

**DECLARATION
FOR
WILSON CABIN ASSOCIATION (WCA)**

DECLARATION

Having been born of good and honorable parents, we the posterity of Jesse Stephen Wilson and Lilith Porter Wilson, desire to subscribe to principles that will promote vision, unity, and communication among current and future family members and visitors for the stewardship of our inheritance which was given to us by Jesse and Lilith Wilson for our “perpetual enjoyment and improvement”.

As part of that perpetual enjoyment and improvement, each of the 13 children of Jesse and Lilith Wilson may choose a lot for the purpose of constructing a cabin on the Property of SUNSET CLIFFS, INC (SCI). The present structure of SCI calls for the lot to be a 99 year lease on a 10,000 square foot lot.

WHEREAS it is desired that there be an active cabin owners association for direction, consensus and approval of matters related to cabin and common activity areas, this Declaration and Articles are proposed, for and in behalf of itself and its successors and assigns:

**ARTICLE I
PURPOSE, NAME, CONDITIONS**

Sunset Cliffs Inc. is the sole owner of the real property located in the County of Garfield, State of Utah, commonly known as Wilson Canyon. Sunset Cliffs, Inc. hereby grants LEASES for cabin lots as defined in the Lease Agreement found in Exhibit A attached hereto and made a part hereof. Said leases shall be held in the bloodline as heretofore defined and subject to the covenants, conditions, and restrictions, which shall run with the lease and activity use, and bind all parties having any right, title or interest in the cabin association.

Sunset Cliffs Inc. hereby submits for governance the cabins, lots, and common areas, heretofore known as Wilson Cabin Association (WCA) and declares that such governance shall run with the covenants, conditions, and restrictions, of this Declaration.

Pursuant to the desires of the stockholders of Sunset Cliffs Inc., all cabins, cabin lots, the bowery, bathhouse and common activity areas and activities, as defined in this Declaration with its addendums, which occur on the said Sunset Cliffs property, are made subject to this Declaration and its governing principles.

**ARTICLE II
DEFINITIONS**

Basic Definitions. For purposes of this Declaration, the following terms shall have the meanings indicated:

“**Articles**” means the Articles of Incorporation of the Association, as the same may be amended from time to time.

“**Assessment**” means an Initial and Transfer Assessment, a Special Assessment, a Default Assessment levied pursuant to Article VII, a General Assessment, and a Camping and Activity Donation.

“**Association**” means Wilson Cabin Association.

“**Association Documents**” are those defined in Article IV, Association Documents.

“**Bloodline**” means direct descendents of Jesse and Lilith Wilson. Whereas marriage constitutes one entity in the principles the family subscribes to, bloodline infers and includes the spouse of said descendent in the Cabin Association. In the event of a divorce, leases shall revert to the bloodline descendent of Jesse and Lilith Wilson.

“**Common Areas**” means bowery, bathhouse, common storage units, camping sites and other common activity areas including Limited Common Areas, together with all improvements located thereon; provided, the Common Areas shall not include any Cabin lot.

“**Common Expenses**” means any and all costs, expenses and liabilities incurred by or on behalf of the Association, for (i) managing, operating, maintaining, repairing, altering and improving the Common Areas and Limited Common Areas; (ii)

administering and enforcing the covenants, conditions, and restrictions created hereby; (iii) levying, collecting and enforcing the Assessments and Fines imposed pursuant hereto; and (iv) operating the Association.

“**Declarant**” means the Wilson Cabin Association Declaration and its successors and assigns.

“**Declaration**” means this Wilson Cabin Association Declaration.

“**Executive Board**” means the elected Board of the Association.

“**Limited Common Area**” means the areas of the Property, which are reserved for use exclusively in connection with group activities, camping, parking, and storage units.

“**Owner**” means the record holder of legal leasing of a lot in the Wilson Cabin Association.

“**Property**” means the Wilson Cabin Association property for cabins, lots, and associated Common Areas and Limited Common Areas.

“**Rules and Regulations**” means any instruments adopted by the Association for the regulation and management of the Property as heretofore defined, as the same may be amended from time to time.

“**Unit**” means an individual residential dwelling or lot designated as a Unit in the Cabin Association.

“**Variiances**” means approval applied for with the Executive Board and the SCI Board for any construction allowed beyond the 10,000 sq. ft. leased lot.

ARTICLE III UNITS AND COMMON AREAS

Units. SCI hereby designates (13) Units which may be constructed within the Property. The Homeowners Association understands that SCI reserves the right to construct additional Units.

All Units will be in accordance with the lease provision provided for the 13 children of Jesse S. and Lilith P. Wilson.

