

BYLAWS
OF THE
VILLA NOVA CONDOMINIUM PROJECT

These Bylaws ("Bylaws") are adopted for the government of the Villa Nova Condominium Project ("Villa Nova") pursuant to the provisions of the Utah Condominium Ownership Act ("Act") and the Declaration of Devcon Industries, Inc. ("Devcon") executed pursuant to the provisions of such Act.

ARTICLE I. DEFINITION OF TERMS

The following terms as used in these Bylaws shall have the same meaning as set forth in Section I of the Enabling Declaration to which these Bylaws are attached as Exhibit B:

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| (a) "Committee" | (f) "Common Areas and Facilities" |
| (b) "Unit Owner or Owner" | (g) "Unit" |
| (c) "Project" | (h) "Record of Survey Map" |
| (d) "Act" | (i) "Mortgage" |
| (e) "Declaration" | (j) "Mortgagee" |

**ARTICLE II. STATUS AND GENERAL AUTHORITY OF
MANAGEMENT COMMITTEE**

The Condominium Project shall be managed, operated and maintained by the Management Committee as agent for the Unit Owners. The Committee shall, in connection with its exercise of any of the powers delineated in subparagraphs (a) through (i) below, constitute a legal entity capable of dealing in its Committee name. The Management Committee shall have, and is hereby granted, the following authority and powers:

- (a) The authority, without the vote or consent of the 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) The authority to execute and record, on behalf of all the Unit Owners, any amendment to the Declaration, Bylaws or Record of Survey Map which has been approved by the vote or consent necessary to authorize such amendment.
- (c) The power to sue and be sued.

- (d) The authority to enter into contracts which in any way concern the Project, so long as any vote or consent of the Unit Owners necessitated by the subject matter of the agreement has been obtained.
- (e) The power and authority to convey or transfer any interest in real property, so long as any vote or consent necessary under the circumstances has been obtained.
- (f) 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) The power and authority to add any interest in real property obtained pursuant to subparagraph (f) above to the Villa Nova Condominium Project, so long as such action has been authorized by the necessary vote or consent and is carried out according to law.
- (h) The authority to promulgate such reasonable rules, regulations, and procedures as may be necessary or desirable to aid the Committee in carrying out any of its functions or to insure that the Project is maintained and used in a manner consistent with the interests of the Unit Owners.
- (i) The power and authority to perform any other acts and to enter into any other transactions which may be reasonably necessary for the Management Committee to perform its functions as agent for the Unit Owners.

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

ARTICLE III. COMPOSITION OF MANAGEMENT COMMITTEE

Until the initial Owners annual meeting is held in May 1975, the Committee shall be composed of four members. From and after said initial Owners meeting, the Committee shall be composed of seven members. At the first regular Owners' meeting three Committee members shall be elected for two-year terms and four members for one-year terms. At each annual Owners' meeting thereafter any vacant seat on the Committee shall be filled with a member elected for a two-year term. Members shall serve on the Committee until their successors are elected and qualify. Only Unit Owners and officers and agents 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 May of 1975 Devcon Industries, Inc. alone shall be entitled to select four Committee members. Until the initial Owners meeting in May of 1975, the members of the Committee shall be the following persons or such other four persons as Devcon Industries, Inc. may designate and each shall hold the office indicated opposite his name:

Dean O. Brand	President
J. Richard Dewhurst	Vice President
John J. Leete	Vice President
Wesley E. Steinburg	Secretary-Treasurer

In the event a Committee seat which was filled by Devcon Industries, Inc. becomes vacant, Devcon Industries, Inc. 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 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. Committee members shall be reimbursed for all expenses reasonably incurred in connection with Committee business. The Committee may fix such compensation for any member as may be reasonable in light of the Committee duties which that member is required to perform.

ARTICLE IV. MEETING OF OWNERS

Section 1: Annual Meeting. “The annual meeting of the Owners shall be held at 7:00 o'clock, P.M., on the 2nd Wednesday of January, beginning January 9, 2002, and at 7:00 o'clock P.M. on 2nd Wednesday of January each year thereafter at the office of the Project or at such other place as shall be stated in the notice of the meeting; provided that whenever such date falls on a legal holiday the meeting shall be held on the next succeeding business day. At such meeting the Owners shall elect Committee members for two-year terms to serve until their successors shall be elected and shall qualify.” (Amended 27 February 2002)

Section 2: Special Meetings. Special meetings of the Owners may be called by the President, by a majority of the Committee members, or by any number of Owners holding at least 33 1/3% of the undivided ownership interest in the Project.

