Request of James C. Avidusmith

KATHEL DIXON, Reporter

Sen Lake County, Utah

2965301

REF. 606 Michael Gla

DECLARATION OF CONDOMINIUM

OF

HIGHLAND PARK PLAZA CONDOMINIUM

THIS DECLARATION OF CONDOMINIUM is made this /sr
day of July, 1977, by HIGHLAND PROFESSIONAL PLAZA
(Declarant), a Utah partnership, pursuant to the provisions of the Utah Condominium Ownership Act.

RECITALS:

A. Declarant is the owner of the following described real property situate in the County of Salt Lake, State of Utah, on which said improvements are constructed:

PARCEL A:

Beginning 37.18 rods North and 12 rods West of the Southeast corner of Section 17, Township 1 South, Range 1 East, Salt Lake Base and Meridian, and running thence North 60.64 feet; thence East 210 feet; thence South 60.64 feet; thence West 210 feet to the place of beginning.

Together with one-half interest in the well situated on the above described parcel and a right-of-way over the two rod alley lying adjacent to and North of said parcel.

PARCEL B:

Beginning at the Northwest corner of Lot 5, Block 2, View City Plat "B", a subdivision of part of Lot 4, Block 10, Five Acre Plat "C", Big Field Survey, and running thence East 25.5 feet; thence North 101.56 feet; thence East 39 feet; thence South 135.56 feet, to the South line of Lot 5, aforesaid; thence West 64.5 feet to the Southwest corner of said Lot 5; thence North 34 feet to the place of beginning. Being a part of Lot 5, Block 2 View City Plat "B", and a part of Lot 4, Block 10, Five Acre Plat "C", Big Field Survey.

PARCEL C:

Beginning at a point 37.18 rods North and 12 rods West of the Southeast corner of Section 17, Township 1 South, Range 1 East, Salt Lake Base and Meridian, and running thence South 40.92 feet, thence East 210 feet; thence North 40.92 feet; thence West 210 feet to the place of beginning. Being a part of Lot 4, Block 10, Five Acre Plat "C", Big Field Survey.

All of Lot 6 and the North 10 feet of Lot 7, Block 2, View City Plat "B", an addition to Salt Lake City, being a subdivision of the South half of Lot 4, Block 10, Five Acre Plat "C", Big Field Survey.

B. Declarant desires to submit the above-described real property, together with improvements constructed or to be constructed thereon, to the provisions of the Utah Condominium Ownership Act for the purpose of establishing a dental office condominium to be known as HIGHLAND PARK PLAZA CONDOMINIUM.

THEREFORE, Declarant hereby makes the following declaration:

DECLARATION

- 1. <u>Definitions</u>. The terms used herein shall have the meanings stated in the Utah Condominium Ownership Act and as follows unless the context otherwise requires:
- (a) The term "the Act" shall mean the Utah Condominium Ownership Act as the same may be amended from time to time.
- (b) The term "Declaration" as used hereinafter shall mean the Declaration of Condominium of HIGHLAND PARK PLAZA CONDOMINIUM.
- (c) The term "the Condominium Project" or sometimes
 "the Project" shall mean the entire parcel of real property referred
 to in this Declaration, together with the buildings and other improvements constructed or to be constructed thereon.
- (d) The term "Property" shall mean the land, building, all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for the use in connection therewith.
- (e) The term "Map" shall mean the Record of Survey Map of HIGHLAND PARK PLAZA CONDOMINIUM, prepared and certified by DOUGLAS S. FOULGER, Registered Utah Land Surveyor, and filed for record herewith by Declarant, and any supplemental or amended map filed for record.

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- (f) The term "Common Area and Facilities" shall mean and include:
 - (i) the above-described land;
 - (ii) the foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, lobbies, stairs, stairways, fire escapes, underground parking, and entrances and exits of the building;
 - (iii) the exterior walkways, yards, gardens, driveways, parking areas and storage spaces;
 - (iv) the ladies' lounge, the doctors' lounge, and the x-ray lab area;
 - (v) installations for central services such as power, light, gas, hot and cold water, and other utilities to the outlets, x-ray system wiring but not including the x-ray lab equipment, vacuum system, air compressors and compressed air delivery system, and in general all apparatus and installations existing for common use;
 - (vi) all other parts of the property necessary or convenient to its existance, maintenance and safety, or normally in common use.
- (g) The terms "Limited Common Areas and Facilities" and "Limited Common Areas" mean those Common Areas and Facilities designated in the Declaration as reserved for use of a certain Unit or Units to the exclusion of the other Units.
- (h) The terms "Unit" or "Units" shall mean part of the property intended for independent use by the individual Owners as defined in the Act and as designated in the Map.
- (i) The terms "Unit Owner" and "Owner" shall mean the legal owner or owners of a condominium unit and corresponding undivided interest in the Common Areas and Facilities in the percentage specified in the Declaration.
- (j) The term "Common Expenses" shall mean all items, things and sums described in the Act which are lawfully assessed against the Unit Owners in accordance with the provisions of the Act, this Declaration, the By-Laws, such rules and regulations pertaining to the Condominium Project as the Management Committee

may from time to time adopt, and such other determination and agreements lawfully made and/or entered into by the Management Committee.

