

3183898

ENABLING DECLARATION
OF
THE TERRACES AT MOUNT OLYMPUS
(FOURTH PHASE)

recorded OCT 18 1978 at 11:38 AM
Request of SECURITY TITLE COMPANY
Fee Paid KATIE L. DIXON
Recorder, Salt Lake County, Utah
By Evelyn Thompson Deputy
Ref.

THIS DECLARATION is made and executed the 18th day of
October, 1978 by SIXTH AVENUE ENTERPRISES, INC., a Utah
corporation (hereinafter referred to as "Declarant"), pursuant
to the provisions of the Utah Condominium Ownership Act
(sections 57-8-1 through 57-8-35, Utah Code Annotated (1953),
herein called the "Act":

RECITALS

- A. Declarant is the owner and in possession of that certain parcel of real property hereinafter more particularly described.
- B. Declarant is in the process of constructing upon said Parcel a Condominium Project, including certain Units and other improvements. Such construction has been performed, and is to be performed, in accordance with the plans and specifications contained in the Record of Survey Map.
- C. Declarant desires, by filing this Declaration and the Survey Map, to submit said Parcel and all improvements now or hereafter constructed thereon to the provisions of the Act as a Condominium Project to be known as "The Terraces At Mount Olympus."
- D. Declarant intends to sell to various purchasers the title to the individual Units contained in The Terraces together with the undivided ownership interests in the Common Areas and Facilities appurtenant to such Units, subject to the covenants, restrictions and limitations herein set forth.
- E. Declarant anticipates that the Project created hereby will be but one Phase of a larger project which may ultimately come into existence. Accordingly, Declarant reserves the right to include each additional Phase as a part of one project consisting of all Phases which may be completed

SECURITY TITLE COMPANY
190072

BOOK 4756 PAGE 1245

at any given time.

NOW, THEREFORE, for the foregoing purposes,
Declarant hereby makes the following Condominium Declaration:

1. DEFINITIONS

When used in this Declaration, the following terms shall have the meanings 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. Declaration shall mean and refer to this Enabling Declaration.

2. Record of Survey Map and Survey Map shall mean and refer to the Record of Survey Map filed herewith, dated the 11th day of October, 1978, consisting of three (3) sheets, and prepared and certified by Richard K. Johanson a duly registered Utah Land Surveyor.

3. Common areas and Facilities shall mean, refer to and include:

- (a) The real property and interests in real property which by this Declaration have been submitted to the terms of the Act.
- (b) All Common Areas and Facilities designated as such in the Survey Map.
- (c) All foundations, columns, girders, beams, supports, perimeter walls and roofs constituting a portion of or included in the improvements which comprise a part of the Project.
- (d) All installations for and all equipment connected with the furnishing of Project central services, such as electricity, gas, water.
- (e) All roadways necessary for ingress and egress as deeded units as shown on the Survey Map.
- (f) All portions of the Project not specifically included within the individual Units.

BOOK 4756 PAGE 1246

- (g) The real property containing certain recreational facilities described as follows:

Beginning at the point as surveyed and found in the field South 604.23' and West 1010.09 feet from the North Quarter Corner of Section 11, T2S, R1E, SLB&M, said point is also described in some deeds as being South 602.95 feet and West 1011.15 feet from the aforementioned North Quarter Corner; and said point also being a corner of The Terraces at Mount Olympus, Phase I, South 57.68 feet and East 369.76 feet from the Northwest Corner of The Terraces at Mount Olympus, Phase III and running thence: N 22°22'00" W 67.941 feet; thence S 67°38'00" W 142.735 feet; thence S 58°30'00" W 54.00 feet along the boundary of Phase III; thence S 31°30'00" E 122.79 feet to a Phase IV boundary corner; thence N 67°10'00" E 163.92 feet to a boundary corner of Phase II; and thence along the Phase II boundary lines as follows: N 22°50'00" W 24.00 feet; thence N 67°10'00" E 13.141 feet; thence N 22°50'00" W 36.42 feet; to the Point of Beginning. Contains 0.542 Acres.

- (h) All other parts of the Project normally in common use or necessary or convenient to its use, existence, maintenance, safety or management.