Section 3: Calls and Notices. The calls and notices of all meetings of the Owners shall conform to the provisions of these Bylaws.

Section 4: Presiding Officer. The President, and in his/her absence a Vice President, of the Committee, shall preside at all such meetings.

Section 5: Quorum. At any meeting of the Owners, the holders of 51% or more of the undivided ownership interest in the Project shall constitute a quorum for all purposes.

In the event a quorum is not present at an Owners meeting, whether regular or special, the meeting may be adjourned and rescheduled for a time no earlier than 48 hours, and no later than thirty days, after the time set for the original meeting. "A notice of the scheduled meeting will be furnished to each Owner." (Added by Amendment, 14 June 1995) A quorum for the transaction of business at the rescheduled meeting shall consist of the presence of holders of 25% or more of the undivided ownership interest in the Project.

"If, at the rescheduled meeting a quorum is not present, then any business, which could have been transacted at the original meeting if a quorum had been present, may be transacted at the rescheduled meeting. This permits the election of members to the Management Committee and other basic business." (Added by Amendment, 14 June 1995)

ARTICLE V. MANAGEMENT COMMITTEE

Section 1: Responsibilities. The business and property of the Owners shall be managed by the Committee. The Committee may, however, engage the services of a Project Manager and enter into such management agreement or agreements as it may deem desirable.

Section 2: Regular Meetings. A regular annual meeting of the Committee shall be held immediately after the adjournment of each annual meeting of the Owners at the place at which such Owners' meeting was held. Regular meetings other than the annual meeting shall be held at regular intervals at such place and at such time as the Committee may from time to time by resolution provide.

Section 3: Special Meeting. Special meetings of the Committee shall be held whenever called by the President, the Vice President or a majority of the Committee. By unanimous consent of the Committee members, special meetings may be held without call or notice at any time or place. Notice of all calls and meetings of the Committee shall be as provided in these Bylaws.

Section 4: Quorum. A quorum for the transaction of business at any meeting of the Committee shall consist of a majority of the members then in office.

Section 5: Capital Improvements. "Additions or capital improvements to the Project which cost no more than \$2,000.00 may be authorized by the Management Committee alone." (Amended 14 June 1995) Additions or capital improvements, the cost of which will exceed such amount, must, prior to being constructed, be authorized by holders of at least 51% of the undivided ownership interest in the Project. Any addition or capital improvement which would materially

alter the nature of the Project must, regardless of its cost and prior to being constructed, be authorized by the holders of at *least* 75% of the Project's undivided ownership interest and their respective mortgagees, if any.

Section 6: (Entire section deleted by Amendment, 14 June 1995)

Section 7: (Entire section deleted by Amendment, 14 June 1995)

“Section 8: Restrictions as to Non-Owner Residents: Any Owner of any interest in a Unit having authority to do so, who leases or otherwise make available for the continuing use of anyone other than members of his/her immediate family, shall lease or otherwise make available said unit only to individuals who are members of a single family, as such term is defined by law. Any exception to this provision must be approved by the Management Committee in each instance at least ten (10) days prior to such arrangement taking effect.” (Added by Amendment 24 September 2001)

ARTICLE VI. OFFICERS

Section 1: Selection of Officers. The Committee shall perform its functions through its officers, who shall be appointed by the Committee. Such appointment shall regularly take place at the first meeting of the Committee immediately following the annual meeting of the Owners; provided, however, that such appointment may be made at any other meeting of the Committee.

Section 2: Additional Officers and Agents. The Committee may appoint such other officers and agents in addition to those hereinbelow expressly named as it shall deem necessary and who shall have such authority to perform such duties as may be prescribed from time to time by the Committee.

Section 3: Removal. All officers and agents of the Committee 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.

ARTICLE VII. PRESIDENT

The President shall be the chief executive of the Committee and shall exercise general supervision over the property and affairs of the Project. He/she shall sign all contracts and agreements on behalf of the Committee and shall do and perform all acts and things which the Committee may require of him/her. He/she shall serve without compensation.

