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Cornerstone Condominiums Homeowners Association

Amended and Restated Declaration of
Covenants, Conditions and Restrictions

September 2019

13080113
09/23/2019 10:20 AM \$314.00
Book - 10834 Pg - 3302-3349
RASHELLE HOBBS
RECORDER, SALT LAKE COUNTY, UTAH
SHERMAN WHITE
10132 CORNERSTONE DR
SOUTH JORDAN UT 84095
BY: DSA, DEPUTY - WI 48 P.

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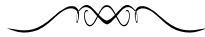
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**AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF
CORNERSTONE CONDOMINIUMS
HOMEOWNERS' ASSOCIATION
SOUTH JORDAN, UTAH**



This amended and restated Declaration of Covenants, Conditions and Restrictions (the "Declaration") of the Cornerstone Condominiums (CCHOA), South Jordan, Utah, hereinafter called the "Declaration" is made on this ___ day of _____ 2019 by the Cornerstone Condominiums Homeowners' Association, a Utah Corporation, hereinafter referred to as the "Association" pursuant to the provisions of the Utah Condominium Ownership Act (Sections 57-8-1 through 57-8-60), hereinafter referred to as the "Act".

By virtue of acceptance, passage and recording of this Declaration, the amended CC&R accepted by the Association and executed and dated the 13th day October 1997 (Entry No. 6787564 in the Salt Lake County Recorder's Office – hereinafter, the "1997 Declaration") is hereby replaced in its entirety.



RECITALS

- 1. Current Declarant** - Declarants of this Declaration are the fee owners of the real property situated in South Jordan, Salt Lake County, State of Utah known as the Cornerstone Condominium Homeowners' Association.
- 2. Non-Profit Corporation** - A non-profit Corporation was created and filed with the State of Utah Division of Corporations on December 31, 1996, becoming effective January 2, 1997. State of Utah, Charter No. 196392, Dated June 11, 1997. Also, the Department of the Treasury, Internal Revenue Service ID #84-1387617 Dated 15 March 1997.
- 3. Purpose of Declaration** - In order to create efficient management of Cornerstone Condominiums, this Declaration will define and describe the assigned authority for managing the Complex, maintaining and administering the Common Areas, and enforcing the Covenants, Conditions and Restrictions, including the collecting and disbursing of funds pursuant to the assessment and charges, hereinafter created and referred to, as well as to perform such other acts as shall preserve the value, attractiveness and desirability of residing in the Condominium Complex.
- 4. Details of Project**- The Cornerstone Condominiums Homeowners' Association consists of a total of 48 buildings with 146 individual Condominium Units and a Club House, which comprises 18.3284 Acres, as defined in detail under "ARTICLE II, SUBMISSION", noted below.

5. **For Benefit of Owners** - The Declarants hereby covenant, agree and declare that all of their interest shall be held and conveyed subject to the following Covenants, Conditions and Restrictions, and shall inure to the benefit of each Owner thereof and are imposed upon said interests and every part thereof as a servitude in favor of each and every Owner of said Cornerstone Condominium Complex.
6. **Approval by Owners** – The Management Committee hereby certifies that that requirements for amending the 1997 Declaration contained in Article III, Paragraph 45 of the same have been met.



ARTICLE I. DEFINITIONS

When used in this Declaration the following terms shall have the meaning indicated. Any term used herein which is defined by the Act shall, to the extent permitted by the context hereof, have the meaning ascribed by the Act.

1. **Act** shall mean and refer to the Utah Condominium Ownership Act (Sections 57-8-1 through 57-8-60, Utah Code Annotated, (2019), as the same may be amended from time to time.
2. **Complex** The “Condominium Complex” or sometimes “The Complex” shall mean and refer to the entire parcel of real property referred to in this Declaration and shall include the land, the buildings, the fences, all improvements and the structures thereon, all easements, rights of way and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith.
3. **Declaration** shall mean and refer to this instrument.
4. **Record of Survey Map, Survey Map or Map** shall mean and refer to the Record of Survey Map, consisting of three sheets, and prepared and certified to by Robert B. Jones, a duly registered Utah Land Surveyor having Certificate No. 1525.
5. **Management Committee** shall mean and refer to the Management Committee of the Cornerstone Condominium Complex as it exists at any given time, shall also refer to as “The Committee”, under the Articles of Incorporation of Cornerstone Condominiums Homeowners’ Association filed and effective as of January 2, 1997 with the State of Utah Division of Corporations.
6. **Articles of Incorporation** also referred to as “Articles” shall mean and refer to the documentation filed with the State of Utah Division of Corporations on December 31, 1996 and becoming effectual January 2, 1997. (Included as Exhibit “E” attached hereto.)
7. **Bylaws** shall mean an auxiliary set of rules and terms which detail specific methods, rules and procedures required to carry out the objectives of the Declaration. These may be amended from time to time, as required, to assist in the efficient management of Condominium living. These Bylaws shall be governed by the Declaration. Where in conflict, the Declaration shall prevail.
8. **Common Areas and Facilities** shall mean, refer to, and include:
 - a) All Common Areas and Facilities designated as such in the Survey Map.
 - b) All Limited Common Areas. “Limited Common Areas” shall mean Common Areas designated (on the Survey Map or otherwise) for the exclusive use by the Owner of a

particular Unit. Without limitation, the following are hereby designated as Limited Common Area:

- i. the doorsteps, stoops, and/or porches of each Unit immediately outside of each Unit is hereby designated as Limited Common Area for the use of said Unit Owner;
 - ii. the exterior white doors of each Unit is hereby designated as Limited Common Area for the use of the Owner of such Unit;
 - iii. the exterior windows of each Unit are hereby designated as Limited Common Area for the use of said Unit Owner;
 - iv. the patio next to each Unit (as stated on the Survey Map) with its surrounding surface (or pavement), fence, gate(s), and cover – all of which are to be considered Limited Common Area designated for the use of the adjacent Unit Owner and which are to be modified and maintained by and at the expense of the adjacent Unit Owner subject to written approval of the Management Committee;
 - v. a Pad consisting (as more fully described in Article I, Paragraph 9 of this Declaration) of the paved area along side of the garage and extending from the patio to the street; and
 - vi. a window well except for a covering provided by the Unit Owner to help prevent water or snow from entering the well.
- c) All foundations, columns, girders, beams, supports, perimeter walls, roofs, storm drains, streets, utilities and appurtenances constituting a portion of or included in the improvements which comprise a part of the Complex, and any stairs, stairways, entrances, and exits which are designed for the use of more than one Unit, parking spaces, access roads, RV/overflow parking area, driveways, walkways, pedestrian sidewalks, community center, landscaping and associated planting areas, perimeter fences, entrance brick walls, exterior lights, street signs, mailboxes, down spouts, gutters, and all common facilities.
 - d) All apparatus, installations, and facilities included within the Complex and existing for common use.
 - e) All portions of the Complex not specifically included within the individual Units.
- 9. Parking Pad or Pad** means the paved area adjacent to the garage and extending from the patio to the street end of the garage intended for the use of the owner of the garage. A shared Pad exists where this area is the Parking Pad between two middle Units of a 4-condo building. The neighboring Unit Owners of a shared Pad must negotiate in good faith a written usage agreement to be filed with the Management Committee. Upon transfer of Unit ownership, the contents of the agreement are to be provided to the new Owner(s) and the agreement renegotiated. In the absence of this agreement in CCHOA files, the two halves of the shared Pad remain divided between the adjacent Unit Owners in terms of usage. These Pads are the extensions from the roads shown in gray along the side of Unit garages on the Map of the Complex in the original Exhibit A but are not indicated on the Survey Map in that Exhibit.
- 10. Condominium Unit or Unit** means and refers to a separate physical part of the Complex intended for independent use, consisting of rooms or spaces located in a building. Units are shown in “Exhibit A” and are identified by individual Unit Numbers. Mechanical equipment and appurtenances located within any one Unit or located without said Unit but designated and designed to serve only the Unit, such as appliances,

electrical receptacles and switches, TV cabling, antennas, air conditioning compressors, disconnect, piping, electrical and other air conditioning apparatus, fixtures and the like, shall be considered part of the Unit, as shall all decorated interiors, stairs, cabinets, all surfaces of interior structural walls, floors and ceilings, windows and window frames, doors and door frames, and trim, consisting of, among other things and as appropriate, wall paper, paint, flooring, carpeting and tile. All plumbing pipes, electrical wires, telephone wires, intercom wiring, conduits, or other public utility lines or installations constituting the interior part of the Unit and serving only the Unit, and any structural members or any other property of any kind, including fixtures and appliances within any Unit, which are removable without jeopardizing the soundness, safety, or usefulness of the remainder of the building within which the Unit is situated shall be considered part of the Unit.

- 11. Unit Number** shall mean and refer to the number which designates any of the 146 separately numbered Units as shown in the attached Exhibit "A" in the Map.
- 12. Building Number** shall mean and refer to the building number which designates a building containing Units as shown in the attached Exhibit "A" in the Map, as well as the Building Number indicated in Exhibit "B". These Building Numbers are large numbers for identification and are attached to each building in conspicuous locations.
- 13. Unit Owner or Ownership** shall mean and refer to the legal owner of the Unit as recorded in the office of the County Recorder, Salt Lake County, Utah including the percentage of undivided interest in the Common Areas and facilities which are appurtenant thereto. In the event a Unit is the subject of an executory contract of sale, the contract purchaser shall, (unless the seller and the purchaser have otherwise agreed and have informed the Committee in writing of such agreement), be considered the Unit Owner for purpose of voting and Committee membership.
- 14. Common Expenses** shall mean and refer to all sums which are expended on behalf of all the Unit Owners and all sums which are required by the Management Committee to perform or exercise its functions, duties, or rights under the Act, this Declaration, and/or the Management agreement for operation of the Complex, and such rules and regulations as the Management Committee may from time to time make, amend, and adopt.
- 15. Common Profits** shall mean and refer to the balance of income, rents, profits, and revenues from the Common Areas remaining after deduction of the Common Expenses.
- 16. Reserve Expenses** shall mean and refer to expenses related to the statutorily required reserve analysis, as well as all funding for the reserve account required by Utah Code. Typically, these are anticipated major expenses such as road replacement, roof replacement, etc. which occur less frequently than every year or two.
- 17. Regular Assessments** are fees to be paid periodically by unit owners, usually by the first of each month, to meet the regular budgeted expenses of the CCHOA.
- 18. Special Assessments** are fees levied upon unit owners as needed to pay for extraordinary expenses not provided for in the annual budget.
- 19. Association** shall mean and refer to the Cornerstone Condominiums Homeowners' Association, a non-profit Corporation, incorporated under the laws of the State of Utah, its successors and assigns. Every Unit Owner shall be a member of the Association. The property, business and affairs of the Association shall be governed by the Management Committee.

20. **Member:** By definition, each Unit Owner is a Member of the Association. If the legal owner of a Unit is more than one person or is an entity managed by more than one trustee or agent, then for the purpose of voting in CCHOA elections or on CCHOA matters, such individuals collectively are entitled to vote the percentage interest of the Unit although each of them is a member of the CCHOA and eligible to serve as an officer on the Management Committee.
21. **Rental** is either a Unit that is not owned by an entity or trust and is occupied by an individual while the Unit Owner is not occupying the Unit as the Unit Owner's primary residence, or is an occupied Unit owned by an entity or trust, regardless of who occupies the Unit.
22. **Tract** shall mean and refer to the real property specifically described in Article II "Submission" of this Declaration or may comprise any parcel which in the future may become a part of the Complex.
23. **Mortgage** shall mean any mortgage, deed of trust, or other security instrument by which a Unit or any part thereof is encumbered.
24. **Mortgagee** shall mean any person named as a Mortgagee or beneficiary under or holder of a Mortgage. It shall also mean a person to whom property within the Complex is mortgaged.
25. **Mortgagor** shall mean a person or agency who mortgages property within the Complex.
26. **Percentage Interest** shall mean and refer to the percentage as undivided interest of each Unit in the Limited Common Areas and Common Areas as set forth in Exhibit "B" annexed hereto.
27. **Size** shall mean and refer to the square footage of each Unit, exclusive of basement, garage, patio and Parking Pad, as depicted on the Map and shown in said Exhibit "B".
28. **Declarant** shall mean and refer to the fee Owners of the individual Condominium Units within the Condominium Complex.
29. **Builder** shall refer to the original Builder, Lynn A. Holt and Melvin S. Young, as its President, under the name of "Key Assets Corporation".
30. **Covered Property** shall refer to the property to which an insurance policy applies.
31. **Governing Documents** shall mean the Survey Map, the Declaration, the Bylaws and the Articles of Incorporation.

