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AMENDED AND RESTATED
DECLARATION OF CONDOMINIUM
OF THE
OAK CREST GARDENS CONDOMINIUM PROJECT

THIS AMENDED AND RESTATED DECLARATION OF CONDOMINIUM for OAK CREST GARDENS is made and executed this 1st day of March, 1995, by the OAK CREST GARDENS MANAGEMENT COMMITTEE for and on behalf of the OAK CREST GARDENS HOMEOWNER'S ASSOCIATION, (hereinafter referred to as the to as "Association") pursuant to Article III, Section 10 of the Original Declaration.

RECITALS:

A. Original Declaration. On February 6, 1994, the OAK CREST GARDENS CONDOMINIUM PROJECT (hereinafter, the "Project") was created by the filing for record in the office of the Recorder of Salt Lake County, Utah: (i) an instrument entitled "Enabling Declaration for OAK CREST GARDENS CONDOMINIUM PROJECT" (hereinafter referred to as the "Original Declaration") as Entry No. 1977698, in Book 2152, at Page 236; and (ii) an instrument styled "Record of Survey Map of the OAK CREST GARDENS CONDOMINIUM PROJECT" (hereinafter referred to as the "Original Map"), as Entry No. 1977697, in Book AA, at Page 92.

B. Amended Declaration. On April 6, 1981, the Original Declaration and Original Map were supplemented and modified by an instrument entitled "Certificate of Amendment of Enabling Declaration For OAK CREST GARDENS CONDOMINIUM PROJECT" (hereinafter referred to as the "First Amendment") recorded in the office of the County Recorder of Salt Lake County, Utah on April 8, 1981, as Entry No. 3552254, in Book 5234, at Page 740.

C. Real Property Affected. This Amended and Restated Declaration of Condominium for OAK CREST GARDENS affects that certain real property located in Salt Lake County, Utah described with particularity in Article II set for below.

D. Intent. The Association desires hereby to consolidate all prior amendments to the Declaration, eliminate all irrelevant and immaterial references, and update the Declaration.

E. Approval. The voting requirements of Article III, Section 10 of the Declaration have been satisfied and this Amendment has been approved by at least 65% in the aggregate in interest of the undivided ownership of the common and limited common areas and facilities.

I. DEFINITIONS

When used in this Declaration (including in that portion hereof entitled "Recitals"), each of the following terms shall have the meaning 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. Act shall mean and refer to the Utah Condominium Ownership Act, Utah Code Annotated, Sections 57-8-1 through 57-8-36, (1953) as amended.

2. Association shall mean and refer to all of the Owners of Units at OAK CREST GARDENS taken as, or acting as, a group.

3. Building shall mean and refer to the OAK CREST GARDENS multilevel structure containing Units.

4. Capital Improvement shall mean and refer to non-recurring expenses (as opposed to day-to-day items) to repair, maintain and replace significant fixed assets in the Project, such as roofs, roads, siding, sidewalks and recreational facilities or amenities intended to restore, enhance, improve or ameliorate the utility, value or beauty of the Common Areas or Facilities.

5. Car Stall shall mean and refer to each Parking Unit designated on Exhibit "A" to this Declaration and the Record of Survey Maps.

6. Committee shall mean and refer to the Management Committee of OAK CREST GARDENS.

7. Common Areas shall mean and refer to the following items:

(a) The real property and interests in real property previously submitted to the Act, including the entirety of the Tract, but excluding individual Units;

(b) All Common Areas and Facilities designated as such in the Survey Maps;

(c) All Limited Common Areas and Facilities designated as such in the Survey Maps;

(d) All foundations, roofs, and exterior walls, constituting a portion of or included in the improvements which

comprise a part of the Project, and any halls, corridors, stairs stairways, lobbies, entrances and exits which are designed for the use of more than one Unit;

(e) All installations for and all equipment connected with the furnishing of Project utility services such as telephone, electricity, gas, water, and sewer;

(f) All heating and air conditioning units, tanks, pumps, motors, fans, compressors, ducts, and, in general, all apparatus, installations, and facilities included within the Project and existing for common use;

(g) The Project outdoor grounds, lighting, fences, landscaping, sidewalks, open parking spaces, and roads;

(h) All portions of the Project not specifically included within the individual Units; and

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

8. Common Area Fees shall mean and refer to all common expenses incurred to operate and maintain the Project, including sums designated for the Reserve Accounts, which are assessed against and all the Unit Owners are obligated to pay.

9. Condominium Unit shall mean and refer to a Unit.

10. Condominium Project shall mean and refer to the OAK CREST GARDENS CONDOMINIUM PROJECT.

11. Declaration shall mean and refer to this Amended and Restated Declaration of Condominium of the OAK CREST GARDENS CONDOMINIUM PROJECT.

12. Eligible Insurer shall mean and refer to an insurer or governmental guarantor of a mortgage or trust deed who has requested notice in writing of certain matters from the Association in accordance with this Declaration.

13. Eligible Mortgagee shall mean and refer to a mortgagee, beneficiary under a trust deed or lender who has requested notice in writing of certain matters from the Association in accordance with this Declaration.

14. Family shall mean and refer to a group of natural persons, related to each other by blood or legally related to each other by marriage or adoption, who maintain a common household in a Unit.

15. Improvement shall mean and refer to all existing structures and appurtenances to the property of every kind and type, including but not limited to all buildings, fixtures, walkways, utilities, plumbing and electrical systems, heating and air conditioning systems, roads, walkways, driveways, parking areas, storage facilities, fences, walls, stairs, landscaping, trees, shrubs, recreational facilities and amenities.

16. Land shall mean and refer to the real property submitted by the Declaration to the Act.

17. Limited Common Areas shall mean and refer to those Common Areas designated in this Declaration or in the Survey Map as reserved for the use of a certain Unit to the exclusion of the other Units.

18. Locker shall mean and refer to each Storage Unit designated in Exhibit "A" to this Declaration and on the Record of Survey Maps.

19. Management Committee shall mean and refer to the Management Committee of OAK CREST GARDENS.

20. Map shall mean and refer to the Record of Survey Map.

21. Mortgage shall mean and refer to both a first mortgage or first deed of trust on any Unit. It does not include a uniform real estate contract, land sales contract or other similar security instrument.

22. Mortgagee shall mean and refer to a mortgagee under a first mortgage and a beneficiary under a first deed of trust on any Unit. It does not include a seller under a uniform real estate contract, land sales contract or other similar security instrument.

23. Owner shall mean and refer to the Unit Owner.

24. Parking Unit shall mean and refer to each Car Stall designated on the Record of Survey Maps.

25. Permanent Resident shall mean and refer to anyone who resides in a Unit for more than 4 consecutive weeks or for more than 8 total weeks in any calendar year.

26. Project shall mean and refer to the OAK CREST GARDENS CONDOMINIUM PROJECT.

27. Property shall mean and refer to the land or real estate, and appurtenances, submitted by the Declaration to the Act.

28. Record of Survey Map shall mean and refer to the "Record of Survey Map or Maps of the OAK CREST GARDENS CONDOMINIUM

PROJECT," on file with the Salt Lake County Recorder.

29. Single Family Residence shall mean and refer to a Unit in which a single family resides.

30. Size shall mean and refer to the area of the floor space within a Unit, in square feet, rounded to the nearest whole number ending in zero. Size shall be computed and determined on the basis of dimensions shown on the Survey Maps. The measurements used in determining Size in a residential Unit shall run from the interior surfaces of the walls surrounding the Residential Unit concerned. Each separate level, story, or floor contained within or making up the Residential Unit shall be taken into account and shall augment the Size thereof. For purposes of determining Size, the area of any space in a Unit intended for parking or storage purposes shall be completely excluded. So long as it substantially complies with the provisions of this Section and is not arbitrary, the Association's determination of the Size of a Residential Unit, as set forth in this Declaration shall be conclusive.

31. Storage Unit shall mean and refer to each Locker designated on the Record of Survey Maps.

32. Survey Map shall mean and refer to the Record of Survey Map.

33. Tract shall mean and refer to the real property submitted by the Declaration to the terms of the Act.

34. Unit shall mean and refer to that interior space designated as a Unit on the Record of Survey Map. There are three types of Units at OAK CREST GARDENS: residential units, parking units and storage units. Unless otherwise indicated, a reference to a Unit includes all three types. All exterior walls on the perimeters of a residential Unit shall constitute a part of the Common Area. A residential Unit shall include any interior walls, partitions, floors, ceilings, and stairs which are wholly contained within its vertical and horizontal perimeters and the interior surfaces of any floors, ceilings, walls, or coverings which bound it; provided, however, that a residential Unit shall not include pipes, wires, conduits, or other utility lines running through it which are utilized for or which serve more than one residential Unit and shall not include any load-bearing walls or floors comprising a part of the Building in which the residential Unit is contained. A residential Unit shall also include all windows, interior and exterior doors, and all fixtures contained within its vertical and horizontal perimeters and intended for the sole use of such Unit.

35. Unit Number shall mean and refer to the number, letter, or combination thereof which designates a Unit.

36. Unit Owner shall mean and refer to the person who is the owner of record (in the office of the County Recorder of Salt Lake County, Utah) of a fee or an undivided fee interest in a Unit. The term Unit Owner does not mean or include a mortgagee or a beneficiary or trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof; It does mean and include, however, jointly and severally, both the seller and buyer under a uniform real estate, land sales contract, or other similar instrument.

II. SUBMISSION

The parcel of real property located in Salt Lake County, Utah, known as the OAK CREST GARDENS CONDOMINIUM PROJECT, and described with particularity below, previously submitted to the Act and resubmitted hereby:

See Exhibit "B," attached hereto and incorporated herein by this reference.

SUBJECT TO the described easements and rights of way.

TOGETHER WITH all easements, rights-of-way, and other appurtenances and rights incident to, appurtenant to, or accompanying the above-described parcel of real property.

ALL OF THE FOREGOING IS SUBJECT TO: All liens for current and future taxes, assessments, and charges imposed or levied by governmental or quasi-governmental authorities; all Patent reservation and exclusions; any mineral reservations of record and rights incident thereto; all instruments of record which affect the above-described Tract or any portion thereof, including, without limitation, any mortgage or deed of trust; all visible and necessary easements and rights-of-way; all easements and rights-of-way of record; any easements, rights-of-way, encroachments, or discrepancies shown on or revealed by the Survey Maps or otherwise existing; an easement for each and every common area improvement, equipment, pipes, lines, cables, wires, utility systems, or similar facilities which traverse or partially occupy the above-described Tract; and all easements necessary for servicing, repairing, ingress to, egress from, maintenance of, and replacement of all such common area improvements, equipment, pipes, lines, cables, wires, utility systems, and similar facilities.