- (k) The term "Management Committee" shall mean the Committee duly elected by the Unit Owners as provided by the Declaration and charged with and having the responsibility and authority to make and enforce all of the reasonable rules and regulations covering the operation and maintenance of the property, and in accordance with the By-Laws attached hereto as Exhibit "B", subject to the provisions of Paragraph 13 of the Declaration.
- (1) The term "Manager" shall mean the person, persons or corporation engaged by the Management Committee to manage the affairs of the Condominium Project.
- (m) Where applicable and not inconsistent herewith, all other definitions contained in the Act are incorporated herein by reference and made a part hereof, and shall have the same meaning and effect as if expressly set forth herein.
- 2. <u>Submission to Condominium Ownership</u>. Declarant hereby submits the above-described tract of land, building, and other improvements constructed thereon or hereafter to be constructed, together with all appurtenances thereto, to the provisions of the Act as a condominium project to be known as HIGHLAND PARK PLAZA CONDOMINIUM. This Declaration is submitted in accordance with the terms and the provisions of the Act and shall be construed in accordance therewith.
- 3. Covenants to Run with the Land. This Declaration and all covenants, restrictions, limitations, conditions, and uses herein provided, shall constitute covenants to run with the land hereby submitted to the provisions of the Act and shall be binding upon the Declarant, its successors and assigns, and upon all owners of all or any part of the Condominium Project and upon their grantees, successors, heirs, executors, administrators, devisees, and assigns.
- 4. <u>Easements</u>. If any of the Common Areas and Facilities, including but not limited to installations for central services,

encroaches upon any of the Units, there shall be a valid easement for such encroachment and for access to and maintenance of such facilities. Furthermore, there shall be a valid easement for encroachment for the maintenance, repair, or reconstruction of the Project and the Common Areas and Facilities for such periods of time as are reasonably necessary to accomplish such work.

Easements are also reserved through the property for the various utility services.

- 5. Right of Entry. The Management Committee and its duly authorized agents shall have the right to enter any and all of the Units or any other part of the Project, upon reasonable notice to the Owner or occupant if available, whether or not the Owner or occupant thereof is present at the time. The Committee and its duly authorized agents shall also have the right to enter into any and all of said Units at all reasonable times as required for the purpose of making necessary repairs upon the Common Areas and Facilities of the Project or for the purpose of performing emergency installations, alterations, or repairs to the mechanical or electrical devices or installations located therein or thereon, provided, however, such emergency installations, alterations or repairs are necessary to prevent damage or threatened damage to other Units in the Project, and further provided that the Unit Owner affected by such entry shall first be notified thereof if available and if time permits.
- 6. <u>Identification of Units</u>. The project consists of one two-level building. The building is structurally of concrete construction with an exposed concrete and wood exterior. Part of the lower level consists of covered parking. The building contains thirteen dental suites, plus a laboratory.

The units on the upper level are identified by numbers 1 through 8, excepting 4, and the units on the lower level are identified by numbers L-1 Through L-6, as shown on the Map.

7. Ownership of Common Areas. The percentage interests of ownership in the Common Areas of the Project shall be for all purposes, including assessment of common expenses, voting, tax assessment, and liability. The proportionate share of each Unit Owner in the Common Areas is based on the proportionate value that each Unit bears to the total value of all the Units. The percentage interests of ownership in the Common Areas are set forth in Exhibit "A" attached hereto and made a part hereof.

Subject to the limitations contained in the Declaration, any Unit Owner shall have the non-exclusive right to use and enjoy the Common Areas and shall have the right to use and enjoy the Limited Common Areas and Facilities designated herein for use by such Owner in conjunction with another Owner or Owners.

- 8. <u>Limited Common Areas</u>. There are no limited Common Areas in the Project as presently constituted.
- 9. Adjacent Property. A house is located on Parcel D, and is presently rented as four (4) residential apartments. Declarant intends to demolish said house. Is is understood that the Unit Owners are purchasing an interest in Parcel D and not in said house. After said house is demolished, Unit Owners representing not less than two-thirds (2/3) of the undivided interest in the Common Areas and Facilities shall determine the use for said Parcel D. Following the decision by the Unit Owners, the Management Committee shall file an Amended Record of Survey Map and/or Amendment to the Declaration of Condominium reflecting the use of said Parcel D if necessary.
- 10. <u>Description of a Unit</u>. Every deed, lease, mortgage, or other instrument affecting title to a Unit may legally describe that Unit by its identifying number or symbols as designated in the Declaration and as shown on the Map with the appropriate reference

to the Map and to the Declaration as each shall appear on the records of County Recorder of Salt Lake County, Utah, in substantially the following fashion:

> , as shown on the Record of Unit Survey Map for HIGHLAND PARK PLAZA CONDOM-INIUM, appearing in the records of the County Recorder of Salt Lake County, Utah, in Book , Page _____, of Plats, in Book , Page and as defined and described in the Declaration of Condominium for HIGHLAND PARK PLAZA CONDOMINIUM appearing in such records in _, of Records ___, Page Book

Every such description will be deemed a good and sufficient description of a Unit and shall be deemed to convey, transfer, encumber or otherwise affect the Owner's corresponding undivided interest in the Common Areas and to incorporate all the rights incident to ownership of a Unit and all the limitations on such ownership as described in this Declaration.

If the Project is expanded pursuant to the provisions of the Act, such description shall further contain reference to any supplemental or amended declaration and supplemental maps appearing in the Records and shall designate the Books and Pages of Records and Plats, respectively, where such supplemental or amended declaration and maps are recorded.

- 11. Change in Ownership. Whenever there is a change of ownership of a Unit, the Management Committee or the Manager may require as a condition to recognizing the new Unit Owner or Owners as such, that the new Unit Owner or Owners meet the following:
 - (a) Furnish evidence substantiating the new ownership;
 - Sign an agreement accepting and agreeing to be bound by the Declaration, the Bylaws, and the rules and regulations and all amendments thereto.

Failure of the Management Committee to require such evidence or agreement shall not relieve the new Owner or Owners of any obligations under this Declaration.