ARTICLE II SUBMISSION

In 1994, the original declarant (Builder) submitted the Complex to the provisions of the Act as an Expandable and Contractible Condominium Project, to be known as "Cornerstone Condominiums". As completed, and at the time the original 1994 declaration was recorded, it consisted of the following three parcels of described property in Salt Lake County, Utah, said property certified by Robert B. Jones, a registered Utah Land Surveyor, holding license no. 1525 and certified to as noted:

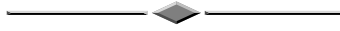
Parcel # 1 Certified by Robert B. Jones, Registered Utah Land Surveyor 17 August 1989:

Beginning at a point South 89°50' 15" East along the section line 1323.59 feet from the South quarter corner of section 10, Township 3 South, Range 1 West, Salt Lake Base and Meridian, and said point of beginning also being North 89°50'15" West along the section line 1323.59 feet from the Southeast corner of said Section 10, and running thence North 89°50'15" West along the section line 264.00 feet; thence North 0°03'23" West 577.50 feet; thence South 89°50'15" East 621.09 feet; thence South 0°04'26" East 247.50 feet; thence North 89°50'15" West 357.17 feet; thence South 0°03'23" East 330.00 feet to the point of beginning.
Parcel #1 contains 5.4084 Acres.



Parcel # 2 Certified by Robert B. Jones, Registered Utah Land Surveyor, 16 September 1993:

Beginning at a point South 89°50'15" East along the section line 630.07 feet from the South quarter corner of section 10, Township 3 South, Range 1 West, Salt Lake Base and Meridian, and running thence North 00°09'45" East 131 feet; thence North 89°56'37" East 176.94 Feet; thence North 38°33'36" East 47.83 feet; thence North 00°09'45" East 230.97 feet; thence South 89°50'15" East 572.21 feet; thence South 00°03'23" East 577.50 feet to the section line; thence North 89°50'15" West along the section line 429.52 feet to the point of beginning.
Parcel # 2 Contains 5.01 Acres.



Parcel # 3 Certified by Robert B. Jones, Registered Utah Land Surveyor, 7 October 1994:

Beginning at a point which is south 89°50'15" East 53.00 feet along the section line from the South quarter corner of Section 10, Township 3 South, Range 1 West, Salt Lake Base and Meridian, and running thence North 00°02'20" West 495.00 Feet, thence South 89°50'15" East 277.00 feet, thence North 00°02'20" West 66.00 feet, thence North 89° West 277.00 feet, thence North 00°02'20" West 16.50 Feet, thence South 89°50'15" East 434.221 Feet, thence South 00°03'23" East 178.20 feet, thence North 89°56'37" East 350.86 feet, thence South 00°09'45" West 230.97 feet, thence South 38°33'36" West 47.83 feet, thence South 89°56'37" West 176.94 Feet, thence South 00°09'45" West 131.51 Feet to a point on the South Section of said Section 10, thence North 89°50'15" West 577.07 feet along said section line to the point of beginning.
Parcel #3 Contains 7.91 Acres.

This Declaration submits the foregoing real property (which is the Condominium Complex, and which has now been subdivided into many smaller parcels) as well as the Governing Documents to the provisions of the Act.

RESERVED FROM THE FOREGOING SUBMISSION are such easements and rights of ingress and egress over, across, through, and under the above-described tracts and any improvements now or hereafter constructed thereon as may be necessary to develop and maintain the entire Complex. If pursuant to this reservation, the above described real property or any improvement thereon is traversed or partially occupied by a permanent improvement or utility line, a perpetual easement for such improvement or utility line shall exist.



ARTICLE III. COVENANTS, CONDITIONS, AND RESTRICTIONS

The foregoing submission is made upon and under the following Covenants, Conditions, and Restrictions:

- 1. Description of Improvements:** - The improvements included in the Complex are now or will be located on the Tract described in Article II above, and all such improvements are described on the Map. The Map indicates the number of Units which are contained in the buildings, which comprise a part of such improvements, the dimensions of the Units, the recreational areas and facilities such as the Community Center and all other Common Areas thereof. There are 146 Units contained in 48 buildings, with each building containing two or four Units, as shown on the Map. Every building has two levels which includes a basement. All buildings are of wood frame and brick veneer construction, with asphalt shingled roofs.
- 2. Description and Legal Status of Units:** - The Map shows the Unit, Patio, Parking Pad and Building Number designation, its location, dimensions from which its area may be determined, some of those Limited Common Areas and Facilities which are reserved for its use (with the remaining Limited Common Areas and Facilities designated for the use of a particular Unit being described herein), and the Common Areas and Facilities to which it has immediate access. All Units are Single Family Residential Units. All Units shall be capable of being independently owned, encumbered, and conveyed.
- 3. Contents of Exhibit "A":** - Exhibit "A", to this Declaration, furnishes the building and Unit designation and shows the general relationship to other buildings and Units.
- 4. Contents of Exhibit "B":** - Exhibit "B" to this Declaration furnishes the following information with respect to each Unit: (a) The size of the unit in Square feet; and (b) Its Percentage Interest.
- 5. Contents of Exhibit "C":** - Exhibit "C" to this Declaration furnishes the facsimile of a document to be used when there is a change in Home ownership. It supplies the Management Committee with information as to any, mortgagee, insurance, name of new owner, date of occupancy, warranty deed, deed of trust, etc.
- 6. Contents of Exhibit "D":** - Exhibit "D" to this Declaration consists of a facsimile of a Proxy form which can be used for transferring voting rights to another person in behalf of a Unit Owner.
- 7. Contents of Exhibit "E":** - Exhibit "E" to this Declaration includes a copy of the original "Articles of Incorporation" which were filed 31 December 1996, becoming effective as of 2 January 1997, making Cornerstone Condominiums Homeowners' Association a "Non-profit Corporation".
- 8. Common and Limited Common Area:** Neither the Percentage Interest nor the right of exclusive use of a Limited Common Area and Facility shall be separated from the Unit to which it appertains; and even though not specifically mentioned in the instrument of transfer, such Percentage Interest and such right of exclusive use shall automatically accompany the transfer of the Unit to which they relate. Each Unit Owner shall, at his own cost, keep the Limited Common Areas designated for exclusive use in connection with his Unit in a clean, sanitary and attractive condition at all times. Unless otherwise stated herein, maintenance of this Area is the responsibility of the CCHOA except that

painting exterior doors white, cleaning windows, repairing damage caused by the adjacent unit owner or his guest, and maintaining all approved adjacent owner modifications will be by the adjacent unit owner, see Article I. 8. b). All unit owner modifications which have not been approved and their consequential required restoration, fines, and maintenance are the responsibility of the unit owner.

9. Computation of Undivided Interests: - The fraction of undivided ownership interest in the Common Areas and Facilities which, at any point in time, is appurtenant to a Unit shall be equal to the integer one (1) divided by the total number of Units then included in the Complex.

10. Maintenance of Unit:

a) a) Each Unit Owner shall be responsible to maintain, repair and replace their Unit at their cost. Without limiting the foregoing, each Owner shall, at his own cost and expense, maintain, repair, paint, re-paint, tile, paper, or otherwise refinish and decorate the interior surfaces of the walls, ceilings, floors, windows and doors forming the boundaries of his Unit. In addition to decorating and keeping the interior of his Unit in good repair and in a clean and sanitary condition, he shall be responsible for the maintenance, repair or replacement of any plumbing, plumbing fixtures, water heater, heating equipment, fire place, air conditioner, electrical wiring, outlets, switches, lighting fixtures, refrigerator, dishwasher, disposal equipment, dryer vents, smoke alarms, range, gas lines and all other appliances or fixtures or owner-provided skylights or attic fans that may be in, or connected with his Unit. Any damage or leaks caused by installation of skylights, antennas, or satellite dishes on the asphalt shingled roof shall be the responsibility of the Owner.

b) The outside of each Unit shall be maintained so as not to detract from the appearance of the Complex and so as not to affect adversely the value or use of any other Unit. Except as expressly stated in this Declaration, the outside of the Unit shall be maintained, repaired and replaced by the Association. No rubbish refuse or garbage will be allowed to accumulate, nor any flammable materials allowed to be stored, unless stored in proper safety containers.

11. Patios: - Each of the Units has an attached patio area. This patio shall be used, maintained and /or occupied only by that Unit Owner, family and guests, as a private residence and for no other purpose. The purpose for which the patios are intended is for the quiet enjoyment of each Unit Owner. All patio property shall be kept in a clean and sanitary condition by the Owner to whom such patio is designated as Limited Common Area. No rubbish, refuse, garbage or other unsightly material shall be allowed to accumulate, nor shall any fire hazard be allowed to exist. No improvements, alterations, removal of gates, window well cover, fences of any kind shall be made without authorization from the Management Committee or its designee. All patio vinyl and wooden fence repairs, painting, insurance and maintenance shall be the responsibility of the respective Unit Owner.

12. Easement for Encroachment and Utilities: - If any portion of the Common Areas encroaches or shall hereafter encroach upon a Unit or Units, an easement for such encroachment and for the maintenance for 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 or Units, an easement for such encroachment and for the maintenance, thereof, shall and does exist. Such encroachments shall not be encumbrances either to 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 buildings on the Tract, 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.

- 13. Access for Repair of Common Areas:** - Some of the Common Areas are or may be located within the Units or may be conveniently accessible only through the Units. The Owners of the other Units shall have the irrevocable right, to be exercised by the Committee, as its agent, to have access to each Unit and to all Common Areas, from time to time, during such reasonable hours as may be necessary for the maintenance, repair, or replacement of any of the Common Areas located therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the Common Areas or to another Unit or Units. The Committee shall also have such rights independent of the agency relationship. Damage to the interior of any part of a Unit or Units resulting from the maintenance, repair, emergency repair, or replacement of any of the Common Areas, or as a result of emergency repairs within another Unit at the instance of the Committee or of Unit Owners shall be repaired, provided that if such damage is the result of negligence of the Owner of a Unit, then such Owner shall be financially responsible for all such damage. Such damage shall be repaired, and the property shall be restored substantially to the same condition as existed prior to damage. Amounts owing by Owners pursuant hereto may be collected by the Committee by assessment.
- 14. Right of Ingress Egress Lateral Support:** - Each Owner shall have the right to ingress and egress over, upon, and across the Common Areas necessary for access to his Unit and the Parking Pad designated for use in connection with his Unit, and such rights shall be appurtenant to and pass with the title to each Unit.
- 15. Easement to Management Committee:** - The Management Committee shall have non-exclusive easement to make such use of the Common Areas as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration.
- 16. Easement for Utility Services:** - There is hereby created a blanket easement upon, across, over and under the Tract above described in Article II for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewers, gas, telephones, electricity, and other utility services.
- 17. Use of Condominium and Common Areas**
- a) Areas Restricted to Single Family (Rentals Limited)** - Each of the Units subject to this Declaration is intended to be Owner-occupied with the following exceptions:
- i.** A maximum of twelve (12) Units in the Complex may each be rented (the "Rental Limit") in addition to those allowed by the following sub-sub Paragraph **v.** At the time of the filing of this declaration, the maximum of 12 such Permitted Rentals are occupied in addition to those allowed by sub-sub Paragraph **v.**
 - ii.** Units may only be rented to a single family. Dormitory, hostel, hotel, vacation-rental-by-owner, or nightly rentals are strictly prohibited.
 - iii.** The minimum rental term permitted is six months.
 - iv.** Any Owner who presently has a Permitted Rental in the Complex prior to this Declaration being recorded with the Salt Lake County Recorder may continue

- renting their Unit and are included in the limit on rentals newly imposed by this Declaration, until such time as:
- a. the Owner takes occupancy of the Unit; or
 - b. an officer, owner, member, trustee, beneficiary, director, or person holding a similar position of ownership or control of an entity or trust that holds an ownership interest in the Unit occupies the Unit; or
 - c. upon the conveyance, sale, or other transfer of the Unit by deed or otherwise in accordance with the Utah Condominium Act.
- v. The Committee shall allow the following exemptions to the Rental Limit in such cases as:
- a. Owner is in the military for the period of the Owner's deployment;
 - b. the Unit is occupied by a Unit Owner's parent, child, grandchild, sibling or resident surviving spouse
 - c. an Owner is serving a religious mission for up to 24 months;
 - d. an Owner whose employer has temporarily relocated the Owner for two (2) years or less;
 - e. Unit owned by a trust or other entity created for estate planning purposes of the current resident or their parent, child, grandchild, sibling, or spouse;
 - f. A Unit owned by an entity that is occupied by an individual who has voting rights under the entity's organizing documents and has a 25% or greater share of ownership, control, and right to profits and losses of the entity.
- vi. The Management Committee will record and track the status of all rental units in the complex; these will be reviewed monthly to assure rules and regulations are being followed and enforced.
- vii. Prior to entering into a rental or lease arrangement, the Owner must obtain written approval to rent from the Committee. The Committee shall either (a) approve the application for approval if it determines that the rental or lease will not exceed the Rental Limit and complies with the other provisions of this Declaration, or (b) deny the application if it determines that the rental or lease of the Unit will exceed the Rental Limit or does not comply with the terms of this Declaration.
- viii. The Committee shall create rules to establish procedure regarding this Paragraph 17 to: (a) determine and track the number of rentals and Units in the Complex subject to the provisions of Paragraph 17 and (b) to ensure consistent administration of these Rental Limit provisions.
- b) **No Obstructions** - There shall be no obstructions of the Common Areas by the Owners, their tenants, guests or invitees without the prior written consent of the Committee. The Committee may by rules and regulations prohibit or limit the use of the Common Areas as may be reasonably necessary for protecting the interests of all the Owners or protecting the Units or the Common Areas. Nothing shall be kept or stored on any part of the Common Areas without the prior written consent of the Committee, except as specifically provided herein. Nothing shall be altered on, constructed in or removed from the Common Areas except upon the prior written consent of the Committee.
- c) **Insurance Caution** - No activity shall be conducted in or on, nor shall any material, substance, or product be kept in any Unit or in the Common Areas or any part hereof

which would result in the cancellation of the insurance on the Complex or any part thereof or increase the rate of the insurance on the Complex or any part thereof.