III. COVENANTS, CONDITIONS, AND RESTRICTIONS

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

1. Description of Improvements. The significant improvements included in the Project, which are now located upon the Tract, are one multilevel building, 51 residential Units, 89 parking Units, 66 storage Units, a swimming pool, car stalls, lockers, exits, entrances, driveways, and walkways. The location and configuration of the improvements referred to in the foregoing sentence are depicted on the Survey Maps. The Project also contains other improvements of a less significant nature, such as outdoor lighting, fencing and landscaping.

2. Description and Legal Status of Units. Exhibit "B" to this Declaration and the Survey Maps show the residential Units, Parking Units and Storage Units, as well as the Unit Number of each Unit, its location, dimensions from which its Size may be determined, and the Common Areas and Facilities to which it has immediate access. Each Unit, of whatever type, shall be capable of being separately owned, encumbered, and conveyed, subject to the conditions set forth herein. The undivided ownership interest in the Common Areas appurtenant to a residential Unit may not be partitioned from the balance of the Common Areas.

(a) Residential Unit shall include that part of the building contained within the residential Unit which lies within the boundaries of the residential Unit, which boundaries shall be determined in the following manner:

1) The upper boundaries shall be the plane of the lower surface of the ceiling slab;

2) The lower boundaries shall be the plane of the upper surface of the floor slab; and

3) The vertical boundaries of the residential Unit shall be (a) the interior surfaces of the outside walls of the building bounding a residential Unit; (b) the center line of any non bearing interior walls bounding a residential Unit; and (c) the interior surface of interior bearing walls bounding a residential Unit.

(b) As appears more fully in the Survey Maps and Exhibit "B" to the Declaration, the Project contains a number of car stalls which constitute Parking Units. In addition to providing the vertical dimensions of such Units, the Survey Map shows the horizontal dimensions thereof. Except for a ceiling, however, such Parking Units are not enclosed and shall not be enclosed. Each Parking Unit shall include that part of the parking structure containing the Parking Unit which lies within the boundaries of the Parking Unit, which boundaries shall be determined in the following manner:

1) The upper boundaries shall be the plane of the

ceiling slab;

2) The lower boundaries shall be the plane of the upper surface of the floor slab; and

3) The vertical boundaries shall be the planes passed through the line shown on the map in such a way that each plane is perpendicular to the floor slab.

(c) As appears more fully in the Survey Maps and Exhibit "B" to the Declaration, the Project contains a number of lockers which constitute Storage Units. Each Storage Unit shall include that part of the structure containing the Unit which lies within the boundaries of the Storage Unit, which boundaries shall be determined in the following manner:

1) The upper boundaries shall be the plane of the lower surface of the top of the Storage Unit;

2) The lower boundaries shall be the plane of the upper surface of the bottom of the Storage Unit and

3) The vertical boundaries of the Storage Unit shall be the interior surface of the walls on the perimeter of the Storage Unit.

3. Computation of Percentage of Undivided Ownership Interest. The percentage of undivided ownership interest in the Common Areas which, at any point in time, is appurtenant to a residential Unit shall be equal to the ratio between the Size of such residential Unit and the aggregate Size of all residential Units in the Project, with minor adjustments for the purpose of assuring that the total undivided ownership interest equals 100.00%.

4. Limited Common Areas. The Limited Common Areas contained in the Project consist of all patios, porches, balconies and decks appurtenant to a residential Unit, and other other Common Area reserved for the exclusive use of a residential Unit and as designated on the Survey Maps.

5. Conveyancing. Any deed, lease, mortgage, deed of trust, or other instrument conveying or encumbering a Unit shall describe the interest or estate involved substantially as follows:

Unit No. _____ contained within the OAK CREST GARDENS CONDOMINIUM PROJECT as the same is identified in the Record of Survey Map recorded in Salt Lake County, Utah as Entry No. 1977697 (as said Record of Survey Map may have heretofore been amended or supplemented) and in the Declaration of Condominium of the OAK CREST GARDENS CONDOMINIUM PROJECT recorded in Salt Lake County, Utah as Entry No. 1977698, in Book AA, at Page 92

(as said Declaration may have heretofore been amended or supplemented).

TOGETHER WITH the undivided ownership interest in said Project's Common Areas appurtenant to said Unit as more particularly described in said Declaration.

Any instrument purporting to convey a Parking Unit or Storage Unit shall identify the residential Unit to which it is appurtenant. Regardless of whether or not the description employed in any such instrument is in the above-specified form, all provisions of this Declaration shall be binding upon and shall inure to the benefit of any party who acquires any interest in a Unit. Neither the percentage of undivided ownership interest in the Common Areas nor the right of exclusive use of a Limited Common Area shall be separated from the residential Unit to which it appertains; and, even though not specifically mentioned in the instrument of transfer, such percentage of undivided ownership interest and such right of exclusive use shall automatically accompany the transfer of the residential Unit to which they relate.

6. Ownership and Use. Each Unit Owner, of whatever kind, shall be entitled to the exclusive ownership and possession of his or her Unit and to the ownership of an undivided interest in the Common Areas as set forth herein, subject to the following limitations and restrictions:

(a) Nature and Restrictions on Ownership and Use in General. Each Unit Owner shall have and enjoy the privileges of fee simple ownership of his or her Unit. There shall be no requirements concerning who may own residential Units, it being intended that they may and shall be owned as any other property rights by persons, corporations, partnerships, trusts, limited liability companies and other legal entities; provided, however, Storage Units and Parking Units shall only be owned by, or conveyed to, owners of residential Units, and shall be only leased to or used by persons who reside in residential Units.

Since OAK CREST GARDENS is a residential community, Units shall be used only for residential purposes, except as set forth below; and the Common Areas shall only be used in a manner consistent with the residential nature of the Project.

(b) Rules and Regulations. The Association, acting through its Management Committee, shall have the power and authority to adopt administrative rules and regulations and, in its sole discretion, to impose reasonable user fees for the recreational facilities and amenities, including but not limited to the swimming pool and the common parking and storage facilities. Such rules, regulations and use restrictions shall be binding upon

all Owners and Occupants, their families, guests and invitees.

(c) Restrictions and Limitations of Use. The use of the Units, of whatever kind, is subject to the following guidelines, limitations and restrictions:

1) Occupants Bound. All provisions of the Declaration, By-Laws, and the administrative Rules and Regulations shall be binding upon all Owners and Occupants, their families, guests and invitees.

2) Nuisance. It shall be the responsibility of each Owner and Occupant to prevent the creation or maintenance of a nuisance on the Project. This includes but is not limited to the following:

a) The creation of any unclean, unhealthy, unsightly, or unkempt condition on, in or about his or her Unit or the Common Areas;

b) The storage of any substance, material, item, property or thing in, on or about a Unit or Common Areas that will cause such Unit or the Common Areas to appear to be in an unclean or untidy condition or that will be noxious to the senses;

c) The storage of any substance, material, item or thing upon any Unit or in the Common Areas that will emit foul or noxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the other residents;

d) The creation or maintenance of any noxious or offensive situation in or about any Unit;

e) Actions or activities tending to cause embarrassment, discomfort, annoyance, distress, or disturbance to any other residents, their guests or invitees, particularly if the police or sheriff must be called to restore order.

f) Maintaining any plants, animals, devices or things of any sort whose activities or existence in any way is illegal, noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of other residents, their guests or invitees;

g) Creating too much noise, especially after 11:00 p.m. and before 8:00 a.m.; and

h) Creating too much traffic in and out of the Unit, especially after 11:00 p.m. and before 8:00 a.m.

3) Unsanitary Work, Hobbies or Unkempt Condition. The pursuit of hobbies or other activities, including but not limited to the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Project.

4) Removing Dust & Debris. All rubbish, trash, refuse, waste, dust, debris and garbage shall be regularly removed from the Unit and shall not be allowed to accumulate thereon. Dust and debris shall not be swept off the balcony onto the residential Units or Common Areas below, but shall be collected in a vacuum, dust pan or bin and disposed of properly.

5) Subdivision of Unit. No Unit shall be subdivided or partitioned.

6) Firearms and Incendiary Devices. The use of firearms and incendiary devices within the Project is prohibited. The term firearms includes but is not limited to all guns, pistols, handguns, rifles, automatic weapons, semi-automatic weapons, BB guns, pellet guns, sling shots, wrist-rockets, blow-dart guns, and other firearms of all types, regardless of size.

7) Temporary Structures. No Owner or Occupant shall place upon any part of the Project any temporary structures including but not limited to tents, trailers, sun porches, solariums, glass enclosures or sheds, without the prior written consent of the Committee.

8) Trees, Shrubs, Bushes, Sight Distance at Intersections. All property located at or near driveways, entrances, exits, walkways, paths and street intersections or corners shall be landscaped so as to remove any obstructions and to permit safe sight. No fence, wall, hedge, shrub, bush or tree, real or artificial, shall be planted or placed by any Owner or Occupant in, on or about the common areas; neither will any be permitted to remain particularly where this would create a traffic or sight problem.

9) Utility Lines. No individual overhead utility lines, including lines for cable television, shall be permitted within the Project, except for temporary lines as required during construction.

10) Signs. No signs, windchimes, birdfeeders or similar objects may be placed on or attached to any Unit, patio or balcony.

11) Window Air Conditioning Units. No window air conditioning units or swamp coolers may be installed or maintained in any Unit.

12) Energy Conservation Equipment. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed on the Project.

13) Exterior Lighting. No exterior lights shall be displayed by Owners or Occupants except for seasonal Christmas decorative lights, which may be displayed between December 1 and January 10 only.

14) Business Use. No commercial trade or business may be conducted in or from any Unit unless: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Unit; (b) the business activity conforms to all zoning requirements for the Project; (c) the business activity does not involve persons coming onto the Project who do not reside in the Project or door-to-door solicitation of residents of the Project; and (d) the business activity is consistent with the residential character of the Project and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Project, as may be determined in the sole discretion of the Committee.

The terms business and trade, as used in this sub-Section, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time; (b) such activity is intended to or does generate a profit; or (c) a license is required therefor.

Notwithstanding the above, the leasing of a Unit shall not be considered a trade or business within the meaning of this sub-Section.

15) On-Site Fuel Storage. No on-site storage of gasoline, propane, heating oil, or other fuels shall be permitted on any part of the Project, except that the Committee may store that fuel necessary to operate and maintain the Community provided it is stored in a separate facility designed for this purpose.