Location of Units. The Executive Board or their appointed committee must approve construction plans.

Description of Units. The Units shall consist of cabins, lots and future storage units in the form of storage garages. Approval by the board, as noted in Article IX, of plans for construction of a Unit is necessary before beginning said construction.

Separate Taxation of Units. Each individual dwelling and storage unit constitutes a separate parcel of real estate and will be separately assessed and taxed. Lessees shall be responsible for real estate taxes assessed on Units.

Ownership of Units. Ownership of Units is passed down in direct line unless descendants determine they no longer have interest in ownership of said Unit. In such event, ownership may be sold to others in the bloodline of Jesse and Lilith. In the which, said parties work out the value, conditions and amenities of the sale. The Unit owner also has the option of letting the Unit revert to SCI whereupon it becomes a Community Unit, which can be scheduled for use through WCA.

Description of Common Areas. All areas not associated with one of the thirteen cabins or lots shall be considered in the Common Area heretofore described.

Governance of Common Areas. The Common Areas shall be governed by the owners of all the Units as tenants in common.

ARTICLE IV THE ASSOCIATION

Formation of the Association. Authority to form an executive committee is granted under SCI Bylaws, Article VII, Section 7.01. Cabin owners deem it desirable to constitute said committee in the form of a Cabin Association.

Purposes. The Association’s purposes are (i) to manage, operate, construct, improve, alter and maintain the Common Areas and Limited Common Areas; (ii) to administer and enforce the covenants, conditions and restrictions created hereby; (iii) to levy, collect and enforce the Assessments, Memberships, donations and liens imposed pursuant hereto; and (iv) to regulate and manage the Association.

Powers. The Association operates under Sunset Cliffs, Inc. Desired actions outside those expressly defined within this document as WCA responsibilities, will be submitted to the President of Sunset Cliffs, Inc. for consideration by the acting Board of Directors before executing said actions. Upon agreement of the two boards, per request, and unless expressly prohibited by law or any Association Documents, the Association may then (i) take any and all actions that it deems necessary or advisable to fulfill its purposes, and (ii) SCI may exercise all powers that may be exercised in Utah by nonprofit corporations.

Association Documents. The Association documents shall consist of (i) a Governing Principles document; (ii) this Declaration with its associated Articles; (iii) addendums under Exhibits which include but are not limited to: maps, copy of lease agreement, rules and regulations, copy of warranty and quit claim deeds, and a copy of hold harmless agreement.

Books and Records. Upon request the Association shall allow Lessees and their respective agents to inspect current copies of the Association Documents and the books, records, budgets and financial statements of the Association.

Personal Liability and Indemnification. To the full extent permitted by applicable law, no officer of the Association and or employee, agent or committee member of the Association shall be personally liable to the Association or any Owner for any injury, damage, loss, cost or expense suffered or incurred by reason of an act or omission of such officer, employee, agent or committee member, unless a court of competent jurisdiction find that the act or omission of such officer, employee, agent or committee member was wanton and willful.

ARTICLE V MEMBERSHIP IN THE ASSOCIATION

Membership. By virtue of the fact that all 13 descendents of Jesse and Lilith have ownership in a cabin, either one of their own or through a shared cabin, all 13 shall have membership in the Association. A Membership may not be separated from the Unit to which it is appurtenant. If ownership in a Unit becomes a shared ownership by siblings of the 13 descendents, such shared owners shall have one Membership.

If a Membership is transferred or encumbered, through sale to other descendents, an Initial Assessment will apply to the Unit to which the Membership is appurtenant.

Voting. Each Unit shall be entitled to two votes. Posterity associated with the Unit to which the Membership is appurtenant may not vote. Fractional voting shall not be allowed. If the Owners and their posterity of a Unit cannot agree among themselves as to how to cast their vote when they are required to cast their vote on a particular matter, they shall lose their right to vote on such matter. If any Owner casts a vote representing a certain Membership, it will thereafter be conclusively presumed for all purposes that the Owner was acting with the authority and consent of all other Owners with whom such Owner shares the Membership, unless objection thereto is made to the chairperson of the meeting at the time the vote is cast. If more than two votes is cast per Unit, none of such votes shall be counted and all of such votes shall be deemed null and void.

In any election of members to the Executive Board, every Membership shall have the number of votes equal to the number of members to be elected to the Executive Board by such election. Cumulative voting shall not be allowed in the election of members to the Executive Board or for any other purpose.

ARTICLE VI EXECUTIVE BOARD

Powers of the Executive Board. Except as provided in this Declaration and its Articles, the Executive Board may act on behalf of the Association in all instances.