- d) No Annoyance or Nuisance** - No activity shall be conducted in or on, nor shall any material, substance, or product be kept or stored in any Unit, including the patio and Parking Pad, nor shall anything be done therein which may be or may become an annoyance or nuisance to any other Owner or to any person at any time lawfully residing in the Complex.
- e) No Violation of Rules**-No Owner shall violate the rules and regulations for the use of the Units and of the Common Areas as adopted from time to time by the Committee.
- f) No Structural Alterations** – No weight bearing wall, ceiling/roof, or associated exterior wall alterations to any Unit shall be made by any Owner without the prior written consent of the Committee or its designee. Maintenance and integrity of any such approved modifications shall be the responsibility of the Owner.
- g) Permit/Inspection Required** - Any remodeling, addition, or alteration of the interior of the Unit shall require a Building Permit and Inspection by the South Jordan City Building and Inspection Department and notify the Management Committee of such Remodeling.
- h) RV Parking** - No recreational vehicle, (boats, campers, trailers, motor homes, or similar items) shall be parked on any portion of the Common Areas other than the designated Overflow/RV parking area except for temporary loading or unloading and/or preparation.
- i) Restrictions of Signs** - No signs whatsoever shall be erected or maintained in the Common Areas or on the Units without the prior written consent of the Management Committee, except: (1) Such signs as may be required by legal proceedings or, (2) limited use of small “A” frame realty signs, or ‘window’ realty signs, when a Unit is placed for resale. Other small unobtrusive signs may be placed in the windows or on garage overhead doors, after clearance of such placement has been obtained from the Management Committee.
- j) Advise Management** - The Committee should be apprised of such sign placement and will notify the Owner of any ill-advised signs which would detract from the Complex.
- k) Authority of Management** - The Committee shall have the right and authority to request removal of any signs or placards as may be deemed to be objectionable or unsightly.

18. Status and General Authority of the Management Committee. -

Notwithstanding anything herein contained to the contrary, the Cornerstone Condominium Complex shall be managed, operated, and maintained by the Committee exclusively as agent of, and in the name of the Association, and any act performed by the Committee pursuant to this Declaration or the Bylaws, as the same may be amended from time to time, shall be deemed to be performed by the Committee for and on behalf of the Association as its agent. The Committee shall have, and is hereby granted, the following authority and powers:

- a) Grant Utility Easements** - The authority, without the vote or consent of Unit Owners or of any other person(s) to grant or create, on such terms as it deems advisable, utility and similar easements over, under, across, and through the Common Areas and Facilities.

- b) **Amendment of Declaration** - The authority to execute and record, on behalf of all the Unit Owners, any amendment to the Declaration or Map which has been approved by the vote or consent necessary to authorize such amendment to sue in behalf of the Association.
 - c) **Authority to Sue** - The authority to sue on behalf of the Association.
 - d) **Authority to Enter into Contracts** - The authority to enter into contracts which in any way concern the Complex, so long as any vote or consent of the Unit Owners necessitated by the subject matter of the agreement has been obtained. The power and authority to perform any other acts and to enter into any other transactions which may be reasonably necessary for the Committee to perform its functions as agent for the Association. Any person, who in good faith and for value received, relies upon any instrument executed by the Committee may rely on the fact that the Committee has such authority and power to exercise such contract or instrument for and in behalf of the Association.
 - e) **To Transfer Property** - The power and authority to convey or transfer any interest in real property, so long as consent has been given by a majority vote of the Unit Owners.
 - f) **To Purchase Real Property** - The power and authority to purchase, otherwise acquire, and accept title to, any interest in real property, so long as such action has been authorized by any vote or consent which is necessary under the circumstances.
 - g) **To Borrow Money** - The power and authority to borrow money, provided that no indebtedness for borrowed funds shall exceed at any given time the sum of Five Thousand Dollars, (\$5,000.00) without the prior approval of the majority of the Owners.
 - h) **To Promulgate Rules** - The Management Committee shall have the power to adopt, and establish by resolution, such building management, and operational rules as it may deem necessary for the maintenance, operation, management and control of the Complex, and the Committee may, from time to time by resolution alter, amend and repeal such rules. Any resolution or operational rule adopted by the Management Committee may be nullified or modified by petition of fifty-one percent (51%) of the Unit Owners. No amendment or alteration shall be inconsistent with this Declaration and shall become part of the formal Bylaws. When a copy of any amendment or alteration or provision for repeal of any rule or rules has been furnished to the Unit Owners, such amendment, alteration and provision shall be taken to be a part of such rules. Unit Owners shall at all times obey such rules and see that they are faithfully observed by those persons over whom they have or may exercise control and supervision, it being understood that such rules shall apply and be binding upon all Unit Owners and residents of the Complex. Unit Owners shall see that their Lessee's or renters also faithfully observe such rules and regulations. This includes the right and power to levy fines, issue citations, suspend privileges and sanctions.
- 19. Professional Manager:** - With majority approval of Unit Owners the Committee may hire a Manager to manage the Cornerstone Condominiums Homeowners' Association for the benefit of the Committee and the Unit Owners and shall, to the extent permitted by law and the terms of the agreement with the Committee, be authorized to perform any of the functions or acts required to be performed by the Committee itself.

20. Composition of Management Committee: - The Committee shall be composed of five (5) members who are Unit Owners or resident spouse of Unit Owners and elected as provided in the Bylaws.

21. Selecting and voting process: - At a designated date, immediately before the annual Association meeting, each Owner may vote his percentage interest in favor of as many candidates for Committee membership as there are seats on the Committee to be filled. The Cornerstone Condominium Homeowners' Association **Bylaws** shall detail the procedures to be used in the nominating and election process.

22. The principal officers of the Management Committee shall be:

- **The President**
- **1st Vice President**
- **2nd Vice President**
- **Secretary**
- **Treasurer**

All of the above officers shall be nominated by and from the elected Management Committee. Such nomination or appointment shall regularly take place at the first meeting of the Management Committee, immediately following the annual meeting of the Unit Owners at which the officers were elected.

23. Committee Officers and Agents: - The Management Committee shall perform its functions through those members who are elected as officers by the Committee and through such agents or employees as the Committee may appoint.

- a) **President** - The President shall be the chief executive officer of the Management Committee and shall exercise general supervision over the Complex and affairs of the Association. He/she shall sign on behalf of the Condominium Complex all conveyances, and contracts pertaining to its business, and shall do and perform all acts which the Management Committee may require of him/her. He/she shall preside over all meetings of the Committee and of the Unit Owners. The President shall have all of the general powers and duties which are normally vested in the office of the president of a corporation, including but not limited to, the power to appoint committees from among the Unit Owners from time to time as her/she may in his/her discretion decide is appropriate to assist in the conduct of the affairs of the Cornerstone Condominium Homeowners' Association. A majority of the Management Committee may, by majority vote override any act or decision of the President.
- b) **Vice Presidents** - The First Vice President shall have all the powers of the President in the event of the President's absence or inability to act. The Second Vice President shall have all the powers of the President and would act in the absence or inability to act of the President and the First Vice President. The Vice President(s) shall also perform such other duties as shall from time to time be prescribed by the Management Committee.
- c) **Secretary** - The Secretary shall keep minutes of all meetings of the Committee and of the Unit Owners and shall keep all records which are required or made necessary by the Act, the Declaration or the Committee. The Secretary shall make these minutes available to Unit Owners. He/she shall in general perform all the duties incident to the

Office of Secretary. In the absence of the Secretary, the President may temporarily appoint the Treasurer or one of the Vice Presidents to assist in recording the minutes and the reading of the previous minutes.

- d) **Treasurer** - The Treasurer shall have the responsibility for the funds and securities of the Committee and shall be responsible for keeping full and accurate accounts of all receipts of all disbursements in books belonging to the Committee. The Treasurer shall be responsible for the deposit of all moneys and all other valuables in the name and to the credit of the Committee in such depositories as may be from time to time designated by the Committee. In the absence of the Treasurer, the President may temporarily appoint one of the Vice Presidents to attend to immediate and pressing financial matters.
- e) **Other Officers or Sub-committees** - The Committee may appoint such other officers, in addition to the officers hereinabove expressly made, as shall be deemed necessary. The Committee may, from time to time appoint "Adhoc" committees to perform voluntary services for the benefit of Cornerstone Condominiums Homeowners' Association. These appointments shall be considered to be temporary, to accomplish the specific task(s) needed. Adhoc Committees may be changed or modified at the discretion of the Management Committee.
- f) **Removal of Officers and Agents** - All officers and agents shall be subject to removal, with or without cause, at any time by the affirmative vote of the majority of the then members of the Committee. All officers and agents or any single officer or agent, shall be subject to removal, with or without cause, at any time by the affirmative vote of at least Sixty-seven percent (67 %) majority of the then Unit Owners
- g) **Filling of Single Vacancy** - In the event a vacancy should occur in the Committee, it shall be filled by appointment by majority vote by those remaining members of the Committee. The appointed member shall fill the remaining term of the office. If necessary, the Committee may realign the assignment of those on the reconstituted Committee.
- h) **Filling of Multiple Vacancies** - In the event a vacancy of two or more members of the Committee should occur, an election will be held to fill these vacancies. The normal rules of an election will be adhered to including, appointment of an election committee, notification of all absent Unit Owners and sending absentee ballots, etc., as defined in the Bylaws.

24. Management Committee Conducting of Business:

- a) **Regular meeting** - A regular meeting of the Committee shall be held immediately after the adjournment of each annual Owners meeting. Other regular meetings shall be held at regular intervals at such time and place as the Committee may provide. Notice of Regular Committee Meetings will be posted.
- b) **Special meeting** - Special Committee meetings shall be held whenever called by the President or a majority of the Committee. Either oral or written notice of special meetings shall, unless a waiver of such notice is signed by all members of the Committee, be given to each Committee member at least 24 hours before the time fixed for the meeting. Any meeting attended by all Committee members shall be valid for all purposes. Whenever possible such meetings should be posted.
- c) **A quorum must be present** - A quorum for the transaction of business at any Committee meeting shall consist of a majority of all the members then in office.

- d) **Members not salaried** - Members of the Committee, as such, shall not receive any salary or compensation. Officers of the Management Committee may be reimbursed for expenses incurred in the performance of his/her duties to the extent such expenses are approved by the Management Committee.
- e) **Adjournment of meetings** - The Committee may adjourn any meeting from day to day or for such other time as may be prudent or necessary, provided that no meeting may be adjourned for longer than forty-five (45) days.
- f) **Fidelity insurance requirements** - The Committee shall require that all officers and employees of the Committee handling funds, or who are responsible for funds, shall be covered by a fidelity insurance. The premium on such fidelity insurance shall be paid by the Cornerstone Condominium Homeowners' Association.
- g) **Procedures & Minutes** - The Committee shall establish procedures for the conduct of its meetings, including but not limited to the right, power and authority to determine if they shall be open or closed to Owners and/or residents, subject to requirements that may be imposed by applicable law. Minutes shall be taken of all Committee meetings. These minutes may be hand written, electronically recorded or electronically video/audio taped.