16) Heating of Units in Colder Months. In order to prevent breakage or leakage of water pipes during colder months of the year, and the resulting water damage, increased common expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within all vacant or unoccupied Units shall be maintained with the heat in an "ON" position and at a minimum of sixty degrees Fahrenheit (except during power failures or periods when heating

equipment is broken) from October through April, inclusive, or whenever the temperature outside is forecasted to or does reach thirty-two degrees Fahrenheit or below. Owners and Occupants of Units shall take all steps possible on a timely basis to keep the heating equipment including, but not limited to, the thermostat in good working order and repair. Notwithstanding any provision in this Declaration or in the ByLaws to the contrary, the Committee may, after proper notice and a hearing, fine any Owner or Occupant up to the amount of the Association's insurance deductible or deny the Owner or Occupant the right to make a claim on the Association's policy of insurance for violation of this requirement.

17) Storage and Parking of Vehicles. No motor vehicle or trailer, including but not limited to any automobile, commercial vehicle, recreational vehicle, truck, tractor, mobile home or trailer (either with or without wheels), camper, camper trailers, boat or other watercraft, boat trailer, or any other transportation device of any kind may be parked or stationed in front of any garage, walkway, driveway, Unit or Common Area. Owners or Occupants may only park their vehicles within their Parking Units or in other designated areas. Visitors may only park temporarily in designated spaces and in accordance with rules and regulations designated and promulgated by the Management Committee. No Owners or Occupants shall repair or restore any vehicle of any kind upon any Unit or Common Area, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility. No Parking Unit may be altered in such a manner that the number of automobiles which may reasonably be parked therein after the alteration is less than the number of automobiles that could have been reasonable parked in the Parking Unit as originally designed and constructed. The parking areas are not designed for recreational or commercial size vehicles and the Management Committee has the right to make rules and regulations restricting their use.

18) Aerials, Antennas, and Satellite Dishes. No radio, television, satellite antenna, or other aerial, dish, tower, or transmitting or receiving structure, or support thereof, shall be erected, installed, placed, or maintained on the Project unless constructed, erected, installed, placed, or maintained entirely within the enclosed portion of a residential Unit. However, the Association may construct, erect, install, place or maintain a radio, television or satellite antenna, or other aerial, dish, transmitting device or reception structure for a master satellite, television or radio system, should any such master system or systems be utilized by the Association and require any such fixtures.

19) Windows and Window Coverings. No-aluminum foil, newspapers, reflective film coatings, or any other similar materials may be used to cover the exterior windows in any Unit.

Sun shades and tinted windows are allowed. All windows and window panes in residential Units must be identical in size, design and quality to the other Units in the community.

20) Pets. No pets, animals, livestock, reptiles or poultry of any kind shall be kept, raised, or bred in or on the Project. Violation of this restriction shall make the owner of such pet liable for damages, of whatever kind, caused by or arising out of the unauthorized possession of such pet on the premises.

21) Structural Alterations. No structural alterations may be made to the exterior of any Unit, to the Limited Common Area or the Common Area without the prior written consent of the Committee.

7. Occupancy and Age. In order to comply with local, state and federal law, and to create a safe, healthy and harmonious living environment, the use of the residential Units is subject to the following:

(a) Age. The community shall comply with all local, state and federal Fair Housing Acts as they now exist or as they may be amended in the future.

(b) Occupants. No more than two permanent residents may occupy any one bedroom in a Unit at any time.

8. Leases. In order to assure a community of congenial owners and thus protect the value of the Units, the lease of a Unit by any Owner (other than as herein provided for certain mortgagees) shall be subject to the following provisions:

(a) Notice of Lease or Intent to Lease. Any Owner who has leased his or her Unit or who intends to lease his or her Unit shall give notice in writing to the Management Committee of such intention, stating: (i) the name and address of the current Lessee or the intended Lessee, (ii) the terms of the proposed transaction, (iii) such other information as the Committee may reasonably require and (iv) if possible, shall provide the Committee with a copy of the Lease or proposed Lease. The Committee shall have authority to make and to enforce reasonable rules and regulations in order to enforce this provision, including the right to impose fines for failure to comply, and to file a notice of lien against the Unit sold or leased for unpaid fines.

(b) Restrictions. Each lease shall be deemed to be subject to the following restrictions:

1) Entirety. Units may be rented only in their entirety and no fraction or portion thereof may be rented.

2) Transient Use. No transient Lessees may be accommodated therein. All Rentals or Leases must be for a term of no less than one-year and no resort, hotel, executive suite, corporate, seasonal, or rental pool uses are permitted.

3) Subject To Declaration. All Leases and Lessees shall be subject to the provisions of the Act, Declaration, By Laws, Rules and Regulations.

4) Copies of Documents. The Unit Owner must make available to the Lessee, upon request, copies of the Act, Declaration, By Laws, Rules and Regulations.

5) Mandatory Language. Any Lease affecting a Unit at OAK CREST GARDENS, whether written or oral, shall be deemed to contain the following provisions, whether or not expressly therein stated, and each Owner covenants and agrees that any Lease on a Unit shall contain the following language, and further agrees that if such language is not expressly contained therein, then, such language shall be incorporated into the Lease by this reference. Any Lessee, by occupancy in a Unit, agrees to be bound by following:

a) Lessee acknowledges that promises made to Lessor are made for the benefit of the Association for the purpose of discharging Lessor's duties to the Association through Lessee's performance. Therefore, the Association may bring an action against Lessee in law or equity to recover damages or to obtain injunctive relief. Failure by the Association to enforce any of its rights shall in no event be deemed a waiver of the right to do so thereafter.

b) Lessee shall comply strictly with all provisions of the Act, Declaration, By Laws, and with the administrative rules and regulations adopted pursuant thereto, as any of the foregoing may be lawfully amended from time to time. Lessee shall control the conduct and behavior of his or her family, their guests and invitees.

c) Upon written request by the Association, Lessee shall pay to the Association all unpaid monthly Common Area Fees, special assessments, and specific assessments, as lawfully determined and made payable during and prior to the term of this Agreement and any other period of occupancy by Lessee; provided, however, Lessee need not make such payments to the Association in excess of or prior to the due dates for monthly rental payments unpaid at the time of the Association's request. All payments made to the Association shall reduce by the same amount Lessee's obligation to make monthly rental payments to Lessor under the Lease. If Lessee fails to comply with the Association's request to pay Common Area Fees, Lessee shall pay to the Association all late or delinquent charges, fines, interest, and costs of collection,

including, but not limited to, reasonable attorney's fees actually incurred, to the same extent Lessee would be required to make such payments to the Association if Lessee were the owner of the Unit during the term of this Agreement and any other period of occupancy by Lessee.

d) Lessee's rights shall be subject to all rights of the Association and any bona fide mortgage or deed of trust given to secure debt which is now or may hereafter be placed upon the Unit by Lessor.

(c) Recovery of Attorney's Fees. The Committee may recover from the Owner and the Lessee all costs incurred in enforcing this Section, regardless of whether suit is filed, including reasonable attorneys fees.

(d) Lessee's Rights. Any Lessee charged with a violation of the Declaration, ByLaws, Rules and Regulations is entitled to the same rights to which the Owner of a Unit would be entitled.

(e) First Mortgagee's or Lender's Rights. Notwithstanding anything to the contrary herein contained, the provisions of this Section shall not apply to impair the rights of any Mortgagee to:

1) foreclose or take title to a Unit pursuant to remedies contained in any Mortgage;

2) take a deed or assignment in lieu of foreclosure, or

3) sell, lease, or otherwise dispose of a Unit acquired by the Mortgagee.

9. Condition and Maintenance of Units and Limited Common Areas. Each Unit shall be maintained by the Owner thereof so as not to detract from the appearance of the Project and so as not to affect adversely the value or use of any other Unit or other portions of the Project. Each Unit Owner shall keep his or her Limited Common Areas, including but not limited to the patio, porch, balcony and deck in a clean and orderly condition, free of clutter and debris.

10. Liability of Owners and Occupants For Damages. Any Owner or Occupant shall be liable to the Association or other Owners or Occupants for damages to person or property at the Project caused by his or her negligence.

11. Encroachments. In the event that any portion of Common Area, Limited Common Area, Unit, or Building encroaches or comes to encroach on other Common Area or Limited Common Area another Unit

as a result of construction, reconstruction, repair, shifting, settling, or movement, an easement for such encroachment is created hereby and shall exist so long as such encroachment exists.

12. Status and General Authority of Committee. Any instrument executed by the Management Committee that recites facts which, if true, would establish the Committee's power and authority to accomplish through such instrument what is purported to be accomplished thereby, shall conclusively establish said power and authority in favor of any person who in good faith and for value relies upon said instrument. The Association shall, in connection with its exercise of any of the powers delineated in subparagraphs (a) through (j) below, constitute a legal entity capable of dealing in its Committee name. The Management Committee shall have, and is hereby granted, the following authority and powers:

(a) To Enter. The power and authority to enter into or upon any Unit to make repairs and to do other work reasonably necessary for the proper maintenance and operation of the Project. This includes the authority to obtain and maintain entry keys to the individual Units and, if the Unit Owner refuses or is unable to make a key available, to have a key to the Unit made.

(b) Grant Easements. The authority, without the vote or consent of the Unit Owners, Mortgagees, insurers or guarantors of Mortgage, or of any other person, to grant or create, on such terms as it deems advisable, reasonable permits, licenses, and non-exclusive easements over, under, across, and through the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance and operation of the Project.

(c) Execute Documents. 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.

(d) Standing. The power to sue and be sued.

(e) Enter Into Contracts. The authority to enter into contracts which in any way concern the Project, so long as any vote or consent necessitated by the subject matter of the agreement has been obtained.

(f) Transfer Interests in Real Property. 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.

(g) To Purchase. 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.

(h) To Add Property. The power and authority to add any real property, or interest therein, obtained pursuant to subparagraph (g) above to the Project, so long as such action has been authorized by the necessary vote or consent.

(i) Promulgate Rules. 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 this Declaration. This includes but is not limited to the authority to limit services, cut-off privileges, issue sanctions, citations and levy fines, and pursue collection by lien or foreclosure as set forth in Section 25 below.

(j) All Other Acts. 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 on behalf of the Unit Owners.