4. Management Committee and Committee shall mean and refer to the Management Committee of The Terraces at Mount Olympus.

5. Unit shall mean and refer to one of the home units and attached garage, which is designated as a Unit by a number on the Record of Survey Map. Unless a wall on the perimeter of a Unit separates and is common to two or more Units, such perimeter wall shall, except for the finished surface thereof which is on the interior of a Unit, constitute a part of the Common Areas and Facilities. Such finished surface shall be a part of the Unit to which it relates. A wall on the perimeter of a Unit which separates such Unit from, and is common to, another Unit shall, from and including the surface of such wall to its center, constitute a part of the Unit to which it relates. A Unit shall

include any walls or partitions which are wholly contained within its perimeters and the surfaces of any floors and ceilings which bound it. A Unit shall not include pipes, wires, conduits, or other utility lines running through it which are utilized for or which serve more than one Unit.

6. Unit Number shall mean and refer to the number, letter or combination thereof which designates a Unit in the Record of Survey Map.

7. Unit Owner or Owner shall mean and refer to the owner of the fee in a Unit and the percentage of undivided interest in the Common Areas and Facilities which is appurtenant thereto. The Declarant shall be deemed to be the owner of all unconstructed or unsold Units. In the event a Unit is the subject of an executory contract of sale, the contract purchaser shall be considered the Unit Owner for purposes of voting and Committee membership.

8. 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, the Management Agreement for operation of the Project, and such rules and regulations as the Management Committee may from time to time make and adopt.

9. Total Tract shall mean and refer to the following described tract of land situated in the City and County of Salt Lake, State of Utah, together with all appurtenances thereto:

Beginning at the Southeast corner of Lot 20, Sleepy Hollow Subdivision No. 1, Salt Lake County, Utah, said point of beginning also being South 341.04 feet and West 633.76 feet from the North quarter corner of said Section 11, Township 2 South, Range 1 East, Salt Lake Base and Meridian, and running thence South $19^{\circ}35'20''$ East 221.80 feet; thence West 134.60 feet; thence South 106.24 feet to the South line of the Northeast quarter of the Northwest quarter of said Section 11; thence South $89^{\circ}41'20''$ East 63.93 feet; thence southeasterly around a 325.0 foot radius curve to the right, 41.84 feet to the center of Dry Creek Spring Ditch; thence southwesterly along the center of said ditch for the next twelve courses; thence South $62^{\circ}10'$ West 72.31 feet; thence South $67^{\circ}30'$ West 150.0 feet; thence South $73^{\circ}05'$

West 65.75 feet; thence South 71⁰10' West 160.76 feet; thence South 66⁰34'50" West 115.92 feet; thence South 67⁰00'45" West 78.35 feet; thence South 59⁰52'25" West 111.76 feet; thence South 70⁰18'03" West 24.90 feet; thence South 63⁰20' West 14.68 feet; thence South 70⁰45' West 43.0 feet thence South 80⁰35' West 54.0 feet; thence South 74⁰20' West 34.0 feet to the East bank of the Upper Big Cottonwood Canal; thence Northeasterly along said East bank of canal for the next six courses; thence Northeasterly 59.80 feet, more or less; thence North 72⁰33'06" East 79.17 feet; thence North 14⁰11'12" East 49.68 feet; thence North 55⁰55'48" West 70.76 feet; thence North 5⁰37' East 37.84 feet; thence North 54⁰13' West 43.20 feet; thence leaving said East bank and running thence North 58⁰30' East 130.0 feet; thence North 31⁰30' West 248.0 feet; thence East 70.36 feet; thence North 58⁰30' East 150.0 feet; thence North 11⁰30' East 125.0 feet; thence North 89⁰40'30" East 594.33 feet to the point of beginning.

The area which this Declaration submits to the terms of the Act comprises only a part of the Total Tract. Declarant is the owner of such part and intends in the future to obtain title to some or all of the remainder of the Total Tract. Declarant is not, however, the present owner of all the remainder of the Total Tract, and claims an interest in said remainder only to the extent revealed by recorded instruments or Declarant's possession. This Declaration is not intended and should not be deemed to constitute any lien, encumbrance, restriction or limitation upon any real property or interests in real property other than the area which this Declaration expressly submits to the provisions of the Act.

10. Phase shall mean and refer to each separate step in development of the Total Tract which is initiated through the submission of areas to the terms of the Act. The term shall also include all improvement which are constructed and all appurtenances, rights, obligations and legal relationships which come into existence in conjunction with the submission of any single area. The submission which is effected by this Declaration, the rights and obligations which are created by this Declaration, and the improvements described in the Survey Map which have been or will be constructed, together constitute a Phase-"Third Phase"-of the Condominium Project.