25. Meeting of Unit Owners

- a) **Annual Meeting** - An Annual Meeting of the Members of the CCHOA as specified in this document is to be held per the requirements contained in the Bylaws.
- b) **Special Meetings** - Special meetings of the Association may be called by the President of the Committee, by a majority of the Committee members, or by Unit Owners cumulatively holding at least forty percent (40%) of the undivided ownership interest in the Complex. Procedures for special meeting are contained the Bylaws.
- c) **Waiver of Notice** - No notice of any Association meeting shall be required if a waiver of such notice is signed by a majority of the Owners. Whenever the Owners meet in person or by proxy, such meeting shall be valid for all purposes. A quorum for the transaction of business at an Association meeting shall consist of a majority of all the Percentage Interest.
- d) **Voting** - Any question of business, brought before a meeting of Unit Owners, shall require a personal presence of more than fifty percent (50%) of the Unit Owners to be present to define a Quorum. This may include those present in person, and those represented by written proxy issued in person, or by mail, FAX, E-Mail, or other available electronic message transfer method. All proxies shall be in writing, and in the case of proxies for the Annual Association Meeting, shall be delivered to the Secretary of the Management Committee at least twenty-four (24) hours prior to such meeting; Proxies for other special Association meetings of Unit Owners must be on record with the Secretary of the Management Committee at least twenty-four (24) hours prior to such meeting. Where a Unit has multiple Owners, they may cast only one (1) vote per issue or election. A facsimile of a written proxy is shown in **EXHIBIT "D"**, attached, and shall be the only authorized proxy form that will be accepted by the Secretary, unless another form is designated by the Committee.

26. Accounting:

- a) **Books and accounts** - The books and accounts of the Committee shall be kept under the direction of the Treasurer and in accordance with the reasonable standards of accounting procedures.

- b) **Reports** - At the close of each accounting year, the books and records of the Management Committee shall be reviewed by a person or firm selected by the Committee. Report of such review shall be prepared and submitted to the Unit Owners at or before the annual meeting. A Certified audit by a Certified Public Accountant will be provided if at least sixty-seven percent (67%) of the Owners of the undivided interest in the Common Areas request it.
 - c) **Inspection of Books** - Monthly Financial reports are required to be approved by the Management Committee each month and shall be available at the office of the Committee, Manager or Treasurer for inspection at reasonable times by Unit Owner.
- 27. Capital Improvements:** - Additions or capital improvements to the Complex which cost no more than Twenty Thousand (\$20,000) dollars may be authorized by the Management Committee alone. Additions or capital improvements the cost of which will exceed such amount must, prior to being constructed, be authorized by at least a majority of the undivided ownership interest in the Complex. Any addition or capital improvement to any common area, regardless of its cost and prior to being constructed, must be authorized by at least sixty-seven (67%) percent of the Complex's undivided ownership interest.
- 28. Maintenance:** - Maintenance for all Common and Limited Common areas shall be performed within the approved budget set forth by the Management Committee at the beginning of each year. If any work is to exceed this, a budgeted approved amount, by more than Fifteen Thousand (\$15,000) it must be authorized by at least fifty-one (51%) percent of the Complex's undivided ownership interest.
- 29. Operation and Maintenance Apportionment of Common Expenses:** - The Committee shall provide for such repair, maintenance, and replacement of those Common Areas that must be replaced on a periodic basis and shall keep the Common Areas clean, functional, attractive and generally in good condition and repair. Expenses attributable to the Common Areas and to the Complex as a whole shall be apportioned among all Units in proportion to their Percentage Interest.
- 30. Reporting of Defects or Dangerous Conditions:** - Each Unit Owner and Resident shall give the Management Committee prompt notice of any defect or dangerous condition in the Complex which requires repairs. All such repairs required to be made by the Committee shall be common expenses, unless the same have been rendered necessary by the act, negligence or carelessness of a Unit Owner, Lessee, Renter, family members, guests, employees, representatives, or agents, in which case the expense is to be paid by the Unit Owner. The Committee shall have all the authority, duties and responsibilities as are now or may hereafter be provided by the Act, this Declaration, the Bylaws, and any amendments subsequently filed thereto.
- 31. Determination by Committee:** - Upon the occurrence of any damage or destruction to the Complex or any part thereof, or upon a complete or partial taking of the Complex under eminent domain or by grant or conveyance in lieu thereof, the Committee shall make a determination as to whether the excess of estimated costs of restoration over available funds is twenty-five percent (25%) or more of the estimated restored value of the Complex. In addition, the Committee shall, from time to time, review the condition of the Complex to determine whether substantial obsolescence exists. The Committee may rely upon advice from qualified appraisers or other professionals.

32. Restoration of the Complex:

Restoration of the Complex shall be undertaken by the Committee promptly without a vote of the Owners in the event of destruction, condemnation or obsolescence after estimates are obtained by the Committee and sufficient funding is available and does not require an assessment, otherwise any action will require the approval of at least sixty-seven percent (67%) of Owners and Mortgagees who have at least fifty-one percent (51%) collectively of the interest in the Common Areas and Facilities.

33. Notices of Destruction or Obsolescence: - Within thirty (30) days after the Committee has determined that substantial destruction, substantial condemnation, or substantial obsolescence exists, they shall send to each Owner and Mortgagee a written description of the destruction, condemnation, or state of obsolescence involved, and shall take appropriate steps to ascertain the preferences of the eligible Mortgagees concerning restoration, and shall, with or without a meeting of the Owners (but in any event in accordance with the applicable provisions of this Declaration), take appropriate steps to determine the preferences of the Owners regarding restoration.

34. Authority of Committee to represent Owners in Condemnation or to Restore or Sell: - The Committee, as attorney-in-fact for each Owner, shall represent all of the Owners and the Association in any condemnation proceeding or in negotiations, settlements, and agreements with the condemning authority for the acquisition of all or any part of the Common Areas and Facilities. The award in any condemnation proceeding and the proceeds of any settlement related thereto shall be payable to the Association for the use and benefit of the Unit Owners and their Mortgagees as their interest may appear. The Committee, as attorney-in-fact for each Owner, shall have and is hereby granted full power and authority to restore or to sell the Complex and/or individual Units therein whenever restoration or sale, as the case may be, is undertaken as herein above provided. Such authority shall include the right and power to enter into any contracts, deeds or other instruments which may be necessary or appropriate for restoration or sale, as the case may be.

35. Payment of Expenses: - Before the end of each calendar year the Committee shall prepare a budget which sets forth an itemization of the Common Expenses which are anticipated for the coming year. Such budget shall consider any deficit or surplus realized during the current year. If a deficit exists, which needs to be corrected, the total of such expenses shall be apportioned among all the Units on the basis of their appurtenant percentages of undivided ownership interest. The assessment is due the first day of each month during the year covered by the budget. Each Unit Owner shall pay to the Committee monthly his share of the Common Expenses one-twelfth of the total amount so apportioned. If such monthly payments are too large or too small as a result of unanticipated income or expenses, the Committee may effect an equitable change in the amount of said payments. The dates and manner of payment shall be determined by the Committee. The foregoing method of assessing the Common Expenses to the Unit Owners may be altered by the Committee so long as the method it adopts is consistent with good accounting practices and requires that the portion of Common Expenses borne by each Owner during a 12-month period is determined on the basis of his Percentage Interest.

36. Late fee penalties: - All payments of installments, fees, or assessments are due on the first day of each month. If the Owner shall fail to pay any such installment, fee or

assessment by the fifteenth day (15th) of the month, such Owner shall pay a late payment services charge of Twenty-five Dollars (\$25.00). An assessment of Twenty-five Dollars (\$25.00) shall be assessed for each additional delinquent month thereafter until paid-in-full.

37. Remedies for Nonpayment:

- a) Should any Unit Owner fail to pay when due his share of the Common Expenses, the Committee may enforce any remedy provided in the Act or otherwise available for collection of delinquent Common Expense assessments. Regardless of the terms of any agreement to which the Committee is not a party, liability for the payment of Common Expense assessments shall be joint and several, and any remedy for the collection of such assessments may be enforced against any person holding an ownership interest in the Unit concerned, against the interest which is held by him, against either or both the seller or purchaser under an executory contract of sale covering the Unit concerned, against the interests in the Unit which are held by any such seller or purchaser, and against any combination or all of such persons and interests. Any relief obtained, whether or not through foreclosure proceedings, shall include the Committee's costs and expenses and a reasonable attorney's fee. In the event of foreclosure, after the institution of the action the Unit Owner shall pay a reasonable rental for his use of the Unit, and the Committee shall, without regard to the value of the Unit, be entitled to the appointment of a receiver to collect any rentals due from the Owner or any other person.
 - b) Each Member vests in the Association or its assigns, the right and authority to bring all actions at law or lien foreclosure against such Member or other Members for the collection of such delinquent assessments. Furthermore, all assessments, late fees, interest, and collection costs (including attorneys' fees) not timely paid shall be a charge and continuing lien upon each Unit against which the assessment is made. The Association may file a notice of lien with the county recorder as evidence of nonpayment.
- 38. No Offsets:** - All assessments shall be payable in the amount specified by the assessment and no offsets against such amount shall be permitted for any reason, including, without limitation, a claim that the Association is not properly exercising its duties and authority as provided in this Declaration.
- 39. No Waiver Claim:** - No Unit Owner may waive or otherwise exempt himself, or herself, from liability for the assessment provided for herein, including but not limited to the non-use of Common Areas, Recreational Facilities or the abandonment of the Unit.
- 40. Returned Checks:** - Any check made to the Cornerstone Condominiums Homeowners' Association, which is returned from the bank unpaid, shall be assessed a service fee of twenty-five dollars (\$25.00).
- 41. INSURANCE:** - The Management Committee shall secure and at all times maintain the following insurance coverage.
- a) **Multi-peril policy** - A multi-peril policy or policies of fire and casualty insurance, with extended coverage and all other coverage, on a full replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value of finished areas of dwelling and auxiliary structures, excluding exterior doors and windows, unattached fixtures and appliances. Such insurance shall afford protection against loss of damage by fire and other hazards covered by the standard extended coverage

endorsement, by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, water damage, and such other risks as shall customarily be covered with respect to similar Condominium developments in the area of the Covered Property. The policy shall contain standard mortgagee clauses which must be endorsed to provide that any proceeds shall be paid to the Association for the use and benefit of the Mortgagees as their interests may appear. The insured shall be the Association.

- b) Comprehensive policy** - A comprehensive policy of public liability insurance insuring the Association, the Committee, the Manager, and the Unit Owners against any liability incident to the ownership, use, or operation of the Common Areas and public ways of the Complex or of any Unit which may arise among themselves, to the public, or to any invitee, or tenants of the Complex or of the Unit Owners. Limits to liability under such insurance shall be not less than One Million Dollars (\$1,000,000.00) per occurrence, for personal injury and /or property damage. Such insurance policy shall contain a severability of interest endorsement which shall preclude the insurer from denying the claim of a Unit Owner because of negligent acts of the Association or other Unit Owners. The scope of coverage must include all other coverage in the kinds and amounts required by private institutional mortgage investors for similar projects in location, construction and use.
- c) Premiums and Proceeds** - Insurance premiums for any such insurance coverage obtained by the Association shall be a Common Expense to be included in the Regular Assessments levied by the Association. Insurance proceeds shall be used by the Association for the repair of or replacement of the property for which the insurance was carried. The Association is hereby granted the authority to negotiate loss settlements with the appropriate insurance carriers. Any two (2) Officers of the Association may sign a loss claim form and release form in connection with the settlement of the loss claim, and such signatures shall be binding on the Association and Unit Owners.
- d) Coverage Required by Law** – To the extent not redundant with the foregoing, and to the extent required, the Association shall maintain the insurance required by Utah Code Section 57-8-43, as the same may be amended from time to time.

42. Additional Special Provisions: - The following special provisions shall apply with respect to insurance:

- a) Insurance Requirements** - In addition to the insurance and bond coverage described above, the Committee shall secure and at all times maintain insurance against such risks as are, or hereinafter may be, customarily insured against in connection with all condominium projects similar to Cornerstone Condominiums, in construction, nature, and use.
- b) Hazard Insurance** - Each hazard insurance policy shall be written by a company holding a financial rating of Class VI or better from Bests Insurance Reports. Each insurer must be specifically licensed to transact business within the State of Utah. Policies are unacceptable where (i) under the terms of the carrier's charter, Bylaws, or policy, contributions or assessments may be made against the Borrower, any first Mortgagee, or its designee; or (ii) by loss payments are contingent upon action by the carrier's board of directors, policyholders, or members; or (iii) the conditions which could prevent any first Mortgagee (including its designee) or the borrower from collecting insurance proceeds.