13. Professional Management. Unless approval for self management is obtained pursuant hereto, the Committee shall delegate and carry out through a professional manager those of its functions which may be delegated. The professional manager so engaged shall be an independent contractor and not an employee. The nature, scope and extent of his or her agency and duties shall be set forth in a written management contract. The Manager shall be responsible for operating and managing the Project for the benefit of the Committee and the Unit Owners, and shall, to the extent permitted by law and by the terms of the Management Agreement with the Committee, be authorized to perform any of the functions or acts required or permitted to be performed by the Management Committee itself. All management contracts shall not be for a term in excess of one year and shall provide that either party, with or without cause and without payment of any termination fee or being subject to any penalty, may terminate the contract upon at least sixty days written notice to the other party thereto. Anything to the contrary notwithstanding, the Association or Committee may employ maintenance and clerical personnel as necessary to properly maintain and operate the Condominium.

14. Composition of Management Committee. The Committee shall be composed of five members who are Unit Owners or agents of organizational Unit Owners. Any vacant seat on the Committee shall be filled with a member elected for a two year term. Any Committee member who fails on three successive occasions to attend Committee meetings (whether regular or special) or who has failed to attend at least sixty percent of all Committee meetings (whether regular or special) held during any twelve month period shall automatically forfeit his or her seat. In such cases, the remaining Committee members shall elect a replacement to sit on the Committee until the next meeting of the Association. Unless he or she forfeits or otherwise loses his or her seat as herein provided, a member shall

serve on the Committee until his or her successor qualifies and is elected by the Association. Committee members shall not be compensated for their services but shall be reimbursed for all expenses reasonably incurred in connection with Committee business and approved by the Committee.

15. 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. The President shall preside over all meetings of the Committee and of the Unit Owners and shall execute all instruments on behalf of the Committee, unless s/he chooses to delegate that authority to another Committee member.

(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 the 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. The Treasurer shall cause to be prepared an annual financial statement for each fiscal year of Project operation. The offices of Secretary and Treasurer may be held by the same Committee member.

16. Committee Meetings. Regular meetings of the Committee shall be held at periodic intervals at such time and place as the Committee may decide. No notice need be given of regular Committee meetings. Special Committee meetings shall be held whenever called by the President or by any two members of the Committee. Reasonable effort shall be made to give either oral or written notice of a special meeting to each Committee member at least twenty-four hours before the time fixed for the meeting. The propriety of holding any meeting which is attended by all Committee members may not be challenged on grounds of inadequate notice. A quorum for the transaction of business at any Committee meeting shall consist of a majority of all the members then in office.

17. Owners Meetings. The annual meeting of the Unit Owners shall be held at 7:00 p.m. on the first Monday in March 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 at 900 South Donner Way, Salt Lake City, Utah unless otherwise specified in the notice of meeting. At least ten but not more than thirty days before the date of the annual meeting, a written notice thereof shall be personally delivered or mailed postage prepaid to each person who appears as an Owner, at the latest address for such person appearing, in the notice shall state the time, place, and general purpose of the meeting.

Special meetings of the Owners may be called by the President, by any two members of the Committee, or by twenty-five percent of the undivided ownership interest in the Project. At least two but not more than thirty days before the date set for a special meeting, written notice thereof shall be given in the manner described in the immediately preceding Paragraph.

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 may not be challenged on grounds of inadequate notice. The presence of fifty-one percent of the undivided ownership interest in the Project entitled to cast a vote shall constitute a quorum for the transaction of business at any Owner's meeting. If a quorum is not present at any Owners meeting, whether regular or special, the meeting may be adjourned and rescheduled for a time no earlier than forty-eight hours, and no later than thirty days, after the time set for the original meeting. The Owners at the rescheduled meeting shall constitute a quorum at the rescheduled meeting. Notwithstanding the foregoing provisions of the this Paragraph, however, in any case in which the Act or this Declaration requires the affirmative vote of a certain percentage of ownership interest for authorization or approval of a matter, their written consent, proxy or presence is required to constitute a quorum at any meeting (whether original or rescheduled) at which action on such matter is taken.

18. Voting -- Multiple Ownership. Only Owners of residential Units may vote. Unit votes shall be based upon the residential Unit's percentage of ownership interest. If there is more than one Owner of a particular Unit, the vote relating to such Unit shall be exercised as such Owners may determine among themselves. A vote cast at any meeting by any of such Owners shall be conclusively presumed to be the vote attributable to the Unit concerned unless an objection is immediately made by another Owner of the same Unit. If such an objection is made, the vote involved shall not be counted for any purpose whatsoever other than to determine whether a quorum exists.

19. Lists of Unit Owners, Eligible Mortgagees, and Eligible Insurers or Guarantors. The Committee shall maintain up-to-date records showing: (i) the name of each person who is an Owner, the address of such person, and the Unit which is owned by him or her; (ii) the name of each person or entity who is an Eligible Mortgagee, the address of such person or entity, and the Unit which is encumbered by the Mortgage held by such person or entity; and (iii) the name of each person or entity who is an Eligible Insurer or Guarantor, the address of such person or entity, and the Unit which is encumbered by the Mortgage insured or guaranteed by such person or entity. In the event of any transfer of a fee or undivided fee interest in a Unit, either the transferor or transferee shall furnish the Committee with evidence establishing that the transfer has occurred and that the Deed or other instrument accomplishing the transfer is of record in the office of the County Recorder of Salt Lake County, Utah. The Committee may for all purposes act and rely on the information concerning Owners and Unit ownership which is thus acquired by it or, at its option, the Committee may act and rely on current ownership information respecting any Unit or Units which is obtained from the office of the County Recorder of Salt Lake County, Utah. The address of any Owner shall be deemed to be the address of the Unit owned by such person unless the Committee is otherwise advised.

20. Capital Improvements. Capital improvements to the Project which cost \$15,000.00 or less may be authorized by the Management Committee alone. Capital improvements the cost of which will exceed such amount must, prior to the commencement of construction, be authorized by at least a majority of the percentage of undivided ownership interest. Any capital improvement which would materially alter the nature of the Project must, regardless of its cost and prior to being constructed or accomplished, be authorized by at least sixty-seven percent of the undivided ownership interest.

21. Operation and Maintenance. The Management Committee shall pay for or provide for the payment of all utility services furnished to the Project which are not separately metered and billed to individual Units by the provider. The Committee shall provide for such maintenance and operation of the Common Areas and Limited Common Areas as may be reasonably necessary to make them usable, clean, functional, attractive, in good condition and repair, and to keep their appearance consistent with community standards.

22. Common Area Expenses. Each Unit Owner shall pay his or her Common Area expenses subject to the following:

(a) Purpose of Common Area Expenses. The Common Area Fees provided for herein shall be used for the general purpose of operating the Project, promoting the recreation, health, safety,

welfare, common benefit and enjoyment of the Owners and Occupants of Units, including the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Management Committee.

(b) Creation of Common Area Fees. Common Area Fees are hereby created to pay for the common expenses as may be from time to time specifically authorized by the Management Committee. Each Owner of any Unit, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association in a timely manner all Common Area Fees assessed.

(c) Budget. Before the annual Unit Owners meeting each year, the Management Committee shall prepare a budget which shall set forth an itemization of the anticipated common expenses for the twelve month calendar year, commencing with the following January 1. The budget shall be based upon advance estimates of cash requirements by the Management Committee to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Areas, which estimates shall include but are not limited to expenses of management, grounds maintenance, taxes and special assessments, premiums for all insurance which the Committee is required or permitted to maintain, common lighting and heating, water charges, trash collection, sewer service charges, carpeting, painting, repairs and maintenance of the Common Areas and replacement of those elements of the Common Areas that must be replaced on a periodic basis, wages for Management Committee employees, legal and accounting fees, any deficit remaining from a previous period; the creation of a reasonable contingency reserve, surplus or sinking fund, capital improvement reserve, and other expenses and liabilities which may be incurred by the Association for the benefit of the owners under and by reason of this Declaration.

(d) Apportionment. The total of such common expenses shall be apportioned among all the residential Units on the basis of their respective appurtenant percentages of undivided ownership interest in the Common Areas.

(e) Approval of Budget and Assessments. The proposed Budget and the Common Area Fees shall become effective unless disapproved at the annual meeting by a vote of at least a majority of the percentage of undivided ownership interest. Notwithstanding the foregoing, however, if the membership disapproves the proposed Budget and Common Area Fees or the Management Committee fails for any reason to establish the Budget and Common Area Fees for the succeeding year, then and until such time as a new Budget and new Common Area Fee schedule shall have been established, the Budget and the Common Area Fees in effect for the then current year shall continue for the succeeding year.

(f) Payment of Common Area Fees. Unless the obligation to pay Common Area Fees is otherwise accelerated, prior to the first day of each month, each Owner shall pay to the Committee as his or her share of the common expenses one-twelfth of the annual amount apportioned to his or her Unit.

(g) Owners Liable To Pay Common Area Fees. For purposes of this section, the term "Owner" shall mean and refer to the Owner of the legal and equitable interest in the Unit, including but not limited to the vested Owner, the Owner of record, and both the Buyer and Seller under any land sales contract, uniform real estate contract, or other similar instrument who shall be jointly and severally liable to pay Common Area Fees.

(h) Equitable Changes. If the aggregate of all monthly payments on all of the Units is too large or too small as a result of unanticipated income or expenses, the Committee may from time to time effect an equitable change in the amount of said payments. Owners shall be given at least thirty days written notice of any changes.

(i) Dates and Manner of Payments. The dates and manner of payment shall be determined by the Committee.

(j) Reserve Accounts. The Committee shall establish and maintain adequate reserve accounts to pay for unexpected operating expenses and capital improvements. The reserve accounts shall be funded out of regular Common Area Fees. Capital Reserves are best presented in a table that reflects the reserve item, the quantity of the item, the estimated useful life of the item, the estimated current replacement cost of the item, and the annual amount of reserves that item represents. In a multi year budget format, there should be a schedule of reserve drawdowns that track the projected useful life figures derived from the table discussed above. The operating reserve account should be established to cover the unexpected. Since special circumstances, the operating reserve should be between two and five percent of the total expenses.

(k) Personal Obligation of Owner. Owners are jointly and severally liable to pay all Common Area Fees assessed, accrued interest, late fees and collection costs, including attorneys fees. Provided, however, no first mortgagee or beneficiary under a first deed of trust (but not the Seller under a uniform real estate contract, land sales contract, or other similar instrument), who obtains title to a Unit pursuant to the remedies provided in the mortgage or trust deed shall be liable for unpaid Common Area Fees which accrued prior to the acquisition of title.