11. Condominium Project or Project shall mean and refer to THE TERRACES AT MOUNT OLYMPUS Project. At any point

in time the Project shall consist of the First Phase and all Phases which thereafter have been added to and merged with the First Phase.

II. SUBMISSION

Declarant hereby submits to the provisions of the Act, as the area constituting the Fourth Phase of the Project, the following described real property situated in the City and County of Salt Lake State of Utah:

BEGINNING at the Southwest Corner of the Terraces at Mount Olympus, Phase III, a Condominium Residence Project as recorded in the office of the Salt Lake County Recorder; said point also being South 729.65 feet and West 1269.06 feet from the North quarter corner of Section 11, Township 2 South, Range 1 East, Salt Lake Base and Meridian; said point being more specifically described as South 730.92 feet and West 1268.00 feet from the North quarter corner of Section 11, Township 2 South, Range 1 East, Salt Lake Base and Meridian; and running thence: North 58°30' East 101.97 feet to the West boundary of The Terraces at Mount Olympus Phase III A, Common Areas Recreational Facility; thence along the boundary of said common areas the next two courses: South 31°30' East 59.79 feet; and North 67°10' East 52.778 feet to the West boundary of The Terraces at Mount Olympus (Phase II): thence along the boundary of Phase II the next three courses: South 22°50' East 72.0 feet, North 67°10' East 22.00 feet and South 22°50' East 94.60 feet; thence South 71°10' West 11.16 feet; thence South 66°34'50" West 115.92 feet; thence South 67°00'45" West 30.78 feet; thence North 29°58'10" West 138.56 feet along the east line of Naniloa Drive; thence along a 7,369.93 radius curve to the left 73.96 feet along the east line of Naniloa Drive (the long chord of said curve bears North 30°15'25" West 73.96 feet) to the point of BEGINNING.

III

COVENANTS, CONDITIONS AND RESTRICTIONS

The foregoing submission of the defined area is made upon and under the following covenants, conditions and restrictions:

1. Description of Improvements. The improvements included in this Phase of the Condominium Project are now or will be located upon the parcel described above, and all of such improvements are described in the Survey Map. The Survey Map shows the number of stories and the number of Units which are to be contained in the buildings which comprise a part of such improvements. The buildings are to be principally constructed of the following materials: wooden frames with loadbearing or non-bearing walls studded with wood; wood siding; glass openings; wooden joist floors and roofs; roof

surfaced with asphalt shingles; interior walls surfaced with gypsum sheets.

2. Description and Legal Status of Units. The Record of Survey Map shows, with respect to this Phase of the Project, the Unit Number of each Unit, its location, dimensions from which its area may be determined, and those Limited Common Areas and Facilities which are reserved for its use, and the Common Areas and Facilities to which it has immediate access. Units in this Phase are home units and attached garages. All Units shall be capable of being independently owned, encumbered and conveyed.

3. Common Areas and Facilities. The Common Areas and Facilities contained in this Phase of the Project are described and identified in Article I of this Declaration. The percentage of undivided interest in the Common Areas and Facilities shall not be separated from the Unit to which it appertains; and, even though not specifically mentioned in the instrument of transfer, such percentage of undivided interest shall automatically accompany the transfer of the Unit to which it relates.

4. Computation of Undivided Interests. For purposes of determining the percentages of undivided interest in the Common Areas and Facilities which are appurtenant to the various Units, such shall be measured by the floor space contained in a Unit as compared to the floor space and value of all Units. Thus the percentage of undivided ownership interest appurtenant to each Unit is the ratio between the area of such Unit and the total area of all Units in the Project, adjusted from time to time as additional phases are included in the project.

5. Permissible Use of Units and Common Areas. Units in each Phase are home Units of a type intended solely to be used for residential housing, and each is restricted to such use. No Unit shall be used or occupied in violation of law, so as to create a nuisance or interfere with the rights of any Unit Owner, or in a way which would result in an increase in the cost of any insurance covering the Project as a whole. The

Common Areas and Facilities shall be used only in a manner consistent with their community nature and the Rules hereinafer stated.

6. Condition and Maintenance of Units. The rooms may, but need not, be carpeted. Each Unit shall be maintained so as to not detract from the appearance of the Project and so as not to adversely affect the value or use of any other Unit.