12. Destruction or Damage. In the event the Condominium Project is destroyed or damaged to the extent of 75 percent or less & of the value thereof, the Management Committee shall be responsible Ξ

for repairing, rebuilding and/or restoring the same to the condition it was in immediately prior to such destruction or damage, and the Management Committee shall, in this connection, be entitled to use the proceeds of any and all insurance policies which it may have had in force on said premises as of the date of such destruction or damage. In the event the Condominium Project is destroyed or damaged to the extent of more than 75 percent of the value thereof, the Unit Owners shall, at a meeting duly called by the Management Committee for such purposes, determine whether or not said premises should be rebuilt, repaired, or disposed of. Unless owners representing not less than 80 percent of the undivided interests in the Common Areas and Facilities agree to the withdrawal of the Condominium Project from the provisions of the Act and to its subsequent disposal, the premises shall be repaired, rebuilt or restored to the same condition they were in immediately prior to said destruction or damage. In the event the cost of such repairing, rebuilding or restoring the Condominium Project shall exceed the amount realized by the Management Committee from the proceeds of any insurance policy or policies as herein provided, the Unit Owners shall contribute to such cost in relation to their percentage of undivided ownership in the Common Areas and Facilities.

If the destruction or damage to the project was caused by the Act, negligence or carelessness of a particular Unit Owner, or the Lessee, sublessee, agent, employee or guest of an Owner or his Lessee or sublessee, the Unit Owner shall be responsible for the cost of all repairs not covered by insurance.

13. Management. The business, property and affairs of HIGHLAND PARK PLAZA CONDOMINIUM shall be managed by a Management Committee consisting of three (3) Unit Owners who are to be elected as provided in the Bylaws. The Management Committee shall have all the powers, duties and responsibilities as are now or may hereafter be provided by the Act, this Declaration and/or any amendments subsequently filed hereto; provided, however, that the Management Committee may engage the services of a Manager and fix and pay a reasonable fee or compensation therefor. Notwithstanding anything

contained in the Declaration to the contrary, Declarant, at its option, may act as the Management Committee until the completion and sale of all Units of the Project.

The Management Committee shall be responsible for the control, operation and management of the Project in accordance with the provisions of the Act, this Declaration, the Bylaws and such administrative, management and operational rules and regulations as the owners or the Committee may adopt from time to time and all agreements and determinations lawfully made and entered into by the Committee.

The Management Committee shall have the authority to provide such facilities, in addition to those for which provision has already been made, as it may deem to be in the best interest of the Unit Owners and to effect the necessary amendment of documents and maps in connection therewith.

The Management Committee shall be known by such name or designation as it, or the Unit Owners, at any meeting may assign.

- 14. Taxes. Under the Utah Condominium Ownership Act, each Unit and its percentage of undivided interest in the Common Areas and Facilities are subject to separate assessment and taxation by each assessing unit and special district for all types of taxes authorized by law. Therefore, no taxes will be assessed against or will be payable by the Project as such. Each Unit Owner shall pay and discharge any and all taxes which may be assessed against him and his percentage of undivided interest in the Common Areas and Facilities.
- 15. <u>Insurance</u>. The Management Committee shall secure and maintain the following insurance coverage on the Condominium Project:
 - (a) Fire and Extended Coverage. Fire insurance, with extended coverage endorsement, for the full insurable, replacement value of the Units and Common Areas, which said policy or policies shall provide for issuance of Certificates of Mortgage Endorsement to the Mortgagees of each Unit, if any.
 - (b) <u>Liability Coverage</u>. A policy or policies insuring the Management Committee, the Unit Owners and the Manager against any liability to the public or to the Unit Owners and their invitees or tenants, incident to the ownership and/or

use of the Condominium Project, and including the personal liability exposure of the Owners. Limits of liability under such insurance shall not be less than \$100,000/\$300,000 for bodily injury; and shall not be less than \$10,000 for property Such limits and coverage shall damage for each occurrence. be reviewed at least annually by the Management Committee and changed at its discretion. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross-liability endorsement to cover liability of the Unit Owners as a group to an individual Unit Owner.

- Workmen's Compensation. Workmen's compensation to the extent necessary to comply with any applicable law.
- (d) $\underline{\text{Other}}$. Insurance for such other risks of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other condominium projects similar in construction, design and use.
- (e) Adjustment of Losses. Exclusive authority to adjust losses under policies hereafter in force in the project shall be vested in the Management Committee or its authorized representatives.
- (f) Owner's Insurance. Each Owner may obtain additional insurance at his own expense; provided, however, that no Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amounts which the Management Committee, in behalf of all the Owners, may realize under any insurance policy which the Management Committee may have in force on the Project at any particular time.
- Assessments. Each Unit Owner shall pay his proportionate share of the Common Expenses. Payment thereof shall be in such amounts and at such times as the Management Committee determines in accordance with the Act, the Declaration or the Bylaws. There shall be a lien for nonpayment of Common Expenses as provided by the Act and as described in paragraph 17 of this Declaration. No Unit Owner may exempt himself from liability for payment of his share of Common Expenses by waiver of the usc or enjoyment of any of the Common Areas and Facilities or by abandonment of his Unit.

In any one fiscal year of the condominium, there shall be no assessments against Unit Owners for capital improvements exceeding the sum of \$2,000 in cost unless the expenditures are first approved by vote of owners of 75 percent or more of the undivided interest in the Common Areas and Facilities. The foregoing sentence shall not apply in connection with replacement or reconstruction occasioned by fire or other casualty, or with replacements or repairs required as part of ordinary or regular maintenance.