ARTICLE VIII. VICE PRESIDENT

“In the event of the President's absence or inability to act, the Vice President(s) shall have the powers of the President in the order of numerical designation, if any (1st Vice President, then 2nd Vice President, etc.). Such Vice President(s) shall serve without compensation.” (Amended 24 September 2001)

ARTICLE IX. SECRETARY

The Secretary shall keep the minutes of the Committee and such records as these Bylaws or any resolution of the Committee may require him/her to keep. He/she shall perform such other services as the Committee may impose upon him/her and shall receive such compensation as the Committee may fix or approve.

ARTICLE X. TREASURER

The Treasurer shall have the custody and control of the funds of the Committee, subject to the action of the Committee, and shall, when requested by the President so to do, report the state of the finances of the Committee at each annual meeting of the Owners and at any meeting of the Committee. He/she shall perform such other services as the Committee may require of him/her and shall receive such compensation as the Committee may fix or approve. He/she shall furnish the Committee with a bond conditioned upon the faithful performance of his/her duties in such amount and with such sureties as the Committee shall require. The offices of Secretary and Treasurer may be held by the same person. “The Treasurer, or Secretary/Treasurer if the offices of Secretary and Treasurer have been combined, shall serve as agent to receive service of process in cases authorized by the act.” (Added by Amendment 24 September 2001)

ARTICLE XI. CALLS AND NOTICES OF MEETINGS

Section 1: Annual Meeting. At least ten (10) but not more than thirty (30) days before the date of the annual meeting of the Owners, the Secretary shall cause a written notice setting forth the time, place and general purpose of the meeting to be delivered personally or deposited in the mail with postage prepaid, addressed to each Owner of record at his last known post office address.

Section 2: Special Meetings. Notice of special meetings of the Owners shall be given to each Owner in writing at least forty-eight (48) hours before the time fixed for the meeting and shall be delivered personally or mailed postage prepaid to each Owner at his last known post office address. No call or

notice of any meeting of Owners shall be necessary if a waiver of call and notice is signed by all of the Owners.

Section 3: Special Committee Meetings. Notice of special meetings of the Committee shall be given to each member orally or in writing at least twenty-four (24) hours before the time fixed for the meeting. No notice need be given of regular meetings of the Committee. No call or notice of any meeting of the Committee shall be necessary if a waiver of call and notice is signed by all of the Committee members.

Section 4: Mailing of Notices. Any written notice called for by the terms of these Bylaws shall be deemed given when either personally delivered to the party to whom said notice is to be given or deposited in the mail with postage prepaid addressed to the party to whom said notice is to be given at his or her last known address.

ARTICLE XII. ANNUAL STATEMENT

The Committee shall present at each annual meeting of the Owners, and when called for by a vote of the Owners at any special meeting, a full and complete statement of the business and condition of the Committee and the Project.

ARTICLE XIII. FISCAL YEAR

“The fiscal year of the Committee shall be June 1st through May 31st beginning June 1st 2002.” (Amended 27 February 2002)

ARTICLE XIV. BUILDING RULES

The Committee shall have the power to adopt and establish by resolution such building, management and operational rules as the Committee shall deem necessary for the maintenance, operation, management and control of the Project, and the Committee may from time to time by resolution alter, amend and repeal such rules.

ARTICLE XV. AMENDMENT OF BYLAWS

These Bylaws may be amended by the affirmative vote of the Owners of more than 75% per cent in interest of the Common Areas and Facilities of the Project at any regular or special meeting of the Owners called and noticed for that purpose; provided, however, that no amendment of Article III hereof shall be effective until May, 1975, unless such amendment shall be approved in writing by Devcon Industries, Inc.

“Amendments to the Bylaws may also be achieved without holding a formal meeting. In those cases, a ballot, stating the changes to the Bylaws, will be delivered to each Owner in person or by mail. These ballots must be signed and returned to the Management Committee by the date specified on the ballot. When 75% of the ballots are in the affirmative, the amendment or amendments is or are approved and will be so recorded at the county seat. This procedure is consistent with Article XXIV of these Bylaws.” (Added by Amendment, 14 June 1995)

ARTICLE XVI. OPERATION AND MAINTENANCE OF CONDOMINIUM PROJECT

The Committee as agent for the Owners shall be responsible for the maintenance, control, operation and management of the Project in accordance with the provisions of the Utah Condominium Ownership Act, the Declaration whereby the Project is established and submitted to the provisions of the Act, these Bylaws, such management agreement as the Committee may enter into, and such building, management and operational rules and regulations as the Committee may from time to time adopt as herein provided, and all agreements and determinations lawfully made and entered into by the Committee.