7. Transfer or Lease of Home Units. Any Owner of a home Unit who plans to sell his Unit or to enter into any agreement for another party's occupancy thereof shall, at least 10 days before the transaction is to be consummated, give the Committee written notice of his intentions. The notice shall furnish the name and address of the proposed purchaser or occupant and the terms of the proposed transaction. At any time within seven days after its receipt of the notice the Committee shall have the right to enter into the transaction upon the same terms as those offered to the proposed transferee or occupant. Notwithstanding any provision of the proposed transaction, however, in the event the Committee exercises such right, it may then lease, sub-lease or sell the Unit to any party reasonably acceptable to it and the Unit Owner.

In the event of foreclosure of a mortgage, deed of trust or like encumbrance upon the entire area or upon any unit, the purchaser at such sale shall be entitled to own, occupy, use and dispose of the property so encumbered and sold, free of any prior unit interests and designations and as fully as the original owner of such property, and shall be entitled to enjoy such property, units and all related common areas.

If the Committee desires itself to enter into the transaction proposed by the Unit Owner, but believes that the proposed price of purchase or occupancy is unreasonable, it shall give the Unit Owner written notice of such facts within seven days after its receipt of the Owner's notice. Upon the giving of such notice the Committee shall be obligated to enter into the proposed transaction at the price of purchase or occupancy set within 30 days thereafter by at least two of three MAI appraisers. The Committee shall select one such appraiser, the Unit Owner shall select another, and the two

appraisers so selected shall designate a third. The Committee and the Unit Owner shall take all possible steps to expedite the determination of price.

8. Acceptability of Tenants. In the event an Owner of a home Unit plans to allow someone other than a member of his immediate family to occupy his Unit, such Owner shall, at least 10 days prior to the proposed date of occupancy, give the Committee written notice of the name of the intended occupant. At any time within three days after its receipt of the notice, the Committee may disapprove of the proposed occupant. If the Committee does so, the Owner concerned shall not permit the planned occupancy unless the Committee's decision is reversed by the vote of at least 40% of the Project's undivided ownership interests. In the event the Unit Owner wishes to seek such a vote, he shall notify the Committee and it shall call a special meeting of all Unit Owners, The meeting shall be held as soon as reasonable possible after the Unit Owner requests it.

9. Status and General Authority of 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 stated in subparagraphs (a) through (i) below, constituting legal entity capable of dealing in its committee name, 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 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 Terraces at Mount Olympus, so long as such action has been authorized by the necessary vote or consent.

(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.

10. Manager. At all time the Committee shall carry out all of its functions which are capable of delegation through a Project Manager. The Committee must employ a Manager for such purposes, and any Manager retained must be an individual or entity qualified in the field of condominium project management. The Manager so engaged by the Committee shall be responsible for managing the Project on behalf of the Unit Owners and shall, to the extent permitted by law, be authorized to perform any of the functions or acts required or permitted to be performed by the Management Committee itself.

11. Composition of Management Committee. The Committee shall be composed of five members. At the first regular Owners meeting three committee members shall be elected for two-year terms and two member 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 corporate owners 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. In all 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.

12. Committee Officers and Agents. The 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. Any Committee officer, agent or employee may at any time be removed with or without cause by the vote of a majority of the Committee members. The officers of the Committee, and their respective powers and functions, shall be as follows:

(a) 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 shall preside over all meetings of the Committee and of the Unit Owners. He shall execute all instruments on behalf of the Committee.

(b) Vice President. The Vice President shall have all the powers of the President in the event of the latter's absence or inability to act.

(c) Secretary. The Secretary shall keep minutes of meetings of the Committee and of Unit Owners and shall keep all records which are required or made necessary by the Act, this Declaration, or the Committee.

(d) Treasurer. The Treasurer shall have custody and control of the funds available to the Committee. He shall furnish the Committee with a bond, in the amount specified by the Committee, conditioned upon the faithful performance of his duties. The offices of Secretary and Treasurer may be held by the same Committee member.

13. Committee Meetings. 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. No notice need be given of regular Committee meetings.

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, 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.

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

14. Owners Meetings. Regular meetings of the Unit Owners shall be held on the first Tuesday in April of each year.

Whenever such day is a legal holiday, the meeting shall occur on the first business day thereafter. The place of meeting shall be in Salt Lake County, at either the Project's office or as specified in the notice of meeting. At least 10 days before the date of the regular meeting a written notice thereof shall be personally delivered or mailed, postage prepaid, to each Unit Owner at his last known address. Such notice shall state the time, place and general purpose of the meeting.