Management Committee his allocated portion of the cash requirement deemed necessary by the Management Committee to manage and operate the Condominium Project, upon the terms, at the times, and in the manner herein provided without any deduction on account of any set-off or claim which the Owner may have against the Management Committee; and if the Owner shall fail to pay any installment within one month of the time when the same becomes due, the Owner shall pay interest thereon at the rate of twelve (12%) percent per annum from the date when such installment shall become due to the date of the payment thereof.

The cash requirements above referred to for each year, or portions of the year, are hereby defined and shall be deemed to be such aggregate sum as the Management Committee shall from time to time determine, in its judgment, is to be paid by all the Owners of the Condominium Project, as it then exists, to enable the Management Committee to pay all estimated expenses and outlays to the close of such year for the maintenance and operation of the land, buildings and improvements. The aggregate sum may include, among other things, the cost of management, special assessments, fire, casualty, and public liability insurance premiums, common lighting, landscaping and the care of grounds, repairs and renovations to Common Areas and Facilities, snow removal, wages, water and sewer charges, legal and accounting fees, management fees, expenses and liabilities incurred by the Management Committee under or by reason of this Declaration, the payment of any deficit remaining from a previous period, the creation of a reasonable contingency or other reserve or surplus fund, as well as all other costs and expenses relating to the Condominium Project. The Management Committee may, from time to time, up to the close of the year for which such cash requirements have been so fixed or determined, increase or diminish the amount previously fixed or determined for such year. It may include in the cash requirements for any year, any liabilities or items of expense which accrued or became payable in the previous year, or which might have been included in the cash requirements for

a previous year, but were not included therein; and also any sums which the Management Committee may deem necessary or prudent to provide a reserve against liabilities or expenses then accrued or thereafter to accrue although not payable in that year.

The portion of the aggregate expense for a particular period payable by each Unit Owner shall be proportionate to his undivided interest in the Common Areas and Facilities. All assessments, together with any additional sums accruing under this Declaration, shall be payable monthly in advance, or in such payments and installments and at such times as otherwise required by the Management Committee. Each Unit Owners' monthly assessment may be adjusted at any time by the Management Committee in order to meet anticipated cash requirements.

The Management Committee shall have discretionary powers to prescribe the manner of maintaining and operating the Condominium Project and to determine the cash requirements of the Management Committee to be paid as aforesaid by the Owners under this Declaration. Every such reasonable determination by the Management Committee within the bounds of the Act and this Declaration shall be final and conclusive as to the Owners, and any expenditures made by the Management Committee, within the bounds of the Act and this Declaration shall, as against the Owner, be deemed necessary and properly made for such purpose.

If the Owner shall at any time let or sublet the Unit and shall default for a period of one month in the payment of any assessments the Management Committee may, at its option, as long as such default continues, demand and receive from any tenant or subtenant of the Owner occupying the Unit the rent due or becoming due. Payment of such rent to the Management Committee shall be sufficient payment and discharge of such tenant or subtenant and the Owner to the extent of the amount so paid.

18. <u>Liens</u>. Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the Owner against whom the same are assessed at the time

the assessment is made and shall be collectible as such. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same as provided by the Act. The amount of any assessment, whether regular or special, assessed to the Owner of any Unit plus interest at twelve percent per annum, and costs, including reasonable attorney's fees, shall become a lien upon such unit upon recording a notice of assessment as provided by the Act. Upon payment or other satisfaction of a delinquent assessment for which a notice of assessment has been recorded and other charges connected therewith, the Management Committee shall cause to be recorded a further notice stating the satisfaction and release of the lien thereof.

The lien for nonpayment of common expenses shall have priority over all other liens and encumbrances, recorded or unrecorded, except only:

- (a) Tax and special assessment liens on the Unit in favor of any assessing unit and special district; and
- (b) Encumbrances on the interest of the Unit Owner recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

Upon written request by any Unit Owner or any encumbrancer or prospective encumbrancer. of a Unit, and upon payment of a reasonable fee not to exceed \$10.00, the Manager or Management Committee shall issue to the person or persons requesting a written statement setting forth the unpaid common expenses with respect to the Unit covered by the request, which shall be conclusive upon the remaining Unit Owners and upon the Manager and Management Committee in favor of all persons who rely thereon in good faith. Unless the request for a statement of indebtedness shall be complied with within ten (10) days, all unpaid common expenses which become due prior to the date of making of such request shall be subordinate to the lien held by the person making the request. Any encumbrancer holding a lien on a Unit may pay any unpaid common expenses payable with respect to such Unit, and upon such payments such encumbrancer shall have a lien on such Unit for the amount paid of the same rank as the lien of his encumbrance.

The lien for nonpayment of assessment may be enforced by sale or foreclosure of the Unit Owner's interest by the Management Committee or by a bank, trust company or title insurance company authorized by the Management Committee, such sale or foreclosure to be conducted in accordance with the provisions of the law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any manner permitted by law. In any foreclosure or sale, the Owner shall be required to pay a reasonable rental without regard to the value of the mortgage security. The Management Committee or Manager shall have power to bid in the Unit at foreclosure or other sale and hold, lease, mortgage and convey the Unit.