The Committee shall in this connection provide for the proper and reasonable maintenance, control, operation and management of the Project and of the Common Areas and Facilities appurtenant thereto. The Management Committee shall provide each Unit with water, general repair and maintenance as may be reasonably required for the proper and necessary care, maintenance and repair of all the Common Areas and Facilities.

In addition, the Committee will be responsible for the proper and reasonable painting and repairing of all fences, railings and outside building walls within the project. The Committee shall have no obligation or responsibility with respect to the care or maintenance of the area inside the individual Units. Owners shall be responsible for the cleaning of their respective patios, walls, windows and doors.

ARTICLE XVII.

PAYMENT OF EXPENSES AND DISTRIBUTION OF INCOME

Section 1: General Operating Reserve Fund. Upon the dates the respective Units of the Project are ready for occupancy the Owner or purchaser of each such Unit shall prepay to the Committee the sum of Three Hundred Fifty Dollars (\$350.00) per Unit. The amount so paid shall be used by the Committee for the purpose of establishing a general operating reserve fund for use in connection with the management and operation of the Project. The amount of such fund may be increased or decreased by the Committee from time to time as the Committee may deem advisable. “A portion

of the Reserve Fund shall be maintained in the form of CD's, savings bonds, or other federally insured investments and be designated solely for future emergency repairs of the condominium complex. The total balance in such account(s) shall be \$24,000 by the end of the year 2001 and shall be increased an additional \$3,000 each year thereafter. Withdrawal and use of such funds shall only be upon the affirmative vote of 80% of the Homeowners and shall be only for an emergency. For this purpose, an emergency is defined as an unanticipated expense not otherwise provided for (i.e. insurance coverage) which is required for the proper maintenance, control, operation and management of the Project. In the event of such withdrawal and use, the annual deposit (increase) shall continue to be \$3,000." (Added by Amendment, 24 September 2001)

Section 2: Payment of Expenses. All costs and expenses incurred by the Committee as agent for the Owners in connection with the maintenance, control, operation and management of the Project shall be paid and discharged by the Committee or the Project Manager, if any, from the general operating reserve fund, as the same shall become due and payable. Each Owner shall in turn pay the Project Manager or Committee for his share of said costs and expenses on the basis of such Owner's proportional interest in the Project's Common Areas and Facilities. Such payments by the Owners to the Project Manager or Committee shall be paid monthly in advance and shall be payable on such day and in such amounts as the Committee shall determine; provided, however, that the total amount of all payments required to be paid by any Owner to the Project Manager or Committee during any given year shall not exceed such Owner's proportional part of the actual cost and expenses of the Project during such year.

Section 3: Remedies for Non-Payment of Common Expense. Should any Owner fail to pay his or her share of the common expenses at the time the same become due, the Committee shall be and is hereby authorized and empowered for and on behalf of the Owners to enforce any right or remedy authorized by the Act, the Declaration, these Bylaws, the Management Agreement or any other instrument respecting such payment, right or remedy, as provided by law.

Regardless of the terms of any agreement to which the Committee is not a party, liability for the payment of the 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. Except that any person or entity purchasing a Unit pursuant to a mortgage foreclosure or trust deed sale shall not be liable for such common expenses except on a

pro rata basis with other Unit Owners. Any relief obtained, whether or not through foreclosure proceedings, shall include the Committee's costs and expenses and reasonable attorney's fee.

In the event of foreclosure, after the institution of the action, the Unit Owner shall pay a reasonable rental for the use of the Unit and the Committee shall, without regard for 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.

ARTICLE XVIII. ANNUAL BUDGET

“On or before the 1st day of May, 2002, and on or before the first day of May of each year thereafter, the Committee shall prepare an operating budget setting forth an itemized statement of the anticipated receipts and disbursements for the coming calendar year and taking into account the general condition of the Project. Each such budget, together with a written statement from the Committee outlining a plan of operation for the year in question and justifying in every important particular the estimates made, shall be submitted to the Owners in final draft on May 8, 2002, and on the 2nd Wednesday of May each year thereafter. The budget, with any changes therein, shall be adopted by the Owners at this meeting. Said operating budget shall serve as a supporting document for the schedule of proposed monthly assessments for the annual period for which it is prepared. Said budget shall also constitute a major guideline under which the Committee and the Project Manager, if any, shall operate during such annual period, and there shall be no substantial variances therefrom, except in the case of emergencies, without the approval and consent of the Committee.” (Amended 27 Feb 2002)