Special meetings of the Owners may be called by the President, by majority of the Committee members, or by Unit Owners cumulatively holding at least one-fourth of the undivided ownership interest in the Project. At least four days before the date set for a special meeting, written notice such as that described in the immediately preceding paragraph shall be personally delivered or mailed postage-prepaid to each Unit Owner at his

last known address.

No notice of any Owners meeting shall be required if a waiver of such notice is signed by all of the Owners. Whenever all 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 Owners meeting shall consist of a majority of all the undivided ownership interest in the Project. 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 30 days, after the time set for the original meeting. No notice of such rescheduled meeting shall be required. A quorum for the transaction of business at the rescheduled meeting shall be 35% of all the undivided ownership interest in the Project.

15. Capital Improvements. Additions or capital improvements to the Project which cost no more than \$10,000,00 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 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 at least 75% of the Project's undivided ownership interest.

16. Operations and Maintenance. The Committee shall provide for such maintenance of the Common and Limited Common Areas and Facilities as may be reasonably necessary to keep them clean, functional, attractive and generally in good condition and repair. The Committee shall not, however, be required to maintain any floor covering on patios, porches or balconies. The Committee shall have no obligation regarding maintenance or care of home Units or garages.

17. 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 take into account any deficit or surplus realized during the current year. The total of such expenses shall be apportioned among all the Units on the basis of their appurtenant percentages of undivided ownership interest.

Prior to the first day of each month during the year covered by the budget, each Unit Owner shall pay to the Committee as his share of the Common Expenses one-twelfth of the amount so apportioned to his Unit. If such monthly payments are too large or too small as a result of unanticipated income or expenses, or as a result of the addition of another Phase or Phases to the Project, 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 twelve-month period be determined on the basis of his undivided ownership interest.

18. Remedies for Nonpayment. 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 Expenses assessments shall be joint and several, and any remedy for the collection of such assessments may be enforced against any person holding an ownership in the Unit concerned, against the interest which is held by him, against either or both the 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.

19. Insurance. The Management Committee shall secure and at all times maintain the following insurance coverages:

BOOK 4756 PAGE 1258

(i) A policy or policies of fire and casualty insurance, with extended coverage endorsement, for the full insurable replacement value of the entire Project. Such policy or policies shall be made payable to the Committee and all persons holding an interest in the Project or any of the Units, as their interest may appear.

(ii) A policy or policies insuring the Committee, the Manager, and the Unit Owners against any liability incident to the ownership, use or operation of the Project or of any Unit which may arise among themselves, to the public, and to any invitees or tenants of the Project or of the Unit Owners. Limits of liability under such insurance shall be not less than \$300,000.00 for any one person injured, \$1,000,000.00 for all persons injured in any one accident, and \$100,000.00 for property damage resulting from one occurrence. Such policies shall be issued on a comprehensive liability basis and shall provide a cross liability endorsement pursuant to which the rights of the named insureds as between themselves are not prejudiced.

The following additional provisions shall apply with respect to insurance:

(a) In addition to the insurance described above, the Committee shall secure and at all times maintain valid insurance against such risks as are or hereafter may be customarily insured against in connection with condominium projects similar to the Project in construction, nature, and use.

(b) The Committee shall have the authority to adjust losses.

(c) Insurance secured and maintained by the Committee shall not be brought into contribution with insurance held by the individual Unit Owners or their mortgagees.

(d) Each policy of insurance obtained by the Committee shall, if possible, provide: A waiver of the insurer's 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 particular Unit Owner or Owners; 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

BOOK 4756 PAGE 1259

prior written demand that the defect be cured; That any "no other insurance" clause therein shall not apply with respect to insurance held individually by the Unit Owners.

(e) Any 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. Any Unit Owner who individually obtains insurance covering any portion of the Project shall supply the Committee with a copy of his policy within 30 days after he acquires such insurance.

20. Damage to Project. In the event of damage to or destruction of part or all of the improvements in the Condominium Project, the following procedures shall apply:

(a) If proceeds of the insurance maintained by the Management Committee are along sufficient to repair or reconstruct the damages or destroyed improvement, such repair or reconstruction shall be carried out.