- c) **Loss Adjustment** - The Committee shall have the authority to adjust losses.
 - d) **Stand Alone provision** - Except as may be required by law, insurance secured and maintained by the Committee shall not be brought into contribution with insurance held by the individual Unit Owners or the Mortgagee.
 - e) **Standard Mortgage Clause** - Each policy of insurance obtained by the Committee shall provide: A standard Mortgage clause commonly accepted by private institutional mortgage investors in the area in which the Complex is located; a waiver (if available) of the insurers subrogation rights with respect to the Committee, the Manager, the Unit Owners, and their respective servants, agents, and guests; that it cannot be cancelled, suspended, or invalidated due to the conduct of any member, officer, or employee of the Committee or of the Manager without a prior written demand that the defect be cured; that any other insurance clause endorsement which must provide that the insurance carrier shall notify the Mortgagee (or trustee) named at least ten (10) days in advance of the effective date of any reduction in or cancellation of the policy.
 - f) **Individual Insurance Coverage** - Unit Owner may obtain additional insurance at his own expense, so long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Committee.
 - g) **Flood Hazard** - The Cornerstone Condominium Complex is not located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards. In the event that at some future time the Complex should be declared to be in such flood area, a blanket policy of flood insurance on the Complex shall be acquired in the amount of the Unit value then listed on the existing comprehensive policy and available under the National Flood Insurance Act of 1968, as amended. The name of the insured under each required policy must be in form and substance as that required by the Federal Home Loan Mortgage Corporation at any given time.
 - h) **Annual Review** - The Management Committee shall annually determine whether the amounts and types of insurance it has obtained provide adequate coverage for the Cornerstone Condominium Complex in light of increased construction costs, inflation, practice in the area in which the Covered Property is located, or any other factor which tends to indicate that either additional insurance policies or increased coverage under existing policies are necessary or desirable to protect the interests of the Association. If the Management Committee determines that increased coverage or additional insurance is appropriate, it shall obtain the same.
- 43. Damage to Complex:** - In the event of damage or destruction of part or all of the improvements in the "Cornerstone Condominium Complex", the following procedures shall apply:
- a) **Sufficient to repair** - If proceeds of the insurance maintained by the Management Committee are alone sufficient to repair or reconstruct the damage or destroyed improvement, such repair or reconstruction shall be carried out.
 - b) **Less than 75% Damage** - If less than seventy-five percent (75%) of the Complex's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Committee are not alone sufficient to accomplish repair or reconstruction, restoration shall be carried out and all the Unit Owners shall be

assessed for any deficiency on the basis of their respective percentages of the undivided interest in the Common Areas and Facilities.

- c) **More than 75% Damage** - If more than seventy-five percent (75%) of the Complex's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Committee are not alone sufficient to accomplish restoration, and if the Unit Owners within one hundred (100) days after the destruction or damage by a vote of at least sixty-seven percent (67%) elect to repair or reconstruct the affected improvements, restoration shall be accomplished in the manner directed under subparagraph (b) above.
- d) **Insufficient coverage** - If seventy-five percent (75%) or more of the Complex's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Committee are insufficient to accomplish restoration, and if the Unit Owners do not, within one hundred (100) days after the destruction or damage and by a vote of at least sixty-seven percent (67%), elect to repair or reconstruct the affected improvements, the Committee shall promptly record with the Salt Lake County Recorder a notice setting forth such facts. Upon the recording of such notice the provisions of subsections (1) through (4) of Section 57-8-31, Utah Code Annotated (1953), shall apply and shall govern the rights of all parties having an interest in the Complex or any of the Units.
- e) **Deductible on claim** - The deductible on a claim made against the Association's liability insurance policy shall be paid by the Unit Owners who would be liable for the loss, damage, claim or repair in the absence of insurance, and in the event of multiple responsible Unit Owners, the loss shall be allocated in relation to the amount each home owners responsibility bears to the total.

Any reconstruction or repair which is required to be carried out by this Paragraph shall be accomplished at the direction of the Management Committee. Determinations regarding the extent of damage to or destruction of Complex improvements shall be made by three licensed appraisers selected by the Management Committee. The decision of any two such appraisers shall be conclusive.

44. Certain Provisions Applicable to Builder: - Notwithstanding any other provision herein contained, for so long as Builder, or any of its associates, continues to own any of the Units, all provisions of the Declaration shall be deemed to be in full force and effect. Builder or any of its associates shall pay all assessments in accordance with the rules set forth hereto, **including monthly condominium fees** as to each Unit owned by Builder, in accordance with the Declaration.

45. Amendment

- a) Except as provided below, the vote of at least sixty-seven percent (67%) of the Percentage Interest of the Unit Owners in Person or represented by proxy at a meeting of the Association at which a quorum is present shall be required to amend the Declaration or the Survey Map, Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Management Committee. In such instrument the Committee shall certify that the vote required by this Paragraph for amendment has occurred. In such instruments the Committee shall certify that the vote required by this Paragraph for amendment has occurred. A fifteen (15) day notice, setting forth the proposed amendment, the date, time and place of the meeting shall be required. The foregoing right of amendment shall be subject to the following paramount rights:

b) Notwithstanding anything to the contrary contained in the Declaration, neither the insurance provisions of paragraph 41, the Owner and Mortgagee protection provisions of paragraph 49, nor the Owners Percentage Interest in the Common Areas provision of Article III, paragraph 4, and defined by Exhibit "B", shall be amended without the written approval of all institutional first Mortgagees.

46. Consent Equivalent to Vote: - In those cases in which the Act or this Declaration requires the vote of a stated percentage of the Complex's undivided ownership interest for the authorization or approval of a transaction, such requirement may be fully satisfied by obtaining within 30 days of the original meeting, with or without an additional meeting, consents in writing to such transaction from Unit Owners who collectively hold at least the necessary percentage of undivided ownership interest. Consent is assumed for non-resident owners or mortgagees failing to respond within 14 days of written, documented delivery (such as a signed and dated delivery receipt) of a notice to vote.

47. Eminent Domain: - Whenever all or part of the Common Areas shall be taken, injured or destroyed as the result of the exercise of the power of eminent domain, each Unit Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto, but in any proceeding for the determination of damages, such damages shall be determined for such taking, injury or destruction as a whole and not for each Unit Owner's interest therein. After such determination each Unit Owner shall be entitled to a share in the damages in the same portion as his Percentage Interest in the Common Areas.

48. Service of Process: - The President of the Cornerstone Condominium Committee is designated to be the Person to receive service of process. The Committee shall, however, have the right to appoint a successor substitute process agent. Such successor or substitute agent and his/her address shall be specified by an appropriate instrument filed in the office of the County Recorder of Salt Lake County, State of Utah or the Utah State Department of Commerce.

49. Homeowner & Mortgagee Protection: - Notwithstanding anything to the contrary contained in the Declaration:

a) **Adequate reserve fund** - A reserve fund for repair, maintenance and replacement of the Common Areas must be established and where feasible, shall be funded by regular monthly payments rather than by Special Assessments. Funding will be administered in accordance with details contained in the Bylaws

b) **Capital Fund** - There shall be established a working capital fund for the operation of the Complex equal to a minimum amount of two months' estimated Common Area charge for each Unit.

c) **Foreclosure rule** - Any mortgage holder which comes into possession of the Unit pursuant to the remedies provided in the Mortgage or foreclosure of the Mortgage or deed (or assignment in lieu of foreclosure) shall be exempt from any "right of first refusal" or other provisions which may exist relating to sale or lease of the Units in the Complex.

d) **Professional Management termination** - Any agreement for professional management of the Complex, or any other contract providing for services by the Declarant, must provide for termination by either party without cause or payment of a termination fee on ninety (90) days or less written notice and a maximum contract term of three years.

- e) **Loss greater than \$1,000** - In the event of damage to or destruction of any Unit, which loss exceeds one thousand dollars (\$1,000.00) or any part of the Common Areas, which loss exceeds ten thousand dollars (\$10,000.00), the institutional holder of any first mortgage on a Unit shall be entitled to timely written notice to any such damage or destruction. No Unit Owner or other party shall be entitled to priority over such institutional holder with respect to the distribution to such Unit of any insurance proceeds regardless of the amount of loss.
- f) **Loss greater than \$10,000** - 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, which taking of Common Areas exceeds ten thousand dollars (\$10,000.00), or which taking of units exceeds one thousand dollars (\$1,000.00), the institutional holder of any first mortgage of a Unit shall be entitled to timely written notice of any such proceeding or proposed acquisition. No Unit Owner or other party shall have priority over such institutional holder regardless of the amount of the condemnation award with respect to the distribution to such unit of the proceeds of any award or settlement.
- g) **Transient or hotel purpose prohibited** - No Unit Owner shall be permitted to lease or rent his Unit for transient or hotel purposes. No Unit Owner shall lease or rent less than the entire unit. Any lease or rental agreement shall provide that the terms shall be subject in all respects to the provisions of the Declaration and Bylaws and that any failure by the lessee or renter to comply with the terms of such documents shall be a default. All leases or rental agreements shall be in writing.
- h) **Owner to pay fees** - When a Unit Owner rents or leases his Unit, he, the Owner, shall be responsible for the payment of all assessments, fees or dues, as they become due. Unit Owner may arrange with the renter or lessee to pay such assessments, fees or dues. However, in the event the fees are not paid, as due, the Association shall have no duty to collect such from the renter or lessee. The Association shall look to the Owner for such timely payments. The Association will have no requirement to pursue renter or lessee for these funds.
- i) **Fees under foreclosure proceedings** - Each holder of a first mortgage lien on a Unit who obtains title to a Unit by virtue of remedies provided in the Mortgage, including but not limited to, foreclosure of the mortgage, or by deed of assignment in lieu of foreclosure, shall take the Unit free of unpaid charges and shall not be liable for any unpaid claims or assessments and charges against the Unit which accrue prior to the acquisition of title of such Unit by Mortgagee, but shall be required to pay these fees from the 1st day of acquisition of the Unit.
- j) **Notification requirements** - Any holder of the Mortgage is entitled to written notification from the Management Committee of any default by the Mortgagor of such Unit in the performance of such Mortgagor's obligation under the Declaration which is not cured within thirty (30) days.
- k) **Lien filed by management committee** - Any lien which the Management Committee may have on any Unit in the Complex for the non-payment of Common Expense assessments (which includes the monthly assessment) attributable to such Unit will be subordinate to the lien or equivalent security interest of any previously filed lien or Mortgage on the Unit.

- 50. Rules of conduct of Management Committee, & Association:** - Unless at least sixty-seven percent (67%) of the Unit Owners (based on one vote for each Unit owned) have given their prior approval, neither the Committee, nor the Association shall:
- a) **Change of Pro-rata interest** - Change the pro-rata interest or obligation of any Unit for (i) purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards and for (ii) determining the pro-rata share of ownership of each Unit in the appurtenant Common Areas.
 - b) **Partition of Subdivision** - Partition or subdivide any Unit.
 - c) **Changes to Declaration** - Make any material amendment to the Declaration including, but not limited to, any amendment which would change the percentage interests of the Unit Owners in the Common Areas, except as provided in Paragraph 45.
 - d) **Change status of Common areas** - By act or omission, seek to amend partition, subdivide, encumber, sell, abandon or transfer, the Common Areas. (The granting of easements for public utilities or for other public utilities or for other purposes consistent with the intended use of the Common Areas of the Complex shall not be deemed a transfer within the meaning of this subparagraph).
 - e) **Use of Hazard insurance** - Use hazard insurance proceeds for losses to any condominium property (whether to Units or to the Common Areas) for other than the repair, replacement or reconstruction of such improvements, except as provided by statute in cases of substantial loss to the Units and/or the Common Areas of the Complex.
 - f) **Termination of Professional Management** - Terminate Professional Management and assume self-management of the Complex.

51. Examination & Notification

- a) **Holder of 1st Mortgage** - The holders of first mortgages (on trust deeds) shall have the right to examine the books and records of the Complex.
- b) **Change of ownership** - Whenever there is a change of ownership of a Unit, the Management Committee shall require that the new Unit Owner furnish the Committee with a copy of the warrantee deed verifying the transfer of ownership from the seller to the buyer. The new Unit Owner shall also provide the Committee the name of the holder of any mortgage (or trust deed) affecting such Unit and also proof of insurance coverage for the deductible amount of the CCHOA Insurance coverage. The Management Committee or Manager shall maintain a current roster of Unit Owners and of the holders of Mortgages (or trust deed) affecting Units in the Complex. Each Unit Owner is required to notify the Committee of any and all such mortgage holders or trust deed holders. This is not to be construed to give any right to the Management Committee to authorize or not authorize such transaction. It is the obligation to give notice so that any action taken by the Committee can be communicated to the Unit Owners and in addition for the Management Committee to give notice to Mortgagees.