ARTICLE XIX. TAXES AND INSURANCE

Section 1:- Taxes. It is acknowledged that under the Utah Condominium Ownership Act each of the Units and each of the Units' percentage of undivided interest in the Common Areas and Facilities of the Project are subject to separate assessment and taxation by each assessing unit and special district, for all types of taxes authorized by law, and that as a result thereof no taxes will be assessed or payable against the Project as such. Each Owner will therefore pay and discharge any and all taxes which may be assessed against any Unit of which he/she is the Owner, and against the percentage of undivided interest in the Common Areas and Facilities of the Project, and against any items of personal property located in or upon any Unit of which he is the Owner.

Section 2: Insurance. “The Committee shall secure and maintain the following insurance coverage on the Project:

A. A policy or policies of fire and extended casualty insurance as provided in paragraph 11, Section III of the Declaration, with extended coverage endorsement, for the full insurable value of the Units and the Common Areas and Facilities of the Project or such other fire and casualty insurance as the Committee shall determine to be necessary to provide substantially equal protection to the Owners, and their mortgagees, as their respective interests may appear. Said policy or policies shall provide coverage for the structural portions of all buildings, including the roofs and exterior walls as well as the interior portion of the unit to include walls, cabinets, fixtures, carpets and any and all other items attached to and thereby considered to be a permanent part of the building. Unless a specific endorsement covering them is needed, such policy shall not include major appliances including, but not limited to dishwashers, refrigerators, air conditioners, furnaces, water softeners, etc. Said policy or policies shall provide for a separate loss payment endorsement in favor of the mortgagee or mortgagees of each Unit, if any. The Committee shall review all policies of insurance required hereunder at least annually and as to fire and extended coverage. Such review shall include an appraisal of the improvements in the Project by a representative of the insurance company writing the master policy on the Project.

B. A policy or policies as provided in paragraph 11, Article III of the Declaration insuring the Committee, the Owners and the Project Manager, if any, against any liability to the public or to the Owners of Units and of the Common Areas and Facilities, and their invitees, or tenants, incident to the ownership and/or use of the Project; and including the personal liability exposure of the Owners. Limits of liability under such insurance shall not be less than Three Hundred Thousand Dollars (\$300,000.00) or any one person injured, in any one accident, nor less than One Million Five Hundred Thousand Dollars (\$1,500,000.00) for all persons injured, in any one accident, and shall not be less than One Hundred Thousand Dollars (\$100,000.00) for each occurrence of property damage. Such limits and coverage shall be reviewed at least annually by the Committee and increased in its discretion. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross liability endorsements wherein the rights of named insureds under the policy or policies shall not be prejudiced as respects his, her or their action against another named insured.

C. The Committee shall obtain and maintain at all times insurance of the type and kind and in at least the amounts provided hereinabove, and including insurance for such other risks, of a similar or dissimilar nature, as are or shall hereafter customarily be covered with

respect to the other condominium projects similar in construction, design and use, which insurance shall be governed by the following provisions:

- (1) All policies shall be secured with a Company licensed to do business in the State of Utah and holding a rating of "AA" or better by Best's Insurance Reports;
- (2) Authority to adjust losses under policies hereafter in-force in the Project shall be vested in the Committee or its authorized representative;
- (3) In no event shall the insurance coverage obtained and maintained by the Committee hereunder be brought into contribution with insurance purchased by individual Owners or their mortgagees;
- (4) The Committee shall be required to make every effort to secure insurance policies that will provide:
 - (a) A waiver of subrogation by the insurer as to any claim against the Committee, the Project Manager, if any, the Owners and their respective servants, agents and guests;
 - (b) That the master policy on the Project cannot be cancelled, invalidated or suspended on account of the conduct of any one or more individual Owners;
 - (c) That the policy cannot be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Committee or Project Manager without a prior demand in writing that the Committee or Project Manager cure the defect;
 - (d) That any "no other insurance" clause in the master policy exclude individual Owners' policies from consideration.

D. Any owner who obtains or makes changes to individual insurance policies covering any portion of the Project other than personal property belonging to such Owner shall be required to file a copy of such individual policy or policies with the Committee within thirty (30) days after purchase of such insurance.