- 19. <u>Mortgage Protection</u>. Notwithstanding all other provisions hereof:
 - (a) A lien for unpaid assessments shall not deprive a first mortgagee (including the holder of a mortgage or trust deed with first priority over other mortgages) of his prior lien obtained in good faith and for value, provided that after the foreclosure of any such first mortgage, a lien may be created pursuant to Paragraph 18 hereof on the interest of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such purchaser as an Owner after the date of such foreclosure sale, which lien shall have the same effect and be enforced in the same manner as provided herein;
 - (b) No amendment to this Paragraph shall affect the rights of the holder of any such mortgage recorded prior to recordation of such amendment who does not join in the execution thereof;
 - (c) By subordination agreement executed by a majority of the Management Committee, the benefits of (a) and (b) above may be extended to mortgagees not otherwise entitled thereto.
- 20. Maintenance of Units. Each Unit Owner at his expense shall keep the interior of his Unit and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating and painting which may be necessary at any time to maintain the good appearance of his Unit. As provided in paragraph 12, a Unit Owner shall repair all injury or damage to the building caused by the act, negligence or carelessness of the Owner or that of any Lessee or sublessee or any agent, employee, or guest of the Owner or his lessee or sublessee to the extent that

the Management Committee is not protected by insurance against such injury; and all such repairs, redecorating and painting shall be of a quality and kind equal to the original work. In addition to decorating and keeping the interior of the Units in good repair, Unit Owners shall be responsible for the maintenance or replacement of any plumbing fixtures, air conditioning and heating equipment, etc., that may be in or connected with the Units. Without the written permission of the Management Committee first had and obtained, no Unit Owner shall make or permit to be made any structural alteration, improvement or addition in or to a Unit, or in or to the exterior of a building, and shall not paint or decorate any portion of the exterior of a building. Any proposed structural alteration of a Unit, including combining two or more units into one suite, shall not be approved by the Management Committee unless such proposed alteration has first received the affirmative vote of Owners representing not less than two-thirds (2/3) of the undivided interest in the Common Areas and Facilities. If this Declaration or any Exhibits hereto must be amended as a result of said alterations, the responsible owner shall pay all such costs, including but not limited to attorney's fees, costs of recording, and any engineering or surveying costs.

- 21. <u>Use Restrictions</u>. Use of the condominium property shall be subject to the following provisions:
 - (a) Each of the Units shall be occupied by only a doctor of dental surgery or related specialist. No Unit may be divided or subdivided into a smaller unit, nor may any portion thereof be sold or otherwise transferred without first amending this Declaration to show the changes in the Units to be affected thereby.
 - (b) The Common Areas and Facilities shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the benefit of the Unit.
 - (c) No use or practice shall be permitted in the Condominium which is a source of annoyance to occupants or which interferes with the peaceful possession and proper use of the property by its occupants.
 - (d) All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage shall be allowed to accumulate, nor shall any fire hazard be allowed to exist. No Unit Owner shall permit any

use of his Unit or of the Common Areas which will increase the rate of insurance upon the condominium property. No improper, offensive or unlawful use shall be made of the Condominium or any part thereof.

- (e) Until Declarant has completed and sold all of the Units, neither the Unit Owners nor the Management Committee shall interfere with the completion of the contemplated improvements and sale of the Units. Declarant may make such use of the unsold Units and Common Areas as may facilitiate such completion and sale, including but not limited to showing the property and display of signs.
- (f) No signs, notices or advertisements shall be displayed on or at any window or other part of the Unit or in the Common Areas without the written approval of the Management Committee.
- 22. Administrative Rules and Regulations. The Management Committee shall have the power to adopt and establish by resolution such building, management and operational rules as it may deem necessary for the maintenance, operation, management and control of the project. The Committee may, from time to time by resolution, alter, amend and repeal such rules. When a copy of any amendment or alteration or provision for repeal of any rule or rules has been furnished to the Unit Owners, such amendment, alteration and provision shall be taken to be a part of such rules. Unit Owners shall at all times obey such rules and see that they are faithfully observed by those persons over whom they have or may exercise control and supervision, it being understood that such rules shall apply and be binding upon all Unit Owners and/or occupants of the Condominium.
- 23. Obligation to Comply Herewith. Each Unit Owner, tenant, or occupant of a Unit shall comply with the provisions of the Act, this Declaration, the Bylaws, and the rules and regulations and all agreements and determinations lawfully made and/or entered into by the Unit Owners or the Management Committee when acting in accordance with their authority, and any failure to comply with any of the provisions thereof shall be ground for an action by the Management Committee to recover any loss or damage resulting therefrom or for injunctive relief.
- 24. <u>Indemnification of Management Committee</u>. Each member of the Management Committee shall be indemnified and held harmless

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by the Unit Owners against all costs, expenses and liabilities whatsoever, including, without limitation, attorney's fees reasonably incurred by him in connection with any proceedings in which he may become involved by reason of his being or having been a member of said Committee.

- 25. Amendment. The Unit Owners shall have the right to amend this Declaration and/or the Map, including the right to expand the project, upon the approval and consent of the Unit Owners representing not less than two-thirds (2/3) of the undivided interest in the Common Areas and Facilities, which approval and consent shall be by duly recorded instruments.
- 26. Right of First Refusal. A Unit Owner who desires to sell his Unit or to enter into an agreement for the occupancy of said unit by another individual for any period of time longer than one year shall give the Management Committee ten (10) days advance written notice thereof, which notice shall state the name and address of the proposed purchaser or occupant, as the case may be, and the terms and conditions upon which said proposed purchaser or occupant agrees to purchase or occupy said Unit. The Management Committee shall have the right, exercisable at any time within ten (10) days after its receipt of such notice, to purchase or enter into an agreement for the occupancy of said Unit upon the same terms and conditions as those specified in the Notice; provided, however, that in the event the Management Committee enters into an agreement hereunder for the occupancy of any Unit, it shall have the right to sublet said Unit to any individual reasonably suitable to the Management Committee. In the event the Management Committee determines that it desires to purchase or enter into an agreement respecting the occupancy of a Unit as above provided, but in good faith concludes that the price or rental specified in the notice is unreasonable, the Management Committee shall give the Owner or Owners of said Unit written notice thereof within seven (7) days after its receipt of notice of the proposed sale or occupancy arrangement. The notice thus given by the Management Committee shall state that it has elected or thereby elects to purchase said Unit or enter into an agreement for the occupancy of the same, and shall state further that the