(l) Acceleration. Common Area Fees shall be paid in the manner and on dates fixed by the Committee who may, at its option and in its sole discretion, elect to accelerate the entire annual

Common Area Fee for delinquent Unit Owners. Unless the Committee elects to accelerate the entire annual Common Area Fee, the Fees shall be paid in equal monthly installments. If, however, the Common Area Fee is accelerated and an Owner subsequently files bankruptcy or the Committee otherwise decides acceleration is not in its best interest, the Committee, at its option and in its sole discretion, may elect to deaccelerate the obligation.

(m) Statement of Common Area Fees Due. Upon written request, the Committee shall furnish to any Owner a statement of Common Area Fees due, if any, on his or her Unit. Failure to provide the certificate within ten days after a written request, shall be deemed conclusive evidence that all Common Area Fees are paid current on the Unit. The Association may require the advance payment of a processing charge not to exceed Fifteen Dollars for the issuance of such certificate.

(n) Superiority of Common Area Fees to Homestead Exemption. All Common Area Fees and liens created to secure the obligation to pay Common Area Fees are superior to any homestead exemptions to which an Owner may be entitled.

(o) Termination of Utility Service or Right to Use Amenities for Non-Payment. At the discretion of the Committee, the utility service to any Owner or Occupant of any Unit paid for by Common Area Fees, or the right to use the recreational facilities or amenities, may be terminated if the Owner or Occupant is in arrears on his or her obligation to pay Common Area Fees and has failed to cure or make satisfactory arrangements to cure the default after reasonable notice of at least ten days.

(p) Suspension of Right to Vote for Non-Payment. At the discretion of the Committee, the right of an Owner to vote on issues concerning the Association may be suspended if the Owner is delinquent in the payment of his or her Common Area Fees, and has failed to cure or make satisfactory arrangements to cure the default after reasonable notice of at least ten days.

(q) Interest. The Committee may charge interest of 18% on all outstanding Common Area Fees.

23. Special Assessments. In addition to the other Common Area Fees authorized herein, the Association may levy special assessments in any year. So long as the special assessment does not exceed Five Hundred and 00/100s Dollars per Unit in any one fiscal year, the Committee may impose the special assessment without additional approval from the members of the Association. Any special assessment which would exceed this allocation shall be effective only if approved by at least fifty-one percent of the undivided ownership interest in the Common Areas. The Committee in its discretion may allow any special assessment to be paid in installments.

24. Specific Assessments. In addition to the Common Area Fees and special assessments, the Committee shall have the power specifically to assess the Owners of an individual Unit or Units on a particular floor pursuant to this Section as, in its discretion, it shall deem appropriate. Failure of the Committee to exercise its authority under this section shall not be grounds for any action against the Association or the Committee and shall not constitute a waiver of the Committee's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Committee has not previously exercised its authority under this Section. The Committee may specifically assess Units or floors for the following expenses, except for expenses incurred for maintenance and repair of items which are the maintenance responsibility of the Association as provided herein:

(a) Benefit Only To Specific Unit or Floor. Expenses of the Association which benefit less than all of the Units or Floors may be specifically assessed equitably among all of the Units or Floors which are benefitted according to the benefit received.

(b) Unequal or Disproportionate Benefit. Expenses of the Association which benefit all Units and Floors; but which do not provide an equal benefit to all, may be specifically assessed equitably among all Units or Floors according to the benefit received.

25. Collection of Common Area Fees. It is important that all Unit Owners pay their Common Area Fees in a timely manner.

(a) Procedure. In pursuing the collection of delinquent accounts, it is suggested that the Committee follow these guidelines and policies:

1) Delinquent Fees. Any Common Area Fees which are not paid when due are delinquent and a lien attaches automatically, regardless of whether a notice is recorded.

2) Late Fees. Any Common Area Fees delinquent for a period of more than ten days shall incur a late charge in an amount the Committee may from time to time determine, but in no event less than 10% of the late payment. If any portion of a monthly installment is not paid on time, then a late fee may be assessed by the Committee.

3) Notice of Delinquency. The Association may give a notice of delinquency to any member who has not paid within twenty days following the due date.

4) Notice of Lien. If the Common Area Fees are not paid within sixty days of the due date, a notice of lien covering the unpaid Fees, late charges, accrued interest, attorney's fees,

the cost of a foreclosure report, and any other collection costs permitted by law shall be filed with the Salt Lake County Recorder. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners.

5) Foreclosure of Lien and/or Collection Action.

If the Common Area Fees remain unpaid after ninety days from the due date, the Association may, as determined by the Committee, institute suit to collect the amounts due and/or to foreclose the lien.

(b) Personal Obligation. Each Owner, by acceptance of a deed or as a party to any other type of conveyance, vests in the Association or its agents the right and power to bring all actions against him or her personally for the collection of the charges as a debt or to foreclose the lien in the same manner as mechanics liens, mortgages, trust deeds or encumbrances may be foreclosed.

(c) No Waiver. No Owner may waive or otherwise exempt himself or herself from liability for the Common Area Fees provided for herein, including but not limited to the non-use of Common Areas, Recreational Facilities or the abandonment of the Unit.

(d) Duty to Pay Independent. No reduction or abatement of Common Area Fees shall be claimed or allowed by reason of any alleged failure of the Association or Committee to take some action or perform some function required to be taken or performed by the Association or Committee under this Declaration or the ByLaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay Common Area Fees being a separate and independent covenant on the part of each Owner.

(e) Application of Payments. Unless otherwise determined by the Committee, all payments shall be applied as follows:

1. to costs and attorney's fees;
2. to late charges;
3. to accruing interest;
4. to delinquent Common Area Fees; and
5. to current Common Area Fees.

(f) Foreclosure of Lien as Mortgage or Trust Deed. The lien for nonpayment of Common Area Fees may be enforced by sale or foreclosure of the Unit Owner's interest therein by the Committee.

The sale or foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or mortgages or in any other manner permitted by law. In any foreclosure or sale, the Unit Owner shall pay: (a) the costs and expenses of such proceedings, including but not limited to the cost of a foreclosure report, (b) reasonable attorney's fees, and (c) a reasonable rental for the Unit during the pendency of the foreclosure action. The Association in the foreclosure action may require the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Committee may bid for the Unit at foreclosure or other sale and hold, lease, mortgage, or convey the Unit.

(g) Appointment of Trustee. If the Committee elects to foreclose the lien in the same manner as foreclosures in deeds of trust, then the Owner by accepting a deed to the Unit hereby irrevocably appoints the attorney of the Association, provided he is a member of the Utah State Bar, as Trustee, and hereby confers upon said Trustee the power of sale set forth with particularity in Utah Code Annotated, Section 57-1-23 (1953), as amended. Owner hereby transfers in trust to the Trustee all of his or her right, title and interest in and to the real property for the purpose of securing his or her performance of the obligations set forth herein.

26. Liability of the Association, Management Committee and Professional Manager.

(a) Tort Liability. Neither the Association nor any member of the Management Committee nor any professional manager employed by the Committee nor their agents, representatives and employees (hereafter jointly referred to in this Section as "Committee") shall be liable to any Unit Owner or Occupant, their guests or invitees, for any damages, losses or claims they may suffer arising out of or caused by the Committee's mistake of judgment, nonfeasance, misfeasance, inexperience, oversight, negligence, or any other grounds, except for such member's willful misconduct, gross negligence or bad faith. The Unit Owners and Occupants, their guests and invitees, hereby waive any such claims they may have against the Committee, now or in the future, known or unknown, and hereby release and forever discharge them from all liability therefore.

(b) Contract Liability. No member of the Committee shall be personally liable on any authorized contract or agreement entered into on behalf of the Association. The Unit Owners and Occupants, their guests and invitees, hereby waive any such claims they may have against the members of the Committee now or in the future, known or unknown, and hereby release and forever discharge them from all liability therefore.

(c) Indemnity. Each Unit Owner and Occupant, their guests and invitees, hereby agree to and shall indemnify and hold harmless each member of the Committee, the Committee, and the Association from any and all losses, damage(s) or liabilities s/he may suffer from claims, demands or actions arising out of the management, operation and maintenance of the Project.

(d) Limitation of Liability. The liability of any Unit Owner for damages or indemnity shall be limited to the total liability concerned multiplied by such Owner's undivided percentage of ownership interest in the Common Areas.

27. INSURANCE. The Management Committee, or its duly authorized agent, shall have the authority to and shall obtain the following insurance coverage, subject to the terms, conditions and restrictions set forth below:

(b) Casualty Insurance. Blanket all-risk insurance, if reasonably available, for all insurable improvements on the Common Area. If blanket all-risk insurance is not reasonably available, then at a minimum, an insurance policy providing fire and extended coverage shall be obtained. This insurance shall be in an amount sufficient to cover one hundred (100%) per cent of the replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard.

(b) Supplemental Insurance/Units. In addition to casualty insurance on the Common Area, the Management Committee may, but shall not under any circumstances be obligated to, obtain and continue in effect adequate blanket all-risk casualty insurance in such form as the Committee deems appropriate for one hundred (100%) per cent of the replacement cost of all Units. If the Association elects not to obtain such insurance, then the individual Unit Owner shall be obligated to purchase and maintain such coverage. In the event such insurance is obtained by the Management Committee, the provisions of this Section shall apply to policy provisions, loss adjustment, and all other subjects to which this section applies to insurance on the Common Area. All such supplemental insurance shall be for the full replacement cost and the agent shall provide the Association with a "Certificate of Insurance."

(c) Flood Coverage. If the property is or comes to be situated in an area having special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program ("NFIP"), or any successor program, a policy of flood insurance shall be maintained covering the property in an amount deemed appropriate, but not less than the lesser of: (1) the maximum limit of coverage available under NFIP for Insurable Property within a designated flood hazard area; or (2) one hundred percent (100%) of current replacement cost of the Insurable Property. Such policy shall be in a form which meets the criteria

set forth in the most current Guidelines on the subject issued by the Federal Insurance Administrator.

(d) Liability Coverage. Liability insurance with limits of liability for bodily injury and property damage of not less than \$1,000,000.00 per any one occurrence, and \$2,000,000.00 aggregate. If possible, the policy should be written on the comprehensive form and shall include not-owned and hired automobile liability protection.

(e) Errors and Omissions Coverage. Directors and officers liability insurance also known as Errors and Omissions Coverage.

(f) Fidelity Coverage. A separate fidelity bond in a reasonable amount to be determined by the Management Committee to cover all non-compensated officers as well as all employees for theft of Association funds, subject to the following:

1) Agents. Furthermore, where the Committee or the Association has delegated some or all of the responsibility for the handling of funds to a management agent, such bonds are required for the management agent's officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Committee or the Association.