E. Each Owner is encouraged to obtain an additional insurance policy to provide coverage for "Personal Property" in the Unit (such insurance sometimes referred to as "Contents Coverage") in a minimal amount to be determined by the Committee during its annual review of insurance coverage as required herein. Thereafter, the Committee shall notify each Owner of the recommended amount of such coverage to be maintained by the Owner at all times. The "Management Committee as Trustees for each of the Unit Owners" shall be named as an additional insured on said policy or else as "Certificate of Change or Renewal" and the Committee shall be provided a copy of said policy or certificate. Building property coverage may also be elected by the Owner. Should any Owner elect **not** to provide said insurance coverage, each such Owner shall execute a statement acknowledging and accepting

responsibility for the payment, in cash, of the amount of the deductible amount referred to for any such loss or claim pertaining to said Unit(s). **Violation of this provision by a Unit Owner is subject to and shall result in the imposition of a fine by the Committee in any amount authorized under statutory provisions then in force. Imposition of said fine shall be in accordance with the Unit Owners Association Rules enacted by the Committee and in effect at the time any such violation(s) shall occur.** It is understood, however, that no Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Committee, in behalf of all of the Owners, may realize under any insurance policy which the Committee may have in force on the Project at any particular time.

F. In the event the policy or policies described herein shall have specified deductible amount provisions, the payment of said deductible amount for each claim submitted shall be considered a common expense for all Unit Owners unless resulting from the actions or negligence of particular Unit Owner(s), guests or invitees, in which event the deductible amount shall be the responsibility of the Unit Owner(s) involved. When the Committee has made a determination of Unit Owner(s) responsibility, the amount of the deductible amount shall be considered a special assessment by the Committee and shall be payable and recoverable in the same manner as for any common expenses or as specified by the Committee.

G. Any and all claims under the policy or policies described herein shall be filed first with the Committee. Determination shall there be made as to whether such claim(s) should be paid as common expenses by the Unit Owners Association. If not, the Committee shall promptly file such claim(s) with the carrier of said policy or policies. In no event shall the Committee unreasonably delay action on such claim(s) considering all the factors pertaining thereto.” (All of Article XIX (Taxes and Insurance) Section 2: Insurance above amended 27 February 2002)

ARTICLE XX. PROJECT MANAGER

The Committee may employ a Project Manager for the Project under a management agreement containing such terms and conditions as the Committee shall deem to be in the interest of the Owners. Such Project Manager shall be responsible for managing the Project for and in behalf of the Owners in accordance with these Bylaws, the Act, the Declaration and said management agreement. It is acknowledged that a management agreement is presently being entered into with Devcon Industries, Inc. for the management of the Project for a three (3) year period commencing on the 1st day of January 1974.

ARTICLE XXI. RIGHT OF ENTRY

Section 1: By the Committee. The Committee and its duly authorized agents shall have the right to enter any and all of said Units in case of an emergency originating in or threatening such Unit or any part of the Project, whether the Owner or occupant thereof is present at the time or not. The Committee and its duly authorized agent shall also have the right to enter any and all of said Units at all reasonable times as required for the purpose of making necessary repairs on the Common Areas and Facilities of the project.

Section 2: By Committee and Project Manager. The Committee and/or the Project Manager and their duly authorized agents and representatives shall have the right to enter any of said Units contained within the Project for the purpose of performing emergency installations, alterations or repairs to the mechanical or electrical devices or installations located therein or thereon; provided, however, that such emergency installations, alterations or repairs are necessary to prevent damage or threatened damage to other Units in the Project, and provided further that the Owner affected by such entry shall first be notified thereof if available and if time permits.

ARTICLE XXII. REIMBURSEMENT FOR DAMAGES

Each Owner shall promptly perform or cause to be performed all maintenance and repair work within any Unit owned by him/her, which if omitted will adversely affect the building in which said Unit is located in its entirety or any part of the Project and shall be liable in damages for any failure on his/her part so to do. Each Owner shall also reimburse the Committee for the full value of any repairs or replacements to the Common Areas and Facilities made necessary through the negligence or fault of such Owner or such Owner's tenants.

ARTICLE XXIII. NUISANCES

No Owner or occupant shall cause, permit or suffer any nuisance to be created or carried on in any Unit of which he is the Owner or occupant.

ARTICLE XXIV. CONSENT EQUIVALENT TO VOTE

In those cases in which the Act, the Declaration or these Bylaws require the vote of a stated percentage of the Project's undivided ownership interest for the authorization or approval of a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Unit Owners who collectively hold at least the necessary percentage of undivided ownership interest. Provided, however, that where such action

would materially affect the rights of a Unit mortgagee, the consent of such mortgagee must also be obtained before such transaction may be affected.