Management Committee believes the price or rental specified in the notice given to it is unreasonable. The Management Committee shall thereafter be obligated to purchase said Unit or enter into an Agreement for the occupancy of the Unit, as the case may be, at a price or rental to be determined by a group of three M.A.I. appraisers to be selected as follows: The Management Committee shall select one appraiser, the Unit Owner shall select one appraiser, and the two appraisers thus selected shall select the third appraiser. In the event all three appraisers cannot agree on a price or rental to be paid, as the case may be, the decision of any two of the three shall be binding.

The Management Committee, upon written request of any prospective seller, buyer, lessor, tenant, or mortgagee, shall furnish a duly acknowledged certificate of compliance with, or a waiver of, the provisions of the next preceding paragraph. Such a certificate shall be conclusive evidence of the facts stated therein.

27. <u>Service of Process</u>. The name of the person to receive service of process in the cases contemplated by the Act and his residence address are:

JOHN S. McMASTER 1955 South 1300 East Salt Lake City, Utah 84105

28. Miscellaneous Provisions.

- (a) <u>Invalid Provisions</u>. In the event that one or more of the phrases, sentences, clauses, paragraphs or subparagraphs contained in this Declaration are determined to be invalid or operate to render this Declaration invalid, this instrument shall be construed as if such invalid phrase, sentence, clause, paragraph or subparagraph had not been inserted so far as legally possible.
- (b) Interpretation. The singular, wherever used herein, shall be construed to include the plural when applicable, and a given gender shall be deemed to include partnerships, corporations, individuals, and men or women necessary and applicable.
- (c) Topical Headings. The topical headings of the paragraphs contained in this Declaration are for convenience only and do not define, limit or construe the contents of the paragraphs or of this Declaration.

- 29. Waiver. No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.
- 30. Effective Date. This Declaration shall take effect upon recording in the Office of the County Recorder of Salt Lake County, Utah, in Salt Lake City, Utah.

The individual who signs this Declaration hereby certifies that this Declaration was authorized by HIGHLAND PROFESSIONAL PLAZA, a Utah partnership, and that JOHN S. MCMASTER, one of the partners thereof, is authorized to execute such Declaration.

IN WITNESS WHEREOF, the Declarant, by and through John S. McMaster, has caused this Declaration of Condominium to be executed the day and year first above written.

DECLARANT:

HIGHLAND PROFESSIONAL PLAZA

John S. McMaster

STATE OF UTAH COUNTY OF SALT LAKE)

On the 157 day of July ___, 1977, personally appeared before me JOHN S. MCMASTER, who being duly sworn, did say that he is a partner of Declarant, HIGHLAND PROFESSIONAL PLAZA, a Utah partnership, and that the within and foregoing Declaration was signed in behalf of the Declarant, and said JOHN S. MCMASTER

ged to me that he executed the same

.ssion Expires:

Junes G. Mondritt

Notary Public

Residing at: Aut Fahr County

EXHIBIT "A" OWNERSHIP OF COMMON AREAS

UNIT NO.	PERCENTAGE OWNERSHIP IN COMMON AREAS
1	15.67 %
2	7.77 %
3	10.06 %
5	8.88 %
6	8.24 %
7	8.87 %
8	7.09 %
L-1	8.31 %
L-2	6.10 %
L-3	7.98 %
L-4	3.29 %
L-5	6.88 %
L-6	.86 %

EXHIBIT "B"

BY-LAWS HIGHLAND PARK PLAZA CONDOMINIUM

Ι

TITLE

These are the By-Laws of Highland Park Plaza Condominium.

II

APPLICATION

All present or future Unit Owners, occupants, or any other person or persons who might use the facilities of Highland Park Plaza Condominium in any manner are subject to the regulations set forth in these By-Laws. The mere acquisition or rental of any of the Units or the mere act of occupancy or use of any of said Units or the Common Areas will signify that these By-Laws are accepted, ratified, and will be compiled with by such persons.

ADMINISTRATION

- l. Place of Meetings. Meetings of the Unit Owners shall be held in such place within the State of Utah as the Management Committee may specify in the notice, except as herein otherwise specified.
- 2. Annual Meetings. The first annual meeting of the Unit Owners shall be held on the first Monday of March, 1977, at such place as the Management Committee shall specify. Thereafter, the annual meeting shall be held on such day of each succeeding year; provided, however, that whenever such date falls on a legal holiday, the meeting shall be held on the next succeeding business day, and provided further, that the Management Committee may by resolution fix the date of the annual meeting on such date and at such place as the Management Committee may deem appropriate.