2) Amount of Coverage. The total amount of fidelity bond coverage required shall be based upon the Committee's best business judgment, but shall not be less than the estimated maximum amount of funds, including reserve funds, in the custody of the Committee, the Association, or the management agent, as the case may be, at any given time during the term of each bond. Nevertheless, in no event may the amount of such bonds be less than a sum equal to three (3) months' aggregate assessments on all Condominium Units, plus reserve funds.

3) Quality of Coverage. The bonds required shall meet the following additional requirement:

a) they shall name the Committee, the Owners Association, and the Property Manager as obligee;

b) if the insurance contract or bond excludes coverage for damages caused by persons serving without compensation, and may use that exclusion as a defense or reason not to pay a claim, the insurance company shall, if possible, be required to waive that exclusion or defense;

c) the premiums on all bonds required herein for the Committee and the Association (except for premiums on fidelity bonds maintained by a management agent for its officers, employees and agents) shall be paid by the Committee or the Association as part of the Common Expenses; and) the bonds shall provide that they may not be cancelled or substantially modified, including cancellation for

nonpayment of premium, without at least ten days' prior written notice to the Committee and the Association, to any Insurance Trustee, and to each service of loans on behalf of any Mortgagee, the VA, FHA and FNMA.

(g) Requirements and Restrictions. The following terms, restrictions, limitations, requirements and provisions shall apply to all insurance coverage:

1) The Insured. The name of the insured under each policy required to be maintained hereby shall be set forth therein substantially as follows: "Association of Unit Owners of the OAK CREST GARDENS CONDOMINIUM PROJECT for the use and benefit of the individual OAK CREST GARDENS Unit Owners" or its equivalent.

2) Designated Representative. The Association may designate an authorized representative of the Association, including any Insurance Trustee with whom the Association has entered into an Insurance Trust Agreement, or any successor to such Trustee, for the use and benefit of the individual Unit Owners.

3) Beneficiary. In any policy covering the entire Project, each Unit Owner and each such Unit Owner's Mortgagee, if any, shall be beneficiaries of the policy in an amount equal to the Owner's percentage of undivided ownership interest in the Common Areas and Facilities.

4) Certificate of Insurance. Evidence of the Association's insurance shall be issued to each Unit Owner and Mortgagee upon request.

5) Mortgage Provisions. Each policy shall contain a standard mortgage clause or its equivalent and shall provide that the policy may not be cancelled or substantially modified without at least ten days prior written notice to the Association and to each Mortgagee.

6) Miscellaneous Provisions. Each insurance policy shall contain at least the following additional items:

a) Waiver of Subrogation. A waiver of the right of a subrogation against Unit Owners individually;

b) Individual Neglect. A provision that the insurance is not prejudiced by any act or neglect of any individual Unit Owner; and

c) Primary Insurance. Anything to the contrary notwithstanding, any individual insurance policy obtained by a Unit Owner shall provide primary coverage in the event the Unit Owner and the Association have insurance covering the same loss; and any insurance of the Association shall be deemed to provide only excess

insurance.

7) Deductible. Each policy may contain a reasonable deductible, however:

a) Casualty Insurance. In the case of casualty insurance, the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost; and

b) Payment of Deductible. The deductible shall be the responsibility of and shall be paid by the party who would be liable for the loss, damage, claim or repair in the absence of insurance, and in the event of multiple responsible parties, the loss shall be allocated in relation to the amount each party's loss bears to the total. Provided, however, if the loss is caused by an act of god or nature, or by an element beyond the control of the Committee, the Association or the Owner, then the Owner shall be responsible for and shall pay the deductible.

8) Individual Insurance. By virtue of taking title to or possession of a Unit subject to the terms of this Declaration, each Owner and Occupant covenants and agrees with all other Owners, Occupants and the Association to purchase and maintain that casualty and liability insurance necessary and reasonable to protect his or her Unit, personal belongings, furniture, furnishings and effects. Form 6, its successor, or its substantial equivalent is recommended for Unit Owners and Form 4, its successor, or its substantial equivalent is recommended for Non-Owner Occupants. Each Owner must provide the Association or Committee with a Certificate of Insurance and a notice of any change or termination of Owner's insurance. No Unit Owner shall be entitled to exercise his or her right to maintain insurance coverage in such a way as to decrease the amount which the Association, on behalf of all the Unit Owners and their mortgagees, may realize under any insurance policy which the Association may have in force on the property at any particular time.

9) Prompt Repair. Each Unit Owner further covenants and agrees that in the event of any partial loss, damage or destruction of his or her Unit, the Unit Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction.

10) Disbursement of Proceeds. Proceeds of insurance policies shall be disbursed to repair promptly and reasonably the damages. Any proceeds remaining thereafter shall be placed in the Capital Improvement Reserve Account and retained by and for the benefit of the Association. This is a covenant for the benefit of the Association and any mortgagee of a Unit, and may be enforced by them.

11) Special Endorsements. Each policy shall also contain or provide the following or their substantial equivalent: (1) "Agreed Amount and Inflation Guard Endorsement", if available; and (2) "Construction Code Endorsements" (such as a "Demolition Cost Endorsement", a "Contingent Liability from Operation of Building Laws Endorsement" and an "Increased Cost of Construction Endorsement"), if the Project is subject to a construction code provision which would become operative upon Partial or Substantial Destruction and require changes to undamaged portions of the Building(s), thereby imposing significant costs in the event of such Destruction of the Project by an insured peril.

12) Quality of Insurance Carrier. Each insurance policy required hereby shall be written by an insurance carrier licensed to transact business in the State of Utah and who has the highest rating by Best's Key Rating Guide.

13) Restrictions on Policies. No such insurance policy shall be maintained where:

a) Individual Assessments Prohibited. Under the term of the carrier's charter, bylaws, or policy, contributions may be required from, or assessments may be made against, a Unit Owner, a borrower, a Mortgagee, the Management Committee, the Association of Unit Owners, FNMA, or the designee of FNMA.

b) Payments Contingent. By the terms of the carrier's charter, bylaws, or policy, payments are contingent upon action by the carrier's board of directors, policyholder, or member; or

c) Mortgagee Limitation Provisions. The policy includes any limited clauses (other than insurance conditions) which could prevent the party entitled (including, without limitation, the Committee, the Association, a Unit Owner, FNMA, or the borrowers) from collecting insurance proceeds.

(h) Disclaimer. The foregoing provisions shall not be construed to limit the power or authority of the Management Committee or Association of Unit Owners to obtain and maintain insurance coverage in addition to any insurance coverage required hereunder, in such amounts and in such forms as the Management Committee or Association may deem appropriate from time to time.

28. Destruction, Condemnation, and Obsolescence. The following provisions shall apply with respect to the destruction, condemnation, or obsolescence of the Project. Each of the following terms shall have the meaning indicated:

(a) Destruction. "Substantial destruction" shall exist whenever, as a result of any damage or destruction to the Project or any part thereof, the excess of Estimated Costs of Restoration

over Available Funds is twenty-five percent or more of the estimated Restored Value of the Project. "Partial destruction" shall mean any other damage or destruction to the Project or any part thereof.

(b) Condemnation. "Substantial condemnation" shall exist whenever a complete taking of the Project or a taking of part of the Project has occurred under eminent domain or by grant or conveyance in lieu of condemnation, and the excess of the Estimated Costs of Restoration over Available Funds is twenty-five percent or more of the estimated Restored Value of the Project. "Partial condemnation" shall mean any other such taken by eminent domain or grant or conveyance in lieu thereof.

(c) Obsolescence. "Substantial obsolescence" shall exist whenever the Project or any part thereof has reached such a state of obsolescence or disrepair that the excess of Estimated Costs of Restoration over Available Funds is twenty-five percent or more of the estimated Restored Value of the Project. "Partial obsolescence" shall mean any state of obsolescence or disrepair which does not constitute Substantial Obsolescence.

(d) Restored Value. "Restored Value" shall mean the fair market value of the Project after Restoration as determined by an MAI or other qualified appraisal.

(e) Estimated Costs of Restoration. "Estimated cost of restoration" shall mean the estimated costs of restoring the Project to its former condition.

(f) Available Funds. "Available funds" shall mean any proceeds of insurance, condemnation awards, payments in lieu of condemnation, and any uncommitted funds of the Management Committee or Association. Available Funds shall not include that portion of insurance proceeds legally required to be paid to any party other than the Association, including a Mortgagee, or that portion of any condemnation award or payment in lieu of condemnation payable to the Owner or Mortgagee of a Condominium Unit for the condemnation or taking of the Unit in which they are interested.

(g) Determination by Committee. Upon the occurrence of any damage or destruction to the Project or any part thereof, or upon a complete or partial taking of the Project under eminent domain or by grant or conveyance in lieu thereof, the Committee shall make a determination as to whether the excess of Estimated Costs of Restoration over Available Funds is twenty-five percent or more of the estimated Restored Value of the Project. In addition, the Committee shall, from time to time, review the condition of the Project to determine whether Substantial Obsolescence exists. In making such determinations the Committee may retain and rely upon one or more qualified appraisers or other professionals.

(h) Restoration of the Project. Restoration of the Project shall be undertaken by the Committee promptly without a vote of the Owners in the event of Partial Destruction, Partial Condemnation, or Partial Obsolescence and shall also be undertaken in the event of Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence unless the failure to make Restoration is consented to by Owners collectively holding at least sixty-seven percent of the Project's undivided ownership interest and is further consented to by Eligible Mortgagees holding Mortgages on Units which have appurtenant at least fifty-one percent of the undivided ownership interest in the Common Areas and Facilities which is then subject to Mortgages held by Eligible Mortgagees.

(i) Notices of Destruction or Obsolescence. Within thirty days after the Committee has determined that Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence exists, it shall send to each Owner and Eligible Mortgagee a written description of the destruction, condemnation, or state of obsolescence involved, shall take appropriate steps to ascertain the preferences of the Eligible Mortgagees concerning Restoration, and shall, with or without a meeting of the Owners (but in any event in accordance with the applicable provisions of this Declaration), take appropriate steps to determine the preferences of the Owners regarding Restoration.

(j) Excess Insurance. In the event insurance proceeds condemnation awards, or payments in lieu of condemnation actually received by the Committee or Association exceed the cost of Restoration when Restoration is undertaken, the excess shall be paid and distributed to the Owners in proportion to their respective undivided interests in the Common Areas. Payment to any Owner whose Unit is the subject of a Mortgage shall be made jointly to such Owner and the interested Mortgagee.

(k) Inadequate Insurance. In the event the cost of Restoration exceeds Available Funds, all of the Units shall be assessed for the deficiency on the basis of their respective percentages of undivided ownership interest in the Common Areas.