The Executive Board may not act on behalf of the Association to (i) amend this Declaration; (ii) terminate this Declaration; (iii) elect members to the Executive Board, other than to fill a vacancy for the unexpired portion of a Trustee's term; or (iv) determine the qualifications, powers and duties, or terms of office, of members.

Removal of Members of the Executive Board. Notwithstanding any provision of this Declaration or any other Association Document to the contrary, the members, by a vote of at least 66 2/3 % of all Memberships represented (in person or by proxy) and entitled to vote at any meeting at which a quorum is present, may remove any member, with or without cause.

Professional Management of the Property. The Executive Board may enter service and management agreements and grant variances for the Property upon approval by the SCI Board. The term of any service or management contract may not exceed three years. In addition, any such service or management contract must provide for termination by either party without cause and without payment of a termination fee on 30 days or less written notice.

ARTICLE VII ASSESSMENTS, DONATIONS, COMMON EXPENSES, BUDGETS AND LIENS

Assessments. Each member, hereby covenants and agrees, and each Cabin Owner shall be deemed to have covenanted and agreed, to pay to the Association all Assessments; that the Association is required or permitted to levy or impose on such Owner or such Owner's Unit pursuant to this Declaration or any other Association Document.

No Owner shall be exempt from liability for any such Assessment or other charge by waiving the use or enjoyment of the Common Areas, or any portion thereof, or by abandoning a Unit against which such Assessments or other charges are made.

Initial and Transfer Assessments. Upon the lease and construction of a new lot and construction of a cabin, there shall be automatically levied a one-time assessment against such Unit of \$250.00. The association will place the assessment in the Common Expenses account. The same assessment will also be applied to transfer of cabin ownership through sale to another descendent.

Special Assessments. An assessment levied for a particular project, which has been approved and ratified by Association members.

Default Assessments. Notwithstanding anything to the contrary contained herein, if any common expense is caused by the negligence or misconduct of Unit lessee, his family members, guests, agents or Association Members, the association may levy an Assessment against such for the amount of such common expense.

General Assessments. After the Owners and Members ratify an annual budget, the Association may levy an assessment for Common Expenses on each Unit and Association member. (see Budgets and Liens)

Camping and Activity Donation. The Association may suggest a donation for camping and activity use for non-member groups using the Common Areas and Limited Common areas. Non-member groups would include scout groups, church groups, extended family reunion groups, and etc. The suggested amount could be \$60.00 for each group. Any amount donated would be accepted.

Common Expenses. All Common Expenses shall be shared and allocated equally among all Units that have been created prior to the date and after, on which the Common Expenses were incurred.

Budgets and Liens. It is deemed that the Unit assessments will cover any budgetary needs for the Common Areas and the Association. If not, a General Assessment and other stated assessments can be applied if ratified by Owners under the Following conditions:

Prior to the first levy of a General Assessment, and each calendar year, on or before November 1, the Executive Board shall adopt a proposed annual budget for the Association for the following calendar year, which proposed budget shall, among other things, set forth (i) the Executive Board's estimates of Common Expenses for the next calendar year, (ii) the Executive Board's estimate of amounts required for operation, maintenance, repair and replacements of Common Area Properties, (iii) the amount of funds for such Common Expenses and reserves that the Executive Board proposes may be

needed through a General Assessment; (iv) and the amount of funds for such Common Expenses and reserves that the Executive Board proposes to raise through Special Assessments; and (v) the amount of funds currently within the budget. Within thirty days after adopting a proposed budget, the Executive Board shall deliver a summary of the proposed budget to all Owners and set a date for a meeting of the Owners to consider ratification of the proposed budget.

ARTICLE VIII MAINTENANCE OF COMMON AREAS AND UNITS

Maintenance of Common Areas. The Executive Board, upon consultation with Sunset Cliffs, Inc., shall be the sole judge as to the appropriate maintenance, operation and management of the Common Areas. The common areas include but are not limited to the Shower House, Bowery, Camping sites, Common activity areas, Limited Common areas and future Common Storage areas.

The Association, or its duly designated agent, shall (i) maintain all Common Areas, including, without limitation, all Limited Common Areas and the improvements in good order and repair and shall otherwise manage and operate all Common Areas as it deems necessary and appropriate; (ii) Construct, modify, and add to replace or renovate any improvements that are located on, or constitute a part of, any Common Areas; (iii) Place, maintain and replace signs; and (iv) Adopt and enforce Rules and Regulations regulating the use of Common Areas.