- 52. Duty of Owner to Pay Taxes on Unit Owned:** - It is understood that under the Act each Unit (and its percentage of interest in the Common Areas) in the Complex is subject to separate assessment and taxation of each taxing authority and the special district(s) for all types of taxes and assessments authorized by law, and that as a result thereof no taxes will be assessed or levied against the Complex as such, except for certain personal

properties thereof. Accordingly, each Unit Owner will pay and discharge any and all taxes and assessments which may be assessed against him on his Unit.

- 53. Covenants to Run With Land Compliance:** - This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitude's, as the case may be, and shall be binding upon and shall inure to the benefit of the Association, all parties who hereafter acquire any interest in a Unit or in the Complex, and their respective grantees, transferees, heirs, devisees, personal representatives, successors, and assigns. Each Owner or occupant of a Unit shall comply with, and all interest in all Units shall be subjected to, the terms of the Act, the terms of this Declaration, and the provisions of any rules, regulations, agreements, instruments, and determinations contemplated by this Declaration, and failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Committee on behalf of Unit Owners, or, in a proper case, by an aggrieved Unit Owner. By acquiring any interest in a Unit or in the Complex, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.
- 54. Change in Ownership:** - Any Unit Owner who sells, transfers to a trust, or otherwise disposes of his Unit, shall submit to the Committee pertinent information concerning the transferee or the new occupant, within one week of any such transfer of title or possession. A simplified "Notification of Ownership Change" form, (see Exhibit "C") will be furnished by the Committee. The Unit Owner is to fill out "Section I" with the pertinent information requested. "Section II" will be used by the Committee to welcome the new Owner making sure that copies of "Bylaws" and the "Declaration" are made available.
- 55. Duty of Unit Owners:** - Each Unit Owner shall comply strictly with the provisions of this Declaration and with the Bylaws, administrative rules and regulations drafted pursuant thereto as the same may be lawfully amended from time to time and with the decisions adopted pursuant to this Declaration and the administrative rules and regulations. Failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Management Committee or Manager on behalf of the Unit Owners, or by an aggrieved Unit Owner.
- 56. Indemnification of Management Committee:** - Each member of the Management Committee shall be indemnified and held harmless by the Unit Owners against all costs, expenses, and fees, reasonable incurred by him in connection with any proceeding to which he may become involved by reason of his being or having been a member of said Committee.
- 57. Invalidity:** - The invalidity of any provisions of this Declaration, or any portion thereof, shall not be deemed to impair or affect in any manner the validity, enforceability, or effect of the remainder of this Declaration and, in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.
- 58. Waiver:** - No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

- 59. **Gender:** - The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.
- 60. **Topical Headings:** - The headings appearing at the beginning of the paragraphs of this Declaration are only for convenience of reference and are not intended to describe, interpret, define, limit, extend, or otherwise affect the content, meaning or intent of this Declaration or any paragraph or provision hereof.
- 61. **Conflicts:** - This Declaration is set forth to comply with the requirements of the Act. In the event of any conflict between this Declaration and the provisions of the Act, the provisions of the latter shall control.
- 62. **Effective Date:** - This Declaration shall take effect upon recording in the office of the County Recorder of Salt Lake County, Utah.



EXECUTION OF DOCUMENT

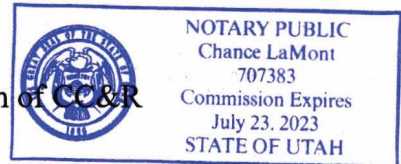
IN WITNESS WHEREOF, the undersigned, being the elected officers of the Cornerstone Condominium Homeowners Association, have caused this instrument to be executed on the 16 day of Sept, 2019.

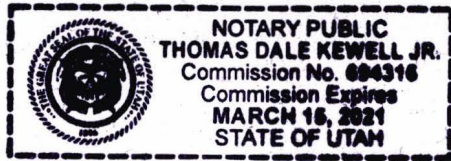
President Sherman White
 1st Vice President Thomas R. Rueckert
 2nd Vice President John Dougall
 Treasurer John Dougall
 Secretary Charles A. Leavitt

STATE OF UTAH }
 County of Salt Lake } SS

On the 16 day of Sept, 2019, personally appeared before me, Thomas Rueckert, John Dougall, Sherman White signers of the within instrument, who duly acknowledged to me that they executed the same.

My commission Expires: 7/23/2023
 Notary Public in and for the State of Utah, Chance LaMont
 residing at Salt Lake County, Utah





STATE OF UTAH }
County of Salt Lake } SS

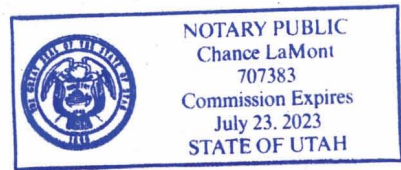
On the 18 day of September 2019, personally appeared before me, a signer of the within instrument, who duly acknowledged to me that John Roberts executed the same.

My commission Expires: 3-15-2021
Notary Public in and for the State of Utah,
residing at South Jordan, Utah

STATE OF UTAH }
County of Salt Lake } SS

On the 18 day of Sept 20 , personally appeared before me, a signer of the within instrument, who duly acknowledged to me that Shorlet Leavitt executed the same.

My commission Expires: 23 July 2023
Notary Public in and for the State of Utah,
residing at South Jordan, Utah



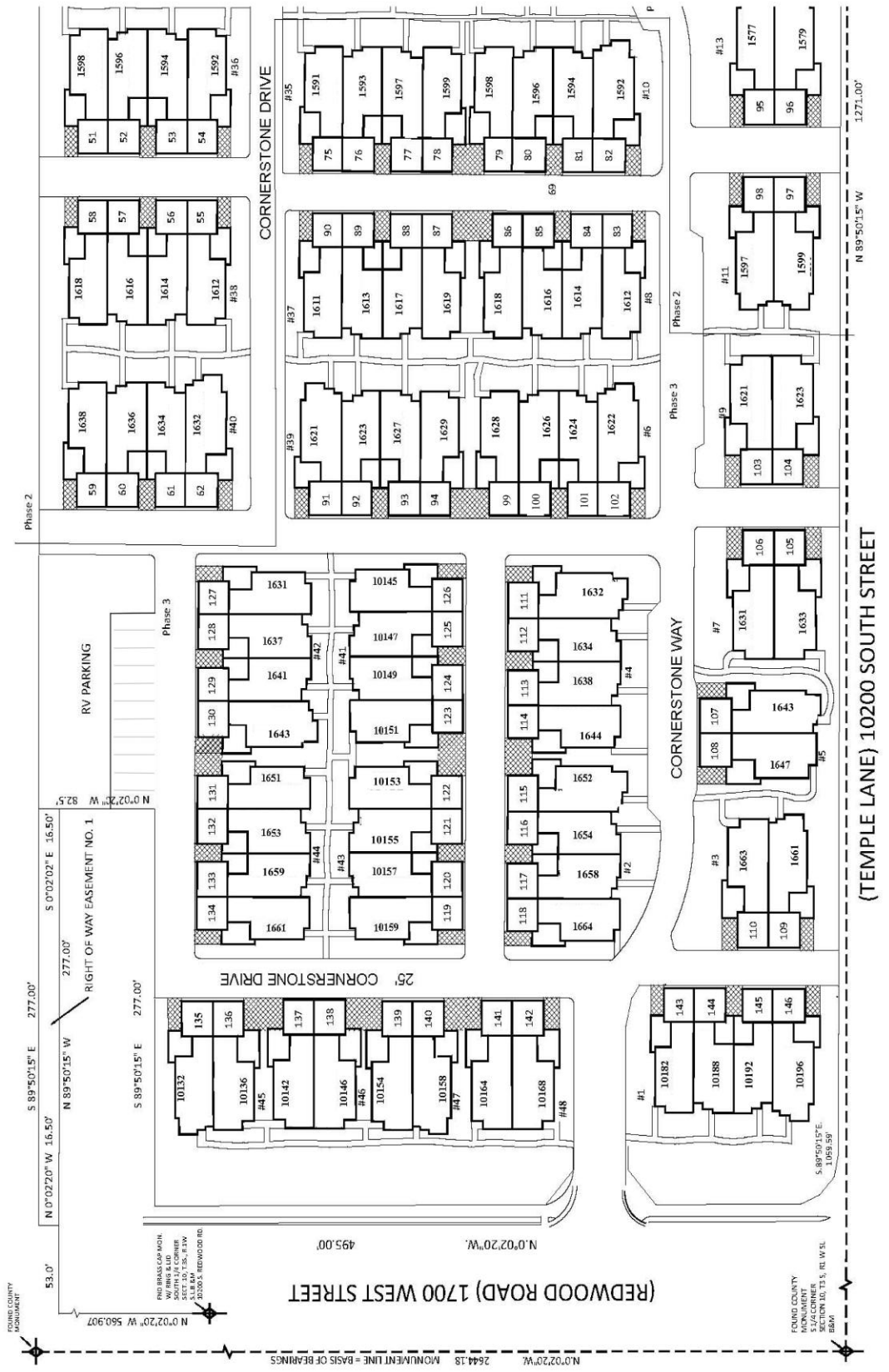
STATE OF UTAH }
County of Salt Lake } SS

On the day of 20 , personally appeared before me, a signer of the within instrument, who duly acknowledged to me that executed the same.

My commission Expires:
Notary Public in and for the State of Utah,
residing at , Utah

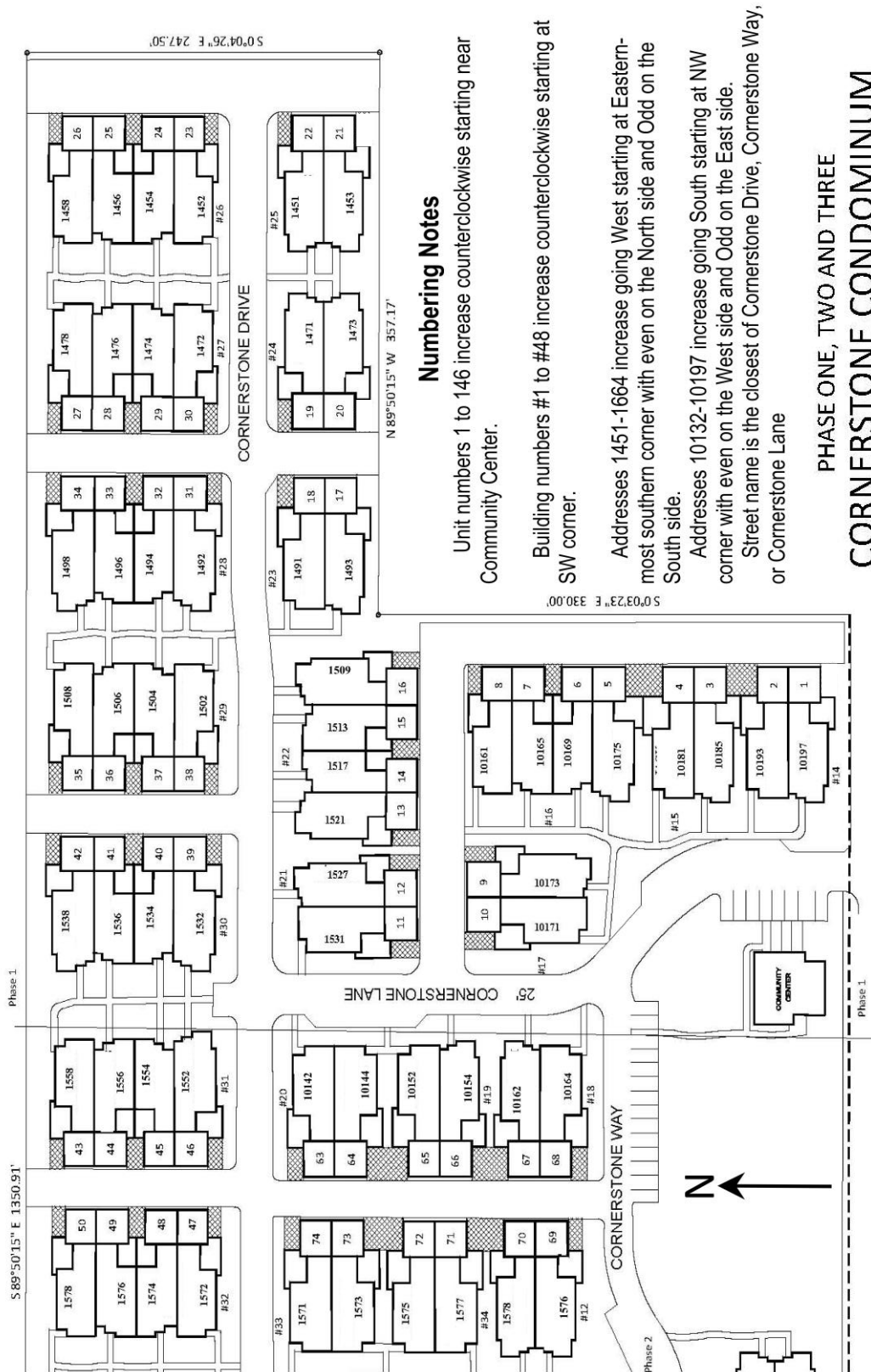
EXHIBIT "A" - COMMUNITY LAYOUT AND SURVEY MAP

THE CORNER



Note: Cross-hatched areas (parking pads) and adjacent blank spaces (patios) adjoining each unit are limited common areas.

