

**COMMUNITY RULES
FOR
NAYON HEIGHTS CONDOMINIUM**

WHEREAS, as it is the desire of the unit owners, Management Committee of Nayon Heights Condominiums and the residents of Nayon Heights Condominiums to live in a condominium community that is orderly, peaceful and desirable, the Management Committee hereby sees fit to enact Community Rules that will allow for the comfortable enjoyment of all the residents of Nayon Heights Condominium;

WHEREAS, the Management Committee is authorized pursuant to the provisions of paragraph 6(e) of the Condominium Declaration to adopt and enforce rules to govern the affairs and operation of Nayon Heights Condominium Project;

WHEREAS, Nayon Heights has adopted community rules in the past and these rules are in addition to the existing community rules,

THEREFORE, in the interest of the health, safety and welfare of all residents at Nayon Heights Condominiums, it is the intent of Nayon Heights Condominium Management Committee to assess a fine against those unit owners or residents who fail to abide by Nayon Heights Condominium Community Rules. The Management Committee hereby enacts these Community Rules as authorized by the Utah Condominium Ownership Act, U.C.A. § 57-8-1 et seq, and by the Declaration of Condominium and the amendments thereto.

**COMMUNITY RULES PROVIDING
THAT VIOLATORS WILL BE FINED**

1.1 AUTHORIZATION The Management Committee is authorized to assess a fine against unit owners who violate provisions in the condominium association declaration, the bylaws, or the rules and regulations. The assessment of a fine shall be in accordance with the provisions of Utah Code Annotated, § 57-8-37, the provisions of these amended bylaws, and the rules and regulations adopted by the Management Committee.

1.2 WRITTEN NOTICE OF VIOLATION Before assessing a fine, the Management Committee must give a written notice of the violation to the unit owner of the violation and inform the unit owner that a fine will be imposed if the violation is not cured within the time provided in the written notice.

- (A) The written notice shall contain a description or brief summary of the provision, bylaw, rule or regulation that has been violated and a description of the manner in which the bylaw, rule or regulation has been violated.
- (B) If a violation is temporarily cured or stopped, but is repeated by the same unit owner within 90 days of the date a written notice of violation is first served on the unit owner, the Management Committee shall not be required to serve another notice of violation upon the unit owner but may rely upon the notice provided in the first written notice.

1.3 TIME TO CURE In all instances, the violation must be cured within 50 hours of the written notice being delivered to the unit owner or the unit owner's agent, unless such time

reference into the terms of the lease and the unit owner may collect from the resident of his or her unit any fines the unit owner becomes obligated to pay by virtue of the resident's actions. The unit owner shall be responsible for bringing a separate action to collect any such fines from the unit owner's tenant.

1.7 MANAGEMENT COMMITTEE ACTION Any action by the Management Committee involving a Notice of Violation or a Notice of Fine may be taken by any officer or member of the Management Committee if so authorized or ratified by a quorum of the Management Committee. A quorum shall consist of 50% or more of the Management Committee present at a meeting either in person or by telephone conference, or if not present at a meeting, members consenting to the action after conferring with other members of the Management Committee.

1.8 VIOLATIONS FOR WHICH A FINE MAY BE ASSESSED A fine may be assessed for the violation of a provision in the condominium declaration, the bylaws, or the rules or regulations, or for a rule listed on Exhibit "A", which is attached and incorporated by this reference. The list of violations of bylaws, rules or regulations listed on Exhibit "A" may be modified by the Management Committee pursuant to their power to enact rules governing conduct within a condominium project as contained in the Condominium Ownership Act, Utah Code Ann. 57-8-1 through 57-8-37. Only those violations listed on Exhibit "A" and those violations of rules adopted by the Management Committee are the offenses which are subject to a fine. Exhibit "A" is a summary of some of the rules and may be used to incorporate provisions in the declaration, bylaws, or rules and regulations for which a violation may be assessed.

1.9 CONTINUOUS VIOLATIONS Each day (24 hour period) during which a violation of the declaration, the bylaws or the rules and regulations of the association, or the rules listed on Exhibit "A", continues, after the time period expires during which the unit owner is required to cure the violation, constitutes a separate violation and is subject to a fine in the amount listed in Exhibit "A". The violation of a provision in the declaration, the bylaws, a rule or regulation, or of a rule listed on Exhibit "A", which is temporarily cured within the time period required in the Notice of Violation, but which is violated again within 90 days of the date the original Notice of Violation was served, is deemed to be a continuous violation for which another Notice of Violation is not required to be served.