(l) Reallocation in Event of Partial Restoration. In the event that all or any portion of one or more Units will not be the subject of Restoration (even though the Project will continue as a condominium project) or is taken in a condemnation proceeding or pursuant to any agreement in lieu thereof, the undivided ownership interest in the Common Areas and Facilities shall be immediately reallocated to the remaining Units.

(m) Sale of Project. Unless Restoration is accomplished as set forth above, the Project shall be sold in the event of Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence. In the event of such sale, condominium ownership under this Declaration and the Survey Map shall terminate and the

proceeds of sale and any Available Funds shall be distributed by the Committee to the Owners in proportion to their respective undivided interests in the Common Areas. Payment to any Owner whose Condominium Unit is then the subject of a Mortgage shall be made jointly to such Owner and the interested Mortgagee.

(c) Authority of Committee to Represent Owners in Condemnation or to Restore or Sell. The Committee, as attorney-in-fact for each Owner, shall represent all of the Owners and the Association in any condemnation proceeding or in negotiations, settlements, and agreements with the condemning authority for the acquisition of all or any part of the Common Areas and Facilities. The award in any condemnation proceeding and the proceeds of any settlement related thereto shall be payable to the Association for the use and benefit of the Unit Owners and their mortgagees as their interests may appear. The Committee, as attorney-in-fact for each Owner, shall have and is hereby granted full power and authority to restore or to sell the Project and each Unit therein whenever Restoration or sale, as the case may be, is undertaken as hereinabove provided. Such authority shall include the right and power to enter into any contracts, deeds or other instruments which may be necessary or appropriate for Restoration or sale, as the case may be.

29. Consent in Lieu of Vote. In any case in which the Act or this Declaration requires the vote of a Unit Owner for authorization or approval of an act or a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, the written consent or approval of each required Unit Owner authorizing the act or transaction, subject to the following conditions:

(a) Ninety-Day Limit. All necessary consents must be obtained prior to the expiration of ninety days from the time the first written consent is obtained; and

(b) Change In Ownership. Any change in ownership of a Condominium Unit which occurs after consent has been obtained from the Owner having an interest therein shall not be considered or taken into account for any purpose.

30. Mortgagee Protection. The lien or claim against a Unit for unpaid Common Area Fees levied by the Management Committee or by the Association of Unit Owners pursuant to this Declaration or the Act shall be subordinate to any Mortgage recorded on or before the date such Common Area Fees become due.

(a) Statutes. In the event that the State of Utah should enact the Uniform Condominium Act or any other statute applicable to condominiums with a provision that would allow such Common Area Fees including special assessments, to have a limited priority over a Mortgage recorded before such Common Area Fees

became due, or in the event that the State of Utah should enact any law which would allow a lien for unpaid Common Area Fees to survive foreclosure or exercise of a power of sale, all such assessments and charges, including special assessments, shall after the date of such enactment be made due and payable to the Committee or the Association on a monthly basis and the lien for any fees, late charges the Association assessed in connection with such unpaid Common Area Fees shall be deemed subordinate to the first Mortgage in the Unit upon which such Common Area Fees are levied.

(b) Effects of Voluntary and Involuntary Sale. The lien or claim against a Unit for such unpaid Common Area Fees shall not be affected by any sale or transfer of such Unit, except that a sale or transfer pursuant to a foreclosure of the Mortgage affecting such Unit or the exercise of a power of sale available thereunder shall extinguish any debt payable prior to such sale or transfer. Nevertheless, any such unpaid Common Area Fees which are extinguished in accordance with the foreclosure or power of sale shall not relieve the purchaser or transferee of such Unit from liability for, nor such Unit from the lien of any Common Area Fees becoming due thereafter.

(c) Books and Records Available for Inspection. The Committee or the Association shall make available to Unit Owners, to lenders and to holders, insurers, or guarantors of any Mortgage current copies of the Declaration and rules concerning the Project, and the books, records, and financial statements of the Committee and the Association. "Available", as used in the Paragraph, shall mean available for inspection upon request during normal business hours or under other reasonable circumstances.

(d) Right to Financial Statement. The holder, insurer or guarantor of any Mortgage shall be entitled, upon written request, to a financial statement for the immediately preceding fiscal year free of charge to the party so requesting. Any financial statement requested pursuant hereto shall be furnished to the requesting party within a reasonable time following such request.

(e) Management Contracts. Any agreement for professional management of the Condominium Project and any contract or lease which is entered into by the Management Committee or the Association shall provide that either party may terminate the contract for cause upon at least sixty days written notice to the other party thereto.

(f) Eligible Mortgage Designation. Upon written request to the Committee or the Association by the holder, insurer, or guarantor of a Mortgage (which request identifies the name and address of such holder, insurer or guarantor and the Unit Number or address of the Unit encumbered by the Mortgage held or insured by such holder, insurer, or guarantor), such holder insurer, or

guarantor shall be deemed thereafter to be an "Eligible Mortgagee" or "Eligible Insurer" or "Eligible Guarantor," as the case may be, shall be included on the appropriate lists maintained by the Association, and shall be entitled to timely written notice of any of the following:

1) Condemnation Loss or Award. Any condemnation loss or any casualty loss which affects a material portion of the Project or any Unit on which there is a Mortgage held, insured, or guaranteed by such Eligible Insurer or Guarantor.

2) Delinquency. Any delinquency in the payment of Common Area Fees owed by an Owner of a Unit subject to a Mortgage held, insured or guaranteed by such Eligible Insurer or Guarantor, which delinquency remains uncured for a period of sixty days.

3) Lapse of Insurance. Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Committee or the Association.

4) Consent Required. Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees.

(g) No Right of First Refusal. The right of a Unit Owner to sell, transfer, or otherwise convey his or her Unit shall not be subject to any right of first refusal or similar restriction.

31. Amendment. The affirmative vote of at least sixty-seven percent of the undivided ownership interest in the Common Areas shall be required and shall be sufficient to amend the Declaration or the Record of Survey Map. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by an authorized representative of the Management Committee. In such instrument the Committee shall certify that the vote required by this Section for amendment has occurred, and, if approval of a specified percentage of Eligible Mortgagees is required for such amendment, that such approval has been obtained. The foregoing right of amendment shall, however, be subject to the following:

(a) Consent of Eligible Mortgagee. The consent of at least sixty-seven percent of the Eligible Mortgagees shall be required to any amendment which would terminate the legal status of the Project; and the consent of at least fifty-one percent of the Eligible Mortgagees shall be required to add to or amend any material provision of this Declaration or the Survey Map which establishes, provides for, governs, or regulates any of the following: (i) voting; (ii) assessments, assessment liens, or subordination of liens; (iii) reserves for maintenance, repair, and replacement of the Common Areas; (iv) insurance or fidelity bonds; (v) limitations and restrictions on the right to use of the

Common Areas; (vi) responsibility for maintenance and repair of the several portions of the Project; (vii) expansion or contraction of the Project or the addition, annexation or withdrawal of property to or from the Project; (viii) the boundaries of any Unit; (ix) the percentages of ownership interest in the Common Areas; (x) convertability of Units into Common Areas or of Common Areas into Units; (xi) leasing of Condominium Units; (xii) imposition of any right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer, or otherwise convey his or her Condominium Unit; (xiii) express benefits or rights of Mortgagees, Eligible Mortgagees, or Eligible Insurers or Guarantors; and (xiv) the requirement that the Project be professionally managed rather than self managed. Any addition or amendment shall not be considered material for purposes of this Paragraph (b) if it is for the clarification only or to correct a clerical error. Notice of any proposed amendment to any Eligible Mortgagee to whom a written request to approve an addition or amendment to this Declaration or the Survey Map is required shall be mailed postage prepaid to the address for such Mortgagee shown on the list maintained by the Association. Any Eligible Mortgagee who does not deliver to the Committee or the Association a negative response to the notice of the proposed amendment within thirty days from the date of such mailing shall be deemed to have approved the proposal. The foregoing consent requirements shall not be applicable to amendments to this Declaration and the Survey Map or the termination of the legal status of the Project as a condominium if such amendments or such termination are made or accomplished in accordance with the provisions of this Declaration regarding Condemnation or Substantial Obsolescence.

32. Interpretation. To the extent the provisions of the Act are consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. The captions which precede the Articles and Sections of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both other genders. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof.

33. Covenants to Run with Land. This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of Association, all other signatories hereto, all parties who hereafter acquire any interest in a Unit or in the Project, and their respective grantees, transferees, heirs, devisees, personal representative, successors, and assigns. Each Owner or Occupant of a Unit shall comply with, and all interests in all Units shall be subject to, the terms of

this Declaration and the provisions of any rules, regulations, agreements, instruments, supplements, amendments, and determinations contemplated by this Declaration. By acquiring any interest in a Unit or in the Project, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

34. Enforcement and Right to Recover Attorney's Fees. Should the Association or Committee be required to take action to enforce the Act, this Declaration, the By-Laws or Administrative Rules and Regulations, or to pursue any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise, the Association or Committee may recover all costs and expenses, including a reasonable attorney's fee which may arise or accrue.

35. Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Project designed to make the Project safer than they otherwise might be. Neither the Association, nor the Committee shall in any way be considered insurers or guarantors of security within the Project, however, and neither the Association, nor the Committee shall be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. All Owners and Occupants, their guests and invitees, as applicable, acknowledge that the Committee and the Association do not represent or warrant that any fire protection system or burglar alarm system designated by or installed according to guidelines established by the Committee or the Association may not be compromised or circumvented, that any fire protection or burglar alarm system will prevent loss by fire, smoke, burglary, theft, hold-up, or otherwise nor the fire protection or burglary alarm systems will in all cases provide the detection or protection for which the system is designed or intended. All Owners and Occupants, their guests and invitees, acknowledge and understand that the Association and Committee are not insurers of their safety and they hereby assume all risks for loss or damage to their person or property and further acknowledge that the Association and Committee have made no representations or warranties, nor have they relied upon any representations or warranties, expressed or implied, including any warranty or merchantability or fitness for any particular purpose, relative to any fire and/or burglar alarm systems recommended or installed or any security measures undertaken within the Project.

36. Liens Against the Association. All liens for materials, labor or money judgments against the Association or Committee are to be indexed in the public records under the name of the Association and the name of the community. An Owner may pay the pro rata share of the amount of any lien against the Association or Committee and that shall be sufficient to release the lien on his or her Unit. Such liens will not constitute a lien on the Common

Areas of the community, but rather on each Unit within the community. Any person or entity who elects to perform labor or provide materials at this Project shall do so subject to the terms of this Section. If the Association has encumbered the Common Areas and thereafter defaults on its obligations, the lienholder must exercise its rights against the Common Areas before it may proceed against the Units or the Unit Owners.