STONE RESIDENCE



Note: Cross-hatched areas (parking pads) and adjacent blank spaces (patios) adjoining each unit are limited common areas.

Numbering Notes

Unit numbers 1 to 146 increase counterclockwise starting near Community Center.

Building numbers #1 to #48 increase counterclockwise starting at SW corner.

Addresses 1451-1664 increase going West starting at Eastern-most southern corner with even on the North side and Odd on the South side.

Addresses 10132-10197 increase going South starting at NW corner with even on the West side and Odd on the East side.
Street name is the closest of Cornerstone Drive, Cornerstone Way, or Cornerstone Lane

PHASE ONE, TWO AND THREE CORNERSTONE CONDOMINIUM

A UTAH CONDOMINIUM PROJECT
LOCATED IN THE SOUTHEAST QUARTER OF SECTION 10
TOWNSHIP 3 SOUTH, RANGE 1 WEST, SALT LAKE BASE & MERIDIAN
SOUTH JORDAN, UTAH

Note: Limited Common Area Parking Pads defined in Article I. 9. are not shown in renderings below.

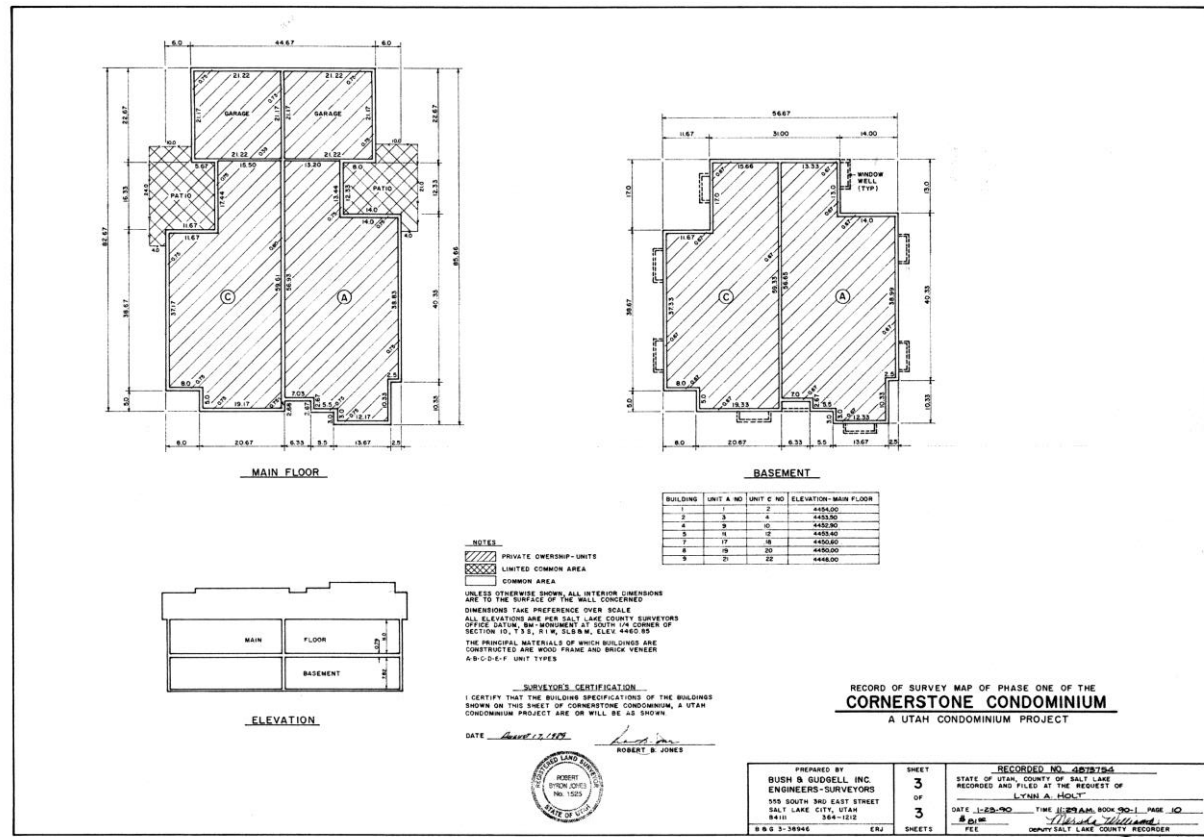
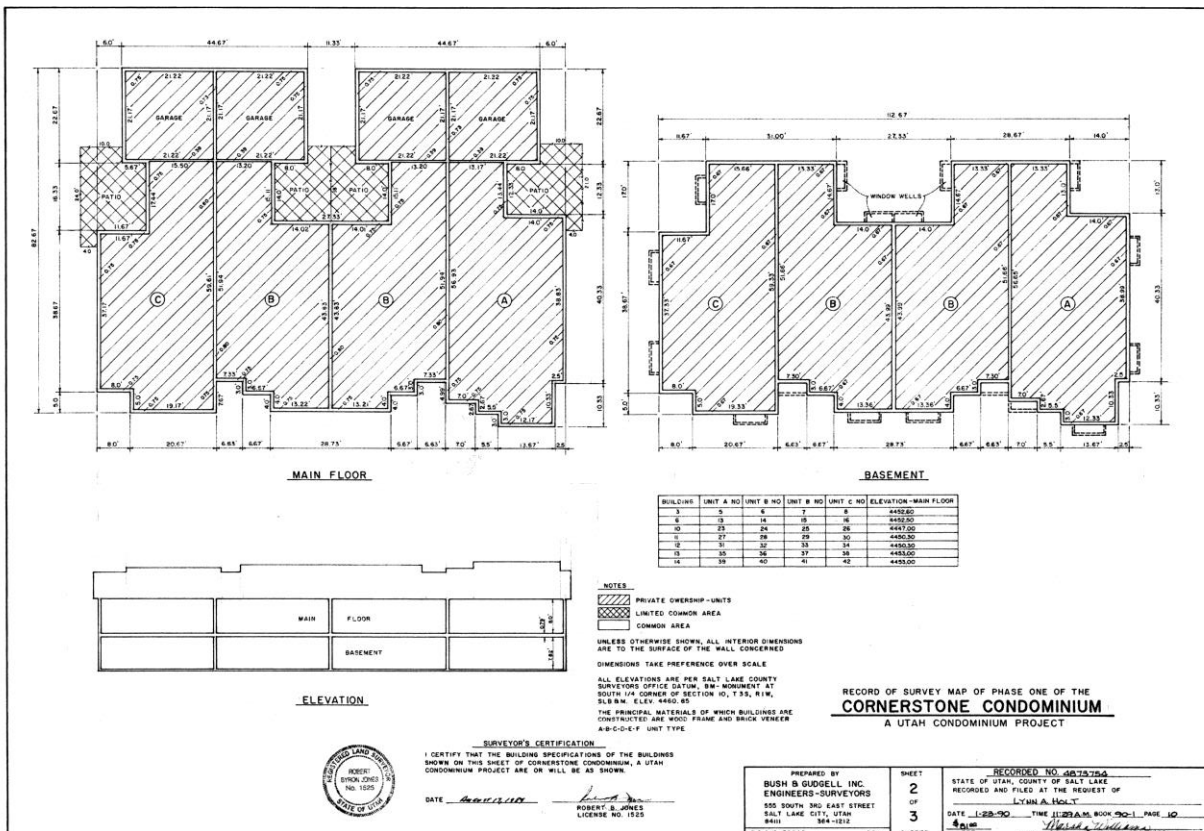


EXHIBIT “B” - UNIT LOCATION, SIZE & PERCENT INTEREST.

Unit No	Bldg No.	Size Main	% Interest		Unit No.	Bldg No.	Size Main	% Interest
1	14	1504	0.6849		27	27	1442	0.6849
2	14	1442	0.6849		28	27	1394	0.6849
3	15	1504	0.6849		29	27	1394	0.6849
4	15	1442	0.6849		30	27	1442	0.6849
5	16	1504	0.6849		31	28	1504	0.6849
6	16	1394	0.6849		32	28	1394	0.6849
7	16	1394	0.6849		33	28	1394	0.6849
8	16	1442	0.6849		34	28	1504	0.6849
9	17	1504	0.6849		35	29	1442	0.6849
10	17	1442	0.6849		36	29	1394	0.6849
11	21	1442	0.6849		37	29	1394	0.6849
12	21	1504	0.6849		38	29	1442	0.6849
13	22	1504	0.6849		39	30	1504	0.6849
14	22	1394	0.6849		40	30	1394	0.6849
15	22	1394	0.6849		41	30	1394	0.6849
16	22	1504	0.6849		42	30	1504	0.6849
17	23	1504	0.6849		43	31	1442	0.6849
18	23	1394	0.6849		44	31	1394	0.6849
19	24	1504	0.6849		45	31	1394	0.6849
20	24	1504	0.6849		46	31	1504	0.6849
21	25	1504	0.6849		47	32	1442	0.6849
22	25	1394	0.6849		48	32	1394	0.6849
23	26	1442	0.6849		49	32	1394	0.6849
24	26	1394	0.6849		50	32	1442	0.6849
25	26	1394	0.6849		51	36	1442	0.6849
26	26	1442	0.6849		52	36	1394	0.6849

Unit No	Bldg No.	Size Main	% Interest		Unit No.	Bldg No.	Size Main	% Interest
53	36	1394	0.6849		81	10	1394	0.6849
54	36	1442	0.6849		82	10	1442	0.6849
55	38	1442	0.6849		83	8	1442	0.6849
56	38	1394	0.6849		84	8	1394	0.6849
57	38	1394	0.6849		85	8	1394	0.6849
58	38	1442	0.6849		86	8	1442	0.6849
59	40	1442	0.6849		87	37	1442	0.6849
60	40	1394	0.6849		88	37	1394	0.6849
61	40	1394	0.6849		89	37	1394	0.6849
62	40	1504	0.6849		90	37	1442	0.6849
63	20	1442	0.6849		91	39	1504	0.6849
64	20	1442	0.6849		92	39	1394	0.6849
65	19	1442	0.6849		93	39	1394	0.6849
66	19	1504	0.6849		94	39	1442	0.6849
67	18	1504	0.6849		95	13	1504	0.6849
68	18	1442	0.6849		96	13	1504	0.6849
69	12	1504	0.6849		97	11	1504	0.6849
70	12	1504	0.6849		98	11	1504	0.6849
71	34	1442	0.6849		99	6	1442	0.6849
72	34	1442	0.6849		100	6	1394	0.6849
73	33	1442	0.6849		101	6	1394	0.6849
74	33	1442	0.6849		102	6	1504	0.6849
75	35	1442	0.6849		103	9	1442	0.6849
76	35	1394	0.6849		104	9	1442	0.6849
77	35	1394	0.6849		105	7	1442	0.6849
78	35	1442	0.6849		106	7	1442	0.6849
79	10	1442	0.6849		107	5	1504	0.6849
80	10	1394	0.6849		108	5	1442	0.6849

Unit No	Bldg No.	Size Main	% Interest		Unit No.	Bldg No.	Size Main	% Interest
109	3	1504	0.6849		128	42	1394	0.6849
110	3	1442	0.6849		129	42	1394	0.6849
111	4	1504	0.6849		130	42	1504	0.6849
112	4	1394	0.6849		131	44	1442	0.6849
113	4	1394	0.6849		132	44	1394	0.6849
114	4	1442	0.6849		133	44	1394	0.6849
115	2	1504	0.6849		134	44	1442	0.6849
116	2	1394	0.6849		135	45	1504	0.6849
117	2	1394	0.6849		136	45	1442	0.6849
118	2	1442	0.6849		137	46	1442	0.6849
119	43	1442	0.6849		138	46	1504	0.6849
120	43	1394	0.6849		139	47	1442	0.6849
121	43	1394	0.6849		140	47	1442	0.6849
122	43	1442	0.6849		141	48	1442	0.6849
123	41	1442	0.6849		142	48	1442	0.6849
124	41	1394	0.6849		143	1	1442	0.6849
125	41	1394	0.6849		144	1	1394	0.6849
126	41	1442	0.6849		145	1	1394	0.6849
127	42	1442	0.6849		146	1	1394	0.6849