2.0 AMOUNT OF FINES The amount of a fine for a violation of a provision in the declaration, the bylaws, the rules and regulations, or the rules listed on Exhibit "A", shall be in the amount listed on Exhibit "A", but in no case shall a fine exceed \$500.00. A cumulative fine, which is a fine for a violation that is not timely cured or a fine that is repeatedly assessed due to repeated violations for which a Notice of Violation has previously been served, may not exceed \$500.00 per month.

2.1 LATE FEES Fines not paid within 10 days shall accrue interest at the rate of 1% per month and a late fee of \$25.00. An additional late fee shall be assessed for each and every 30 day period the fine remains unpaid after it is due. No interest or late fees may accrue until after a hearing (if requested by the unit owner) has been conducted and a final decision has been rendered by the Management Committee.

EXHIBIT A

AMOUNT OF FINE*			RULE (the following activities are prohibited)
1ST Offense	2ND Offense within 90 days	3RD or more Offense within 90 days	
\$25	\$50	\$90	<ul style="list-style-type: none"> X parking in areas other than marked parking stalls X parking in another's reserved parking stall X parking in front of garbage dumpster X parking in areas marked with "no parking" signs X parking in areas not permitted on the condominium parking map X violation of any parking rule contained in the declaration, bylaws, or condominium rules X parking recreational vehicles or boats on condominium property X parking more cars than the number permitted on condominium property X parking unregistered or inoperable vehicles in the common area for more than 15 days
\$35	\$70	\$100	<ul style="list-style-type: none"> X driving faster than the permitted speed X driving faster than conditions safely permit
\$25	\$50	\$100	<ul style="list-style-type: none"> X performing maintenance or mechanical work on vehicles (including motorcycles & ATV's) in the common area

(k) Each Owner shall have the right to ingress and egress over, upon and across the Common Areas necessary for access to his Unit, and to the Limited Common Areas designated for use in connection with his Unit, and each Owner shall have the right to the horizontal and lateral support of a Unit, and such rights shall be appurtenant to and pass with the title to each Unit.

(l) The Management Committee shall have a 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, including the right to construct and maintain in the Common Areas maintenance and storage facilities for use by the Management Committee.

(m) Easements are reserved through the Project as may be required for utility services.

(n) All conveyances of Units hereafter made, whether by Declarant or otherwise, shall be construed to grant and reserve such reciprocal easements as shall give effect to subparagraphs (i), (j), (k), (l) and (m) above even though no specific reference to such easements or to those subparagraphs appears in any such conveyance.

5. DESCRIPTION OF A UNIT. Every conveyance or contract for the sale of a Unit and every other instrument affecting title to a Unit may describe that Unit by the number shown on the Map with the appropriate reference to the Map and to this Declaration, as each shall appear on the records of the County Recorder of Davis County, Utah, in substantially the following fashion:

UNIT _____ IN BUILDING _____, as shown in the Record of Survey Map for NAYON HEIGHTS CONDOMINIUM, appearing in the records of the County Recorder of Davis County, Utah, in Book _____, Page _____, of Flats, and as defined and described in the Declaration of Condominium for NAYON HEIGHTS CONDOMINIUM, appearing in such records in Book _____, Page _____ of Records, together with an undivided interest in and to the common area as the same is established and identified in the declaration and Map referred to herein-above.

Such description will be construed to describe the Unit, together with the appurtenant undivided interest in the Common Areas, and to incorporate all the rights incident to ownership of a Unit and all the limitations on such ownership as described in this Declaration.

6. MANAGEMENT COMMITTEE, RIGHTS AND OBLIGATIONS.

(a) The business, property and affairs of the Project shall be managed by the Management Committee composed of five members. At the first regular Owners' meeting two Committee members shall be elected for three-years terms, two members for two-year terms, and one member for a one-year term. At each annual Owners meeting thereafter any vacant seat on the Committee shall be filled with a member elected for a three-year term. Members shall serve on the Committee until their successors are elected and qualify. Only Unit Owners and officers, Directors, agents, and employees of owners other than individuals shall be eligible for Committee membership. At the annual meeting each Unit Owner may vote his percentage of undivided ownership interest in favor of as many candidates for Committee membership as there are seats on the Committee to be filled; provided, however, that until the annual Owners meeting held in October of 1976 Declarant alone shall be entitled to select three Committee members. Until the first annual meeting of the Owners, the members of the Committee, although numbering less than five, shall be the following persons and each shall hold the office indicated opposite his name:

EDWIN M. HIGLEY
GREG HIGLEY

CHAIRMAN
SECRETARY-TREASURER

In the event a Committee seat which was filled by Declarant becomes vacant, Declarant shall have the right to select a replacement member to sit on the Committee for the balance of the term associated with the vacated seat. In all other cases of vacancy the remaining Committee members shall elect a replacement to sit on the Committee until the expiration of the term for which the member being replaced was elected.

and the personal obligations of the purchaser shall be released automatically if the statement is not furnished within (10) days period provided herein and thereafter an additional written request is made by such purchaser and is not complied with within ten (10) days, and the purchaser subsequently acquires the Unit.