Maintenance of Units. Each Owner, at such Owner's sole cost and expense, shall maintain such owner's Unit and the improvements constituting a part thereof, in good order and repair.

There shall be no permanent (longer than three weeks) location of trailers, RV's, Campers, etc. on a unit location or common property locations except for those currently on said property. When deemed non-usable and unsightly by the Unit members or the Executive Board, they shall be promptly removed from Sunset Cliffs property.

ARTICLE IX CONSTRUCTION AND MODIFICATION REVIEW

Construction. Lessee of lots shall have the right to construct a Cabin on said lot with the following provisions:

Letter of intent to the Sunset Cliffs Cabin Owners Association

Plans for Cabin Unit with approval from Garfield County

Time Frame for Construction and completion

Agreement on entry road, water hookup, sewer lines, location and construction, (sewer lines, of necessity, may need to extend outside designated unit lots), and other that the Executive Board may deem appropriate.

Storage Sheds. Storage sheds must have approval of the Executive Board for location and kind. At some point, each owner may receive a designated area on SCI property, for construction of a storage garage, if they so choose to have one.

Variiances. Variiances for any construction outside the unit lot of 10,000 sq. ft. require board approval. Allowable guidelines must be met within the following: Square footage of buildings is 12x16; distance from lot is 20 feet; sq. footage of roads and trails outside the lot is by permission of the Board.

Modifications. When making improvements constituting a part of his Unit, Owners should consider the following:

Courtesy communication with neighbors concerning plans

Permit from County, if required

Work completed expeditiously, and in a high quality, workmanship manner

ARTICLE X COVENANTS, CONDITIONS AND RESTRICTIONS

Use of Units. The Association expects the Units on special occasions to be maxed out with individuals at family gatherings and therefore it is left to the absolute discretion of the owners for numbers. However if the Unit is misused and the traffic is interfering with other Units, then the board at its discretion may withhold such permission.

In the central cabin area, it is asked: (i) That each Unit owner consider one or two cars parking at the Unit and the rest park in an over flow parking lot (drop off and park); (ii) That the rules and regulations be reviewed and posted for all family members and guests; (iii) That the showers be limited in time and bathrooms left in a clean and orderly manner with all personal belongings taken with you when you leave; and (iv) Rodent control be maintained by each cabin owner.

Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Unit, and no odors or loud noises shall be permitted to arise or emit from, so as to render any such Unit or the Common Areas in the vicinity thereof, or activity thereon, unsanitary, unsightly, offensive or detrimental to any other Unit or Common Areas, or to the occupants or users thereof.

Rules and Regulations. All unit members and lot owners shall post a simple rules and regulations sheet as given in Exhibit D and acquaint all members and visitors with the regulations. Unit members will encourage compliance by all individuals.

Governing Principles are included under Exhibit A and family members are encouraged to study and participate in these principles.

Parking. Vehicles, boats, trailers etc. shall be parked in designated parking areas

ARTICLE XI INSURANCE

The Association shall try to research Insurance and pursue an Insurance coverage for all cabins on a single policy to determine the extent of a multi-peril policy or policies that will assure the protection of Wilson Cabin Association and ongoing activities within the project. Until that research and decisions pursuant to it are made, each cabin owner is asked to have individual insurance coverage on his Unit.

ARTICLE XII ENFORCEMENT AND REMEDIES

Enforcement. Each provision of this Declaration with respects to an Owner and Association Member shall be enforceable by the Association. Failure to comply with any such provisions may result in such Owner and such Owner's family members and guests being excluded from the use of any Common Areas and Limited Common Areas and from the participation in any Association affairs.

If, in the reasonable judgment of the Association, an Owner fails to maintain the Owner's unit, in terms of negligence or misconduct of said Unit, the Association may deliver a written notice to such Owner stating their intent to subject a fine according to Article XII. If the Owner has not acted upon said notice after 90 days, the Association may enter the Unit and perform such maintenance or repair as the association deems necessary or advisable and charge all cost and expenses incurred by the Association in connection therewith to such Owner as a Default Assessment.

Fines. The Association may assess a fine for neglect and/or misconduct. Fines shall consist of the following:

Original Violation--Notice of violation

First Recurrence of same violation--\$50.00

Second Recurrence of same violation--\$100.00

Subsequent Recurrence of same violation--\$250.00

Attorneys' Fees

In the event of any dispute under or with respect to this Declaration or any other Association Document, the prevailing party shall be entitled to recover from the non-prevailing party, all of its costs and expenses in connection therewith, including, but not limited to, reasonable attorneys' fees and disbursements.