ARTICLE XXV. USE AND OCCUPANCY

Section 1: Obstruction of Common Areas and Facilities. No Owner shall cause or allow nor permit any person over whom he has or may exercise supervision or control to cause or allow any exit, entrance, roadway, driveway, or sidewalk or any other Common Area or Facility in or on the Project to be obstructed or to be used for any purpose other than one consistent with its intended use as a Common Area or Facility.

Section 2: Use of Units. No Owner or occupant of any of said Units shall, without the prior written consent of the Committee, occupy or use any of said Units or permit any person over whom such Owner or occupant has or may exercise supervision and control to occupy or use the same for any purpose other than a private dwelling or to permit or suffer anything to be done or kept in or on any of said Units which would constitute a nuisance or violation of any law, ordinance or regulation which would increase the rate of fire insurance on the Project or which might otherwise interfere with the rights of other Owners or occupants of the Project. No advertisement or illumination shall be inscribed or exposed on or at any window, door or outside wall of the Project. The balcony, patio, the carports and the storage area pertaining to each Unit are for the exclusive use of the owner of the Unit except in cases of fire or other emergency.

Section 3: Maintenance of Units. Each Owner or occupant of any of said Units shall at such Owner's or occupant's sole cost and expense maintain the interior of such Unit and its equipment and appurtenances in good order, condition or repair and in a clean and sanitary condition, and do all redecorating, painting or varnishing which may at any time be necessary to maintain such Unit in a clean and attractive condition. No such Owner or occupant shall, however, without the prior written consent of the Committee make or permit to be made any structural alteration, improvement or addition in or to any of said Units which would adversely affect the construction, design or appearance of the building in which said Unit is situated or any other Unit. No shade, awnings or window guards shall be used on the outside of any building contained within the Project without the prior written approval of the Committee. No radio or TV antenna or aerial shall be installed on the outside of any building contained within the Project without the prior written consent of the Committee.

Section 4: Pets. Dogs, cats, birds, fish, and similar household pets, may be housed in the individual Units. Provided, however, that all such pets shall be on a leash, in a cage or otherwise so restrained when in the Common Area and Facilities and shall at no time be allowed in the pool or picnic areas or in the recreational building. The Owner shall indemnify the Committee and hold it

harmless against any loss or liability of any kind or character whatsoever arising from or growing out of having any animal or pet in, on or about the Project.

Section 5: No Waiver of Strict Performance. The failure on the part of the Committee to insist in one or more instances upon a strict performance of any of the terms, covenants or conditions of the aforesaid Act, Declaration, Record of Survey Map, management agreement, rules, regulations, agreements, determinations and these Bylaws or to exercise any right or option therein contained shall not constitute nor be construed as a waiver or relinquishment of any other right which the Committee may have hereunder or which it may hereafter acquire.

ARTICLE XXVI. PARTIAL INVALIDITY

If any provisions of these Bylaws are held invalid, such determination shall not affect the remaining provisions hereof.

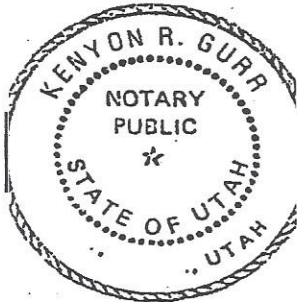
ADOPTED AND APPROVED THIS 14th day of May 1974, by the
Management Committee of the Villa Nova Condominium Project.

s/ _____
Dean O. Brand, President

s/ _____
Wesley E. Steinburg, Secretary-Treasurer

STATE OF UTAH
COUNTY OF DAVIS

On the 14th day of May, A.D. 1974, personally appeared before me DEAN O. BRAND and WESLEY E. STEINBURG, who being by me duly sworn, did say, each for himself, that he, the said DEAN O. BRAND is the President, and he, the said WESLEY E. STEINBURG, is the Secretary-Treasurer of DEVCON INDUSTRIES, INC., the within named corporation, and that they signed the within instrument for and on behalf of said corporation by authority of a Resolution of its Board of Directors, and said DEAN O. BRAND and WESLEY E. STEINBURG each duly acknowledged to me that said corporation executed the same.



NOTARY PUBLIC

Residing at: Bountiful, Utah

My Com. Expires: April 4, 1978