(b) If less than 75% of the Project'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 undivided interest in the Common Areas and Facilites.

(c) If 75% or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Management Committee are not along sufficient to accomplish restoration, and if the Unit Owners within 100 days after the destruction or damage by a vote of at least 75% elect to repair or reconstruct the affected improvements, restoration shall be accomplished in the manner directed under subparagraph (b) above.

(d) If 75% or more of the Project'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 100 days after the destruction or damage and by a vote of at least 75%, elect to repair or reconstruct the

BOOK 4756 PAGE 1260

affected improvements, the Management 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 Project or any of the Units.

Any reconstruction or repair which is required to be carried out by this Paragraph 21 shall be accomplished at the instance and direction of the Management Committee. Any determination which is required to be made by this Paragraph 21 regarding the extent of damage to or destruction of Project improvements shall be made by three MAI appraisers selected by the Management Committee. The decision of any two such appraisers shall be conclusive.

21. Consent Equivalent to Vote. In those cases in which the Act or this Declaration requires 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.

22. Required Method of Phase Development. Declarant intends to, and hereby obligates itself to, conduct development of the Entire Tract in such a manner that the Condominium Project as it exists at any time shall be fully capable of occupancy and enjoyment, even though the development or inclusion of any additional Phase has not yet occurred and may never take place. Declarant hereby covenants, in favor of each Unit Owner, that each and every Phase which may be added to the Project after such Owner purchases his Unit shall be site planned, shall be architecturally compatible with the Project as it previously existed, and shall be constructed in a good and workmanlike manner.

23. Description of and Limitations on Contemplated Development. One sheet of preliminary general plans prepared by Ed Allen, Engineer and Surveyor, Architects-Planners Alliance, In., and entitled "Materplan of The

BOOK 4756 PAGE 1261

Terraces At Mount Olympus Project (hereinafter referred to as the "Plans"), on file in the office of Declarant, which Plans indicate the general location and outlines of the more significant improvements to be added to the Project in the event all parts of the Total Tract ultimately are included. The following provides additional information concerning said improvements which ultimately may be added to the Project:

FIRST PHASE

- (a) Five duplex-type structures with approximately two above-ground levels.
- (b) Constructed of wooden frame with wood siding exterior.
- (c) Constituting 12 home Units, containing approximately 2,200 square feet each.

SUBSEQUENT PHASES

Like cluster of duplex-type structures, six clusters in number, are presently contemplated.

The right to enlarge the Project through the addition of Phases shall be limited as follows:

(i) The improvements included in any Phase which is added to the Project shall be constructed substantially in accordance with the information contained in the Plans and in this Paragraph 23 regarding the improvements corresponding to those included in such Phase.

(ii) Enlargement of the Project may occur only through the addition of Phases which are accomplished on or before March 13, 1983.

Notwithstanding anything to the contrary contained in this Declaration, no amendment altering this Paragraph 23, the description of the Total Tract, or the Plans, may occur without the consent of the Declarant and of all persons who are Unit Owners at the time of amendment.

24. No Obligation to Develop. Except to the extent specifically indicated herein, this Declaration is not intended, and shall not be construed so as to impose upon Declarant any obligation respecting, or to restrict

Declarant in any way with regard to: (a) The submission of any portion of the Total Tract to the provisions of the Act as a Parcel or Parcels; (b) The creation, construction or addition to the Project of any Phase or Phases; (c) The carrying out in any particular way or within any particular time of any development which may be undertaken; or (d) The taking of any particular action with respect to the Total Tract, the Project, any Parcel, or any Phase.

25. Amendment. Except as provided below, the vote of at least 70% of the undivided ownership interest in the Common Areas and Facilities shall be required to amend this Declaration or the Record of 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. The foregoing right of amendment shall be subject to the following paramount rights:

(a) Until all portions of the Entire Tract are included in the Project, or until the right to enlarge the Project through the addition of Phases terminates, whichever event first occurs, Declarant shall have, and is hereby vested with, the right to amend this Declaration and the Record of Survey Map as may be reasonably necessary or desirable to facilitate the practical, technical, administrative, or functional integration of First Phase or of any subsequent Phase into the Project.

(b) Until Units representing 70% of the undivided ownership interest in each Phase of the Project have been sold, Declarant shall have, and is hereby vested with, the right to amend this Declaration or the Record of Survey Map. Such right shall obtain without regard to the subject matter of amendment, so long as the amendment involved is consistent with law.