- 4. Notices. Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is by mail, it shall be deemed to have been delivered 48 hours after a copy of the same has been deposited in the United States Mail, postage prepaid, addressed to each Unit Owner at the address given by such person to the Management Committee or the Manager for the purpose of service of such notice or to the Unit of such person if no address has been given. Such address may be changed from time to time by notice in writing to the Management Committee or Manager.
- 5. Quorum. At any meeting of the Unit Owners, the owners of more than fifty percent in the aggregate in interest of the undivided ownership of Common Areas and Facilities shall constitute a quorum for any and all purposes, except where by express provisions a greater vote is required, in which event a quorum shall be the number required for such vote. In the absence of a quorum, the Chairman of the meeting may adjourn the meeting from time to time without notice other than by announcement at the meeting, until holders of the amount of interest requisite to constitute a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.
- 6. Voting. When a quorum is present at any meeting, the vote of Unit Owners representing at least fifty-one percent (51%), or more, of the undivided ownership of Common Areas and Facilities present in person or represented by proxy, shall decide any question of business brought before such meeting, including the election of the Management Committee, unless the question is one upon which, by express provision of the statutes, or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. All votes may be cast either in person or by proxy. All proxies shall be in writing and in the case of proxies for the annual meeting, shall be delivered to the Secretary at least three days prior to said annual meeting. Proxies for special Unit Owners' meetings must be of record with the Secretary at least three days prior to said special meeting.

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IV

MANAGEMENT COMMITTEE

- 1. Purpose and Powers. The business, property and affairs of the Condominium shall be managed and governed by its Management Committee, hereinafter referred to as the "Management Committee" or "The Committee", consisting of three members, provided, however, that Declarant may at its option, act as the Management Committee until the completion of, and the sale of, all the Units of the Project. The Management Committee, as it deems advisable, may enter into a management agreement or agreements with a third person, firm, or corporation to act as the Manager of the Project.
- 2. Election and Term of Office. Subject to the provisions of the immediately preceding paragraph, at the first meeting (special or annual) of the Unit Owners called for the purpose of electing the initial Management Committee, three members shall be elected to constitute such Management Committee. The term of office of one (1) member thereof shall be fixed for three (3) years. The term of office of one (1) member shall be fixed at two (2) years, and the term of office of one (1) member shall be fixed at one (1) year. At the expiration of the initial term of office of each respective member, his successor shall be elected to serve a term of three (3) years. The members shall hold office until their successors have been elected and hold their first meeting.
- 3. <u>Vacancies</u>. Vacancies on the Management Committee caused by any reason whatsoever shall be filled by vote of a majority of the remaining members thereof. If the remaining members consist of less than a quorum, then a special meeting of Unit Owners shall be called to fill the vacancies. Each person so chosen shall be a member of the Management Committee until his successor is elected by the Unit Owners at the next annual meeting.
- 4. Removal of Committee Members. All members of the Management Committee shall be subject to removal, with or without cause, at any special meeting of the Unit Owners called for the purpose of considering such removal, by the affirmative vote of Unit Owners representing at least 2/3 of the undivided ownership of Common Areas and Facilities.

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- 6. Special Meetings. Special meetings of the Management Committee shall be held whenever called by the President, the Vice-President, or by two or more members of the Management Committee. By unanimous consent of the Management Committee, special meetings may be held without call or notice at any time or place.
- 7. Quorum. A quorum for the transaction of business at any meeting of the Management Committee shall consist of a majority of the Management Committee then in office.
- 8. <u>Compensation</u>. Members of the Management Committee, as such, shall not receive any stated salary or compensation; provided that nothing herein contained shall be construed to preclude any member of the Management Committee from serving the Project in any other capacity and receiving compensation therefor.
- 9. <u>Waiver of Notice</u>. Before or at any meeting of the Management Committee, any member thereof, may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Management Committee at any meeting thereof shall be a waiver of notice by him of the time and place thereof.
- 10. Adjournment. The Management Committee may adjourn any meeting from day to day or for such other time as may be prudent or necessary, provided that no meeting may be adjourned for longer than thirty (30) days.
- 11. Fidelity Bonds. The Secretary-Treasurer and all officers and employees of the Management Committee who are authorized to sign checks or otherwise handle funds shall obtain adequate fidelity bonds in an amount equal to the total anticipated assessments for a full year. The premium on such fidelity bonds shall be paid by the Management Committee.

V

OFFICERS

1. <u>Designation and Election</u>. The principal officers of the Management Committee shall be a President, a Vice-President and a Secretary-Treasurer, all of whom shall be elected by and from the Management Committee. The Management Committee may

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appoint an assistant secretary-treasurer and such other officers as in its judgment may be necessary or desirable. Such election or appointment shall regularly take place at the first meeting of the Management Committee immediately following the annual meeting of the Unit Owners; provided, however, that elections of officers may be held at any other meeting of the Management Committee.

- 2. Other Officers. The Management Committee may appoint such other officers, in addition to the officers hereinabove expressly named, as it shall deem necessary, who shall have authority to perform such duties as may be prescribed from time to time by the Management Committee.
- 3. Removal of Officers, Agents and Employees. All officers, agents and employees 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 Management Committee.
- 4. President. The President shall be the chief executive of the Management Committee, and shall exercise general supervision over its property and affairs. He shall sign on behalf of the Condominium Project all conveyances, mortgages and contracts of material importance to its business, and shall do and perform all acts and things which the Management Committee may require of him. He shall preside at all meetings of the Unit Owners and the Management Committee. He shall have all of the general powers or duties which are normally vested in the office of the president of a corporation, including but not limited to, the power to appoint committees from among the members from time to time as he may, in his discretion, decide is appropriate to assist in the conduct of the affairs of the Condominium Project.
- 5. Vice-President. The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent, or unable to act. If neither the President nor the Vice-President is able to act, the Management Committee shall appoint some other member thereof to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be prescribed by the Management Committee.
- 6. Secretary-Treasurer. The Secretary-Treasurer shall keep the minutes of all meetings of the Management Committee and of the Unit Owners; he shall have charge of the books and papers as the Management Committee may direct; and he shall in general, perform all the duties incident to the office of Secretary. The Secretary-Treasurer shall also have responsibility for the funds and securities of the Management Committee and shall be responsible for keeping full and accurate accounts of all receipts of all disbursements in books belonging to the Management Committee. He

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shall be responsible for the deposit of all monies and all other valuable effects in the name, and to the credit of, the Management Committee in such depositories as may be from time to time designated by the Management Committee.

