restriction, or equitable servitude contained in this Declaration may be amended or repealed at any time and from time to time upon Approval of the amendment or repeal by Members of the Association holding at least Sixty-Seven Percent (67%) of the voting power of the Association present in person or by proxy at a duly constituted meeting of the Members. The Approval of any such amendment or repeal shall be evidenced by the certification by the Executive Board of the Association of the vote of Members. The amendment or repeal shall be effective upon the recordation in the office of the Clerk and Recorder of San Juan County, Utah, of a certificate, executed by the President or a Vice President and the Secretary or an Assistant Secretary of the Association setting forth the amendment or repeal in full and certifying that the amendment or repeal has been Approved by the Members and certified by the Executive Board as set forth above.
- 14.6 Unit Owner's Duty to Disclose.** Unit Owners are hereby required to disclose the existence and contents of this Declaration and any related Documents, including Rules and Regulations, to their tenants. Unit Owners are also required to inform their tenants that the tenants are obligated to conduct business and otherwise perform the duties imposed by the Documents. Nothing in this Section shall be construed to allow a tenant voting rights.
- 14.7 Association Right to Security Interest Information.** Each Unit Owner hereby authorized any First Security Interest holding a Security Interest on such Unit Owner's Unit to furnish information to the Association concerning the status of such First Security Interest and the loan which it secures.
- 14.8 Taxes.** Each Unit Owner shall be solely responsible for payment of real property,