(c) As each additional Phase is added to the Project, the Notice of Completion, Enabling Declaration and Survey Map associated with such Phase shall, in the manner detailed in Paragraph 22 of this Declaration, supplement and amend all such instruments relating to all Phases previously included in the Project.

26. Rules. The following Community Rules shall apply to the use and occupancy of the Units and the Common Areas:

- A. The greens and walkways in front of around the Units and the entrance ways shall not be obstructed or used for any purpose other than ingress to and egress from the Units.
- B. No exterior of any Units shall be decorated nor awnings placed by any owner in any manner without prior consent of management and no article shall be hung or shaken from the doors or windows or placed upon the window sills of the Units.
- C. No bicycles, scooters, recreational vehicles or similar vehicles or toys or other personal articles shall be allowed to stand unattended in any of the common areas.
- D. No owner shall make or permit any noises that will disturb or annoy the occupants of any of the Units in the development, or do or permit anything to be done which will interfere with the rights, comfort or convenience of other owners.
- E. Each owner shall keep his Unit in a good state of safety, preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.
- F. The Units are designed for family dwellings. None shall be used for living purposes by more people than it was designed to accommodate comfortably. No groups, unrelated by blood or marriage, shall be permitted to occupy the units.
- G. No sign, notice or advertisement shall be inscribed or exposed on or at any window or other part of the Units, except such as shall have been approved in writing by the management committee.
- H. All garbage and refuse from the Units shall be deposited with care in garbage containers intended for such purpose only at such times and in such manner as the management committee may direct. All disposals shall be used in accordance with instructions given to the owner by management. Wet garbage shall be deposited in the owner's disposal rather than in the garbage containers, whenever possible.

- I. Water-closets and other water apparatus in the buildings shall not be used for any purposes other than those for which they were constructed, nor shall any sweepings, rubbish, rags, paper, ashes or any other article be thrown into the same. Any damage resulting from misuse of any water-closet or other apparatus shall be paid for by the owner in whose unit it shall have been caused.
- J. No bird or animal shall be kept or harbored in the development unless the same in each instance be expressly permitted in writing by management. In no event shall dogs be permitted in any of the public portions of the development unless carried or on leash. The owner shall indemnify the management 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 in the development. If a dog or other animal becomes obnoxious to other owners by barking or otherwise, the owner thereof must cause the problem to be corrected, or if it is not corrected, the owner upon written notice by the management committee, will be required to dispose of the animal.
- K. Special rules relating to the use and cleanliness of the pool and other recreational facilities may be adopted and published by the management committee.
- L. No noxious or offensive activity or business shall be carried on in any unit, nor shall anything be done or placed on any unit or Common Area which is or may be unsafe or hazardous or become a nuisance or cause embarrassment, disturbance or annoyance to others. No firearms shall be discharged upon the property, and no open fires shall be lighted or permitted on the property except in a contained barbecue unit, while attended and in use for cooking purposes or within a safe and well-designated interior fireplace, or except such campfires or picnic fires in portions of Common Areas designated for such use by the management.

27. Agent for Service of Process. The name of the person who is to receive service or process is Ralph F. Evans, 139 Trolley Square, Salt Lake City, Utah 84102.

BOOK 4756 PAGE 1365

Dated: OCT 18, 1978

SIXTH AVENUE ENTERPRISES, INC.

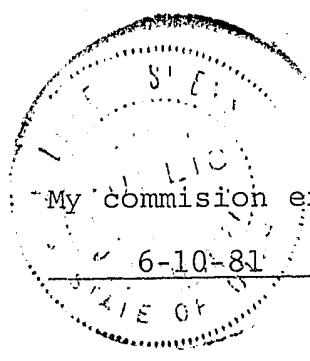
By Ralph F. Evans
Vice President

STATE OF UTAH)
:
COUNTY OF SALT LAKE)

On this 18th day of October, 1978, personally appeared before me Ralph F. Evans, who being by me duly sworn did say that he is the Vice President of Sixth Avenue Enterprises, Inc., a Utah corporation, and that the foregoing declaration was signed on behalf of said corporation, by authority of a resolution of it's Board of Directors, and said Ralph F. Evans acknowledged to me that said corporation executed the same.

[Signature]
Notary Public

Residing ins Salt Lake City, Utah



My commision expires: _____
6-10-81

BOOK 4756 PAGE 1266