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

VI

ACCOUNTING

- 1. Books and Accounts. The books and accounts of the Management Committee shall be kept under the direction of the Secretary-Treasurer and in accordance with the reasonable standards of accounting procedures.
- 2. Report. At the close of each accounting year, the books and records of the Management Committee shall be reviewed by a person or firm approved by the Unit Owners. Report of such review shall be prepared and submitted to the Unit Owners at or before the annual meeting of the Unit Owners; provided, however, that a certified audit by a certified public accountant approved by the Unit Owners shall be made if at least 75 percent of the Owners of undivided interest in the Common Areas and Facilities determine so to do.
- 3. <u>Inspection of Books</u>. Financial reports, such as are required to be furnished, shall be available at the principal office of the Management Committee for inspection at reasonable times by any Unit Owners.

VII

MAINTENANCE AND REPAIR

1. Access. Any officer of the Management Committee or any agent or employee of the Management Committee shall have an irrevocable right to have access to each unit from time to time during reasonable hours that may be necessary for the inspection, maintenance, repair or replacement of any common element therein or accessible therefrom, or for making emergency repairs therein to prevent damage to the common elements or to any other unit or units.

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- 2. Maintenance and Repair. The Management Committee may hire or enter into a contract with any firm, person or corporation for the maintenance, repair or replacement of the condominium property, upon such terms and conditions as the Management Committee deems advisable, and may join with other condominium associations in contracting with the same person or corporation for maintenance and repair. The Management Committee may, by contract or employment agreement, empower and grant to such firms, person or corporation, the right of access, as set forth in Section 1 of this Article. Any such firm, person or corporation shall be subject to removal pursuant to the provisions of paragraph 3 of Article V.
- 3. Material Alterations. There shall be no material alterations or substantial additions to the Common Areas, except as the same are authorized by the Management Committee. Any capital expenditure exceeding the sum of \$1,200 shall be ratified by the affirmative vote of the Unit Owners representing 75 percent or more of the undivided ownership of the Common Areas and Facilities.
- 4. Decision of Management Committee. A good faith decision by the Management Committee that any portion or portions of the Common Areas and Facilities must be repaired or replaced shall be binding upon the Unit Owners. Any maintenance, repair, or replacement of the Common Elements and Facilities which would result in an additional assessment to any individual Unit Owner exceeding \$200 must first be approved by the affirmative vote of the Unit Owners representing fifty-one percent (51%) or more of the undivided ownership of the Common Areas and Facilities. This provision, however, shall not be construed to prevent the Management Committee from authorizing or making any emergency alterations, installations, or repairs needed to prevent continued or threatened damage to any Unit or the Common Areas and Facilities. Further, this provision shall not apply to repairs, rebuilding, or restoration of the Project occasioned by destruction or damage to said Project.
- 5. Approval of Payments. Prior to paying any bills for services rendered or materials supplied for the maintenance, repair, or replacement of the Common Areas and Facilities, the Secretary-Treasurer shall submit payment vouchers to the Management Committee for their approval. Upon approval by a majority of the members of the Management Committee, the Secretary-Treasurer shall make the appropriate disbursements.

VIII

ANNUAL BUDGET

1. Method of Estimating Budget. The Management Committee shall annually estimate expenses and outlays for the coming

fiscal year arising out of and in connection with the maintenance, operation, and repairs of the Condominium, in accordance with Paragraph 16 of the Declaration of Condominium, which is included herein by reference and made a part hereof. The Management Committee may revise the annual budget as they deem necessary or prudent.

- 2. Assessment. Each Unit Owner shall be assessed his share of the annual budget in proportion to his undivided ownership of the Common Areas and Facilities. Such assessment shall be made on a monthly basis and shall be payable in advance. Such assessment may be revised from time to time in accordance with the Management Committee's budget revision as specified in Section 1 immediately above. Special assessments may be made from time to time in accordance with the provisions of Paragraphs 11, 15, and 16 of the Declaration of Condominium.
- 3. <u>Collection</u>. All unpaid assessments may be collected by the Management Committee in the manner specified in Paragraphs 16 and 17 of the Declaration, which provisions are included herein by reference and made a part hereof.

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STATEMENT OF ACCOUNT

Upon ten days notice to the President of the Management Committee or any Manager designated by such Committee and the payment of a reasonable fee not to exceed \$10, any Unit Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or charges due and owing by such owner, as provided in the Declaration of Condominium.

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ADMINISTRATIVE RULES

The Management Committee may, from time to time, adopt and amend previously adopted administrative rules and regulations covering the details of the operation and use of the Common Areas and Facilities of the condominium; provided, however, that no such rules and regulations shall conflict with the Declaration, these By-Laws, or the provisions of the Idaho Condominium Property Act, and in the event of any conflict between the said rules and regulations and the foregoing, the latter shall prevail. The Management Committee shall from time to time, post in a conspicuous place on the condominium property a copy of the rules and regulations adopted, from time to time, by the Management Committee.

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XI

USE RESTRICTIONS

The use and maintenance of the Units and the Common Areas and Facilities shall be in accordance with the restrictions and requirements set forth in the Declaration of Condominium.

XII

AMENDMENT OF BY-LAWS

These By-Laws may be amended at any duly constituted meeting of the Unit Owners called for that purpose by the affirmative vote of at least 2/3 of the ownership in the Common Areas; provided, however, each of the particulars set forth herein shall always be embodied in these By-Laws.