EXHIBIT "C" NOTIFICATION OF OWNERSHIP CHANGE
WELCOME TO NEW OWNER – CHECK LIST

Section I. (to be filled in by homeowner selling unit)

Date: _____

Unit No. _____ Building No. _____

Address: _____

Present Owner: _____

New Owner: _____

Mortgagee: (If any) _____

Will New Owner be Occupant? Yes _____ NO _____ Number of occupants _____



Section II:

(To be filled in by Management Committee Member)

WELCOME NEW RESIDENT:

1. Date CC&R's, Bylaws, and Rules and Regulations access given to new owner: _____
2. Website address and means of obtaining printed documents provided: _____
3. The following Rules and Regulations reviewed:
 - a. Use of Club House: _____
 - b. Use of Common Areas: _____
 - c. Use of Owner Parking Pad and mutual agreement when between the two middle of a 4-condo building: _____
 - d. R.V./Overflow parking Rules & Privileges: _____
 - e. Payment of Condo Fees, late fees, and fines: _____
 - f. Over Night Parking rules: _____
 - g. Number of resident animals: _____ Restrictions discussed: _____
 - h. Rabbit figurine in garden, current and planned: _____
4. Copy of Trust/Warranty Deed provided to secretary for HOA files: _____
5. Insurance Coverage:
 - a. By Association
 - b. By Owner (Name of Insurance) _____
 - c. Copy of Condo Insurance Coverage summary provided to secretary: _____
6. Voting Rights: _____
7. Undivided Interest Ownership: _____
8. Purpose of Homeowners' Management Committee: _____

Interview completed by _____

Date of Interview: _____

Signed, New Owner

EXHIBIT "D" - PROXY FACSIMILE

I (we), the undersigned Unit Owners of Cornerstone Condominiums, do hereby appoint as my (our) true and lawful attorney(s) _____, with full power of substitution, for me (us) and in my (our) name to vote according to my (our) proportionate share of ownership in the common area of Cornerstone Condominiums , at the scheduled Homeowners Meeting to be held on ____ day of _____, 20____ at _____ (a.m.)/ (p.m.) at the Cornerstone Condominiums Community Center, or any adjournment thereof, with all the powers the undersigned would possess if personally present. I (we) request my (our) proxy to vote for members of the Management Committee and/or for any other items of business which may properly come before the meeting, or any adjournment thereof as he/she chooses.

This proxy must be signed and delivered to The Cornerstone Condominiums Management Committee Secretary (Name of Secretary) 24 hours before said meeting.

DATED _____ SIGNED _____

UNIT NUMBER _____ PRINT NAME _____



DEC 3 1 1996

UTAH DIV.

CORNERSTONE CONDOMINIUMS HOMEOWNERS ASSOCIATION

(A Utah Nonprofit Corporation)

The undersigned natural person, over the age of 18 years, whose address is set forth herein, acting as incorporator of a nonprofit corporation under the Utah Nonprofit Corporation and Cooperative Association Act {Sections 16-6-18 et seq., Utah Code (1953)) (the "Act"), hereby adopt these Articles of Incorporation for such corporation.

The name of the corporation is Cornerstone Condominiums Homeowners Association. The corporation shall continue in existence perpetually unless dissolved or otherwise terminated according to law.

ARTICLE I

Definitions

When used in these Articles the following terms shall have the meaning indicated:

1.01 Articles shall mean and refer to these Articles of Incorporation of Cornerstone Condominiums Homeowners Association.

1.02 Association shall mean and refer to Cornerstone Condominiums Homeowners Association, the Utah nonprofit corporation which is created by the filing of these Articles.

1.03 Common Areas shall mean all portions of the Development except the actual condominium Units and shall include all property owned by the Association for the Common use and enjoyment of the Owners such as all undedicated roads or driveways, guest parking, open spaces, structural common areas, and the like, together with all easements appurtenant thereto.

1.04 Declaration shall mean and refer to the instrument entitled "Declaration of Covenants, Conditions and Restrictions of Cornerstone Condominiums'.

1.05 Developer shall mean and refer to the persons or entity who have developed Cornerstone Condominiums and their successors or assigns.

1.06 Limited Common Areas shall mean any Common Areas designated for the exclusive use by the Owner of a Unit. Limited Common Areas that are identified on the Plat with the same number or other designation by which a Unit is identified thereon shall be Limited Common Area for the exclusive use of the Owner of the Unit bearing the same number or designation.

1.07 Member shall mean and refer to every person who holds membership in the Association

1.08 Mortgage shall mean any recorded first mortgage or first deed of trust encumbering any Unit.

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1.09 Mortgagee shall mean any mortgagee or beneficiary of a Mortgage.

1.10 Owner shall mean any person who is the owner of record of a fee or undivided fee interest in any Unit, and any contract purchaser of any Unit. Notwithstanding any applicable theory relating to mortgages, no Mortgagee nor any trustee of a Mortgage shall be an Owner unless such party acquires fee title pursuant to foreclosure or sale or conveyance in lieu thereof. Developer shall be an Owner with respect to each Unit owned by Developer. Multiple owners of a Unit shall be jointly and severally liable as to all responsibilities of an Owner.

1.11 Plat shall mean and refer to the subdivision plat covering the property and filed for record in the office of the County Recorder of Salt Lake County, State of Utah.

1.12 Property shall mean and refer to the real property located in the City of South Jordan, Salt Lake County, State of Utah, more particularly described in the Declaration and on the Record of Survey Map.

1.13 Unit shall mean and refer to a condominium which is designed, constructed and intended for use or occupancy as a single-family residence.

ARTICLE II

Powers and Purposes

2.01 Purposes. The Association is organized and shall be operated as a nonprofit corporation for the purpose of owning, maintaining, and administering the Common Areas, collecting and disbursing the assessments and charges provided for in the Declaration, and otherwise administering, enforcing, and carrying out the terms of the Declaration and generally providing for and promoting the interests of Owners and occupants of the Property.

2.02 Powers. The Association shall have all the powers conferred upon it by the Declaration and all powers allowed by law necessary or convenient for accomplishment of any of its purposes, including all powers referred to or described in Section 16-6-22 of the Act.

2.03 Limitations. The Association is not organized for pecuniary profit. Notwithstanding the breadth of the foregoing sections of this Article II: (a) no dividend shall be paid to, no part of the Association's funds shall be distributed to, and no part of any net income of the Association shall inure to the benefit of, any of its Members, Trustees, Officers or any other person; and (b) the powers of the Association shall be subject to all limitations or restrictions contained herein or in the Declaration.

ARTICLE III

Membership and Voting Rights

3.01 Membership. Every Owner shall be a Member of the Association. Membership in the Association shall be mandatory, shall be appurtenant to the Unit in which the Owner holds the necessary interest, and shall not be separated from the Unit to which it appertains. Neither the issuance nor the holding of certificates or shares of stock shall be necessary to evidence membership in the Association. All other matters pertaining to membership in the Association shall be governed by the Association's Bylaws as set forth and embodied in the Declaration.

3.02 Voting Rights. All matters pertaining to Members' voting rights shall be governed by the Association's Bylaws as set forth and embodied in the Declaration.

ARTICLE IV

Members Meetings

All matters pertaining to Member's meetings shall be governed by the Association's Bylaws set forth and embodied in the Declaration.

ARTICLE V

Board of Trustees

5.01 Number, Tenure, and Qualifications. The affairs of the Association shall be managed by a Board of Trustees composed of not less than three (3) individuals who may also be the officers of the Association. The original Developer/Declarant shall not serve as a trustee or officer of the Association for a period of five (5) years beginning January 1, 1997. All matters pertaining to the Board of Trustees shall be governed by the Association's Bylaws.

5.02 Initial Board. The persons who are to serve as the initial Board of Trustees until the next meeting of Members at which a Board of Trustees is to be elected are as follows:

<u>Name</u>	<u>Address</u>
Wallace Gibson	1576 W. Cornerstone Drive South Jordan, Utah 84095
Shorlet Leavitt	1578 W. Cornerstone Drive South Jordan, Utah 84095
Robert Thurman	1618 W Cornerstone Drive South Jordan, Utah 84095

ARTICLE VI

Officers

All matters pertaining to Officers of the Association shall be governed by the Association's Bylaws set forth and embodied in the Declaration.

ARTICLE VII

Incorporator

The name and address of the incorporator of the Association is Robert Thurman, 1618 W. Cornerstone Drive, South Jordan, Utah 84095.

ARTICLE VIII

Registered Agent and Office

John W. Buckley, Attorney at Law, is appointed as the initial registered agent of the Association, and 364 West 3900 North, Provo, Utah 84604 is designated as the initial registered office of the Association.

ARTICLE IX

Miscellaneous

9.01 Principal Office. The principal office of the Association shall be located at 1618 W. Cornerstone Drive, South Jordan, Utah 84095.

9.02 Managing Agent. The Association may carry out through a Managing Agent any of its functions which are properly the subject of delegation. Any Managing Agent so engaged shall be an independent contractor and not an agent or employee of the Association and shall be responsible for managing the Common Areas for the benefit of the Association and the Members, and shall, to the extent permitted by law and the terms of the agreement with the Association, be authorized to perform any of the functions or acts required or permitted to be performed by the Association itself.

9.03 Bylaws and Resolutions. The Board of Trustees and Officers may adopt, amend, and repeal Bylaws or resolutions for regulation and management of the affairs of the Association not inconsistent with these Articles, the Declaration, or the law.

9.04 Transfer of Common Areas. The Board of Trustees and Officers may, in connection with dissolution of the Association or otherwise, dedicate or transfer all or any part of any Common Areas owned by it to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Trustees and Officers. Any such dedication or transfer (other than the granting of reasonable easements for utilities and similar or related purposes) must, however, be consented to in writing by all Mortgagees of the Units and be assented to be at seventy-five percent (75%) of the outstanding votes

in the Association entitled to vote at a meeting duly called for such purpose. Written or printed notice setting forth the purpose of the meeting the action proposed shall be sent to all Members at least ten (10) but not more than thirty (30) days prior to the meeting date.

9.05 Consent in Lieu of Vote. In any case in which these Articles require for authorization or approval of a transaction the assent or affirmative vote of a stated percentage of the votes present or represented at a meeting, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Members entitled to cast at least the stated percentage of all membership votes then outstanding in the Association. The following additional provisions shall govern any application of this Section:

(a) All necessary consents must be obtained prior to the expiration of ninety (90) days after the first consent is given by any Member:

(b) The total number of votes required for the applicable authorization or approval shall be determined as of the date on which the first consent is signed;

(c) Any change in ownership of a Unit which occurs after consent has been obtained from the Member having an interest therein shall not be considered or taken into account for any purpose; and

(d) Unless the consent of all Members whose memberships are appurtenant to the same Unit are secured, the consent of none of such Members shall be effective.

9.06 Amendment. Any amendment to these Articles may be made by a majority of the persons serving as the initial Board of Trustees until June 30, 1997, after which any amendment to these Articles shall require the affirmative vote of Members entitled to exercise at least sixty (60%) of all votes in the Association. Any amendment authorized pursuant to this Section shall be accomplished through the filing with the office of the Utah Division of Corporations and Commercial Code of appropriate articles of amendment executed as required by law. Notwithstanding the provisions of this Section, no amendment to these Articles of Incorporation shall be effective which is inconsistent with the provisions of the Declaration.

9.07 Interpretation. The captions which precede the various portions of these Articles are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, 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 other genders. The invalidity or unenforceability of any provision contained in these Articles shall not affect the validity or enforceability of the remainder hereof. These Articles have been prepared in conjunction with the Declaration and should be read and construed in light of that fact and liberally so as to affect all of the purposes of both instruments. To the extent the Act and any modifications, amendments, and additions thereto are consistent with these Articles and the Declaration, such legislation shall supplement the terms hereof.

IN WITNESS WHEREOF, the undersigned incorporator of the Association executes these Articles of Incorporation and certifies to the truth of the facts herein stated this 30th day of December 1996.

Robert Thurman

ROBERT THURMAN

The registered agent hereby accepts his appointment.

John W. Buckley
JOHN W. BUCKLEY

State of Utah
Department of Commerce
Division of Corporations and Commercial Code

I hereby certify that the foregoing has been filed and approved on the 30th day of December 1996 in the office of this Division and hereby issue this Certificate thereof.

Examiner J. Spork Date 12-31-96



Karla S. Woods
KORLA T. WOODS
Division Director