(i) Subject to the provisions of subparagraph (h), a purchaser of a Unit shall be jointly and severally liable with the seller for all unpaid assessments against the Unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

8. USE OF CONDOMINIUM UNITS.

(a) Each of the 56 Units in the Project is intended to be used for single family residential housing and is restricted to such use.

(b) There shall be no obstruction of the Common Areas by the Owners and/or their guests without the prior written consent of the Management Committee. The Management 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 Management 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 Management Committee.

(c) Nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would result in the cancellation of the insurance on the Project or any part thereof or increase of the rate of the insurance on the Project or any part thereof over what the Management Committee, but for such activity, would pay, without the prior written consent of the Management Committee. Nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Areas or any part thereof shall be committed by any Owner or any invitee of any Owner, and each Owner shall indemnify and hold the Management Committee and the other Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees; provided, however, that any invitee of the Declarant shall not under any circumstances be deemed to be an invitee of any other Owner. No noxious, destructive or offensive activity shall be carried on in any Unit or in the Common Areas or any part thereof, 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 Project.

(d) The Management Committee may by rules and regulations prohibit or limit the raising, breeding, or keeping of animals in any Unit or on the Common Areas or any part thereof.

(e) 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 Management Committee.

(f) Each Owner shall keep the interior of his Unit, including, without limitation, interior walls, windows, glass, ceilings, floors and permanent fixtures and appurtenances thereto, in a clean, sanitary and attractive condition, and good state of repair.

(g) No structural alterations to any Unit shall be made, and no plumbing, electrical or similar work within the Common Areas shall be done, by any Owner without the prior written consent of the Management Committee, except emergency repair.

(h) Notwithstanding anything herein to the contrary, until the Declarant has completed and sold all of the Units, neither the Unit Owners who have purchased Units from the Declarant nor the Management Committee shall interfere with the completion of the contemplated improvements and sale of the Units. The Declarant may make such use of the unsold Units and the Common Areas as may facilitate such completion and sale, including but not limited to, the maintenance of a sales office, the showing of the Units, and the display of signs.

8. COMPENSATION. No compensation shall be paid to the officers for their services as officers. No remuneration shall be paid to an officer for services performed by him for the Management Committee in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Management Committee before the services are undertaken.

VI

ACCOUNTING

1. BOOKS AND ACCOUNTS. The books and accounts of the Management Committee shall be kept under the direction of the Treasurer and in accordance with the reasonable standards of accounting procedures.

2. REPORT. At the close of each accounting year, the books and records of the Management Committee shall be reviewed by a person or firm approved by the Unit Owners. Report of such review shall be prepared and submitted to the Unit Owners at or before the annual meeting of the Unit Owners; provided, however, that a certified audit by a certified public accountant approved by the Unit Owners shall be made if at least 75 per cent of the owners of undivided interest in the Common Areas determine to do so.

3. INSPECTION OF BOOKS. Financial reports, such as are required to be furnished, shall be available at the principal office of the Management Committee or the Manager for inspection at reasonable times by any Unit Owners.

VII

BUILDING RULES

The Management Committee shall have the power to adopt and establish, by resolution, such building, management and operational rules and regulations as it may deem necessary for the maintenance, operation, management and control of the Noyon Heights Condominium Project, and it may from time to time by resolution, alter, amend, and repeal such rules and regulations. Unit Owners shall at all times obey such rules and regulations and use their best efforts to see that they are faithfully observed by their Lessees and the persons over whom they have or may exercise control or supervision, it being clearly understood that such rules and regulations shall be binding upon all Unit Owners of the Condominium Project. Provisions of the Act pertaining to rules and regulations are incorporated herein by reference and shall be deemed a part hereof. Unit Owners shall have the authority to approve or amend such rules and regulations by majority vote at the annual meeting of the Unit Owners.

VIII

AMENDMENT OF BY-LAWS

These By-Laws may be amended at any duly constituted meeting of the Unit Owners called for that purpose by the affirmative vote of at least two-thirds of the ownership in the Common Areas. Notice of such meeting shall be sent to each Unit Owner at least ten days prior to such meeting.