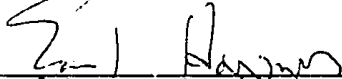
37. Agent for Service of Process. The President of the Association is the person to receive service of process in the cases authorized by the Act and the office of the registered agent is 900 South Donner Way, Salt Lake City, Utah 84108.

38. Effective Date. This Declaration, any amendment or supplement hereto, and any amendment or supplement to the Survey Map shall take effect upon its being filed for record in the office of the County Recorder of Salt Lake County, Utah.


39. Request for Notice. The Association hereby requests that a copy of any notice of default and a copy of notice of sale under any mortgages or deeds of trust filed for record against any Units at OAK CREST GARDENS be mailed to the OAK CREST GARDENS Homeowner's Association at 900 South Donner Way, Salt Lake City, Utah 84108 pursuant to U.C.A. Section 57-1-26 (1953), as amended. For purposes of satisfying the requirements of the foregoing Section, this request shall be deemed to be repeated re-recorded after the recordation of each mortgage, trust deed or security interest hereafter recorded in the office of the County Recorder of Salt Lake County, Utah affecting any Unit at OAK CREST GARDENS.

EXECUTED the day and year first above written.

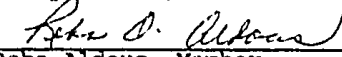
OAK CREST GARDENS HOMEOWNER'S ASSOCIATION

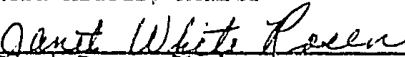

Earl Harmer, President


Joyce Hughes, Secretary


Ed Jack, Member

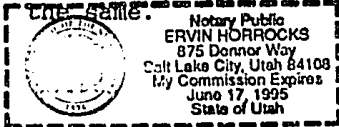

Larry DuBois, Member


Reba Aldous, Member


Janet Rosen, Member

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

On the 1st day of March, 1995, personally appeared before me Earl Harmer, Joyce Hughes, Bud Jack, Larry DuBois, Reba Aldous and Janet Rosen, who by me being duly sworn, did say that they are the President, Secretary and members of the Management Committee of the OAK CREST GARDENS CONDOMINIUM HOMEOWNERS ASSOCIATION, respectively, and that the within and foregoing instrument was signed in behalf of said ASSOCIATION by authority of its Declaration of Condominium, and said President, Secretary and members of the Management Committee duly acknowledged to me that said ASSOCIATION executed



Ervin Horrocks

NOTARY PUBLIC
Residing at:

My Commission Expires:

June 17, 1995

Exhibit "A"

Floor & Unit No.	Parking Unit No.	Storage Unit No.	Square Footage	Percentage of Ownership
702	78 - 79	G	1825	2.08
704	39 - 40	H 110-2	1880	2.13
706	49 - 83	I 110-4	1880	2.18
708	9 - 10	J	1825	2.08
602	7 - 8	T	1825	2.08
604	86 - 87	W 110-5	1880	2.13
606	84 - 85	M	1825	2.08
608	46 - 88	K	1825	2.08
502	1 - 48	N	1825	2.08
504	43 - 47	Z	1825	2.03
506	2- 3	C	1825	2.08
508	76 - 77	L	1825	2.08
402	37 -38	D 110-3	1880	2.13
404	52 - 53	Y	1825	2.08
406	44 -45	A 110-6	1935	2.20
408	57	E	1600	1.78
302	80 - 81	F	1825	2.08
304	50 - 51	Q	2425	3.74
202	35 - 36	S 110-1	1880	2.13
204	5	U	1825	2.03
206	4	R	500	.55
102	41 - 42	X	1485	1.70
104	6 - 89	B	2165	2.45
106	22 -56	P O 22	865	1.01
108	33	V	965	1.07

BK 7139 Pg 1826

EXHIBIT "A"

<u>Floor & Unit No.</u>	<u>Parking Unit No.</u>	<u>Storage Unit No.</u>	<u>Square Footage</u>	<u>Percentage of Ownership</u>
701	70	GG 109-3	1540	1.7
703	73	GG	2165	2.4
705	55	II	1825	2.03
707	71 - 28	HH	1825	2.08
601	63 64 65	BB	2165	2.50
603	17	NN	1485	1.65
605	62	MM	1825	2.03
607	18 - 54	AA	1825	2.08
501	12 - 16	XX	1825	2.08
503	60 - 61	EE	1825	2.08
505	72 - 74	DD 109-4-8	1965	2.2
507	30	FF	1825	2.03
401	13 - 14	CC	1825	2.08
403	25 - 26	LL	1825	2.08
405	24	WW	1220	1.36
407	31 - 32	TT	2215	2.51
301	66 - 67	YY	2425	2.74
303	58 - 59	OO	1825	2.15
305	75	109-2-5-6	1010	1.01
201	19 20 21	KK	2665	3.06
203	15 - 29	RR 109-1	1600	1.77
205	34	SS	900	1.01
101	11 - 23	UU 109-7	2195	2.48
103	68 - 69	W	1485	1.7
105	27	PP	965	1.07
107	83	QQ	865	.96

BK 7139 PG 1827

EXHIBIT "B"

POOR COPY -
GC REQUIRED

The land described in the foregoing document is located in Salt Lake County, State of Utah and is described more particularly as follows:

BEGINNING AT THE SOUTHEASTERLY CORNER OF LOT 3, AMENDED PLAT OF OAK HILLS PLAT "L", A SUBDIVISION OF PART OF SECTION 11, TOWNSHIP 1 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE NORTH $63^{\circ}25'26''$ 65.35 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT (RADIUS 57.00 FEET, BEARING $N26^{\circ}34'34''E$) 92.34 FEET; THENCE $N29^{\circ}23'59''E$ 249.00 FEET; THENCE EASTERLY ALONG THE ARC OF A CURVE TO THE LEFT (RADIUS 50.00 FEET, BEARING $N29^{\circ}23'59''E$) 64.05 FEET; THENCE EASTERLY ALONG THE ARC OF A CURVE TO THE RIGHT (RADIUS 20.00 FEET, BEARING $S43^{\circ}59'56''E$) 25.62 FEET; THENCE $S60^{\circ}36'01''E$ 40.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF A CURVE TO THE RIGHT (RADIUS 50.00 FEET, BEARING $S29^{\circ}23'59''W$) 33.16 FEET; THENCE $S22^{\circ}36'01''E$ 20.60 FEET; THENCE SOUTHERLY ALONG THE ARC OF A CURVE TO THE RIGHT (RADIUS 44.00 FEET, BEARING $S67^{\circ}23'59''$) 39.93 FEET; THENCE $S29^{\circ}23'59''W$ 12.00 FEET TO THE NORTHEASTERLY CORNER OF SAID LOT 3; THENCE $S29^{\circ}23'59''W$ 106.24 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF A CURVE TO THE LEFT (RADIUS 3549.95 FEET, BEARING $S60^{\circ}36'01''E$) 174.15 FEET TO POINT OF BEGINNING.

SUBJECT TO AND TOGETHER WITH PERPETUAL RIGHTS OF WAY AND A PERPETUAL EASEMENT AS FOLLOWS:

A. SUBJECT TO AN EASEMENT FOR THE INSTALLATION AND CONTINUED MAINTENANCE, REPAIR, RECONSTRUCTION AND REMOVAL OF UNDERGROUND TELEPHONE AND ELECTRIC POWER CIRCUITS, HOT WATER, CHILLED WATER, STEAM AND GAS, WATER MAINS, SNOW MELTING SYSTEMS, TO BE CONTAINED IN DUCTS AND PIPES BELOW THE SURFACE OF THE LAND WITHIN A FOUR-FOOT WIDE STRIP OF LAND, BEING TWO FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTER LINE, TO WIT:

BEGINNING AT A POINT 2.00 FEET $N63^{\circ}25'26''N$ FROM THE SOUTHEAST CORNER OF LOT 3, AMENDED OAK HILLS PLAT "L", AND RUNNING THENCE NORTHEASTERLY ALONG THE ARC OF A CURVE TO THE RIGHT (RADIUS 3661.95 FEET, BEARING $S63^{\circ}23'26''E$) 174.95 FEET; THENCE $N29^{\circ}23'59''E$ 118.29 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT (RADIUS 42.00 FEET, BEARING $N60^{\circ}36'01''N$) 35.12 FEET; THENCE $N22^{\circ}36'01''N$ 20.60 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT (RADIUS 48.00 FEET, BEARING $S67^{\circ}23'59''N$) 31.83 FEET; THENCE $N60^{\circ}36'01''N$ 40.00 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT (RADIUS 18.00 FEET, BEARING $S29^{\circ}23'59''W$) 23.06 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT (RADIUS 52.00 FEET, BEARING $N43^{\circ}59'56''W$) 66.61 FEET.

B. TOGETHER WITH A RIGHT OF WAY OF GENERAL PASSAGE OVER AND UPON A STRIP OF LAND FIFTY FEET WIDE AND A CUL-DE-SAC THE AREA THEREOF BEING DESIGNATED AS "DONUTS CIRCLE" AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEASTERLY CORNER OF SAID LOT 3, AMENDED PLAT OF OAK HILLS PLAT "L", A SUBDIVISION OF PART OF SECTION 11, TOWNSHIP 1 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE $S60^{\circ}36'01''E$ 50.00 FEET; THENCE $N29^{\circ}23'59''E$ 12.00 FEET; THENCE NORTHERLY ALONG THE ARC OF A CURVE TO THE LEFT (RADIUS 94.00 FEET, BEARING $N60^{\circ}36'01''N$) 85.31 FEET; THENCE $N22^{\circ}36'01''N$ 20.60 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF A CURVE TO THE LEFT (RADIUS 100.00 FEET, BEARING $S67^{\circ}23'59''W$) 66.32 FEET; THENCE $N60^{\circ}36'01''N$ 107.08 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT (RADIUS 50.00 FEET, BEARING $S29^{\circ}23'59''W$) 22.13 FEET; THENCE EASTERLY ALONG THE ARC OF A CURVE TO THE RIGHT (RADIUS 20.00 FEET, BEARING $S43^{\circ}59'56''E$) 25.62 FEET; THENCE $S60^{\circ}36'01''E$ 40.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF A CURVE TO THE RIGHT (RADIUS 50.00 FEET, BEARING $S29^{\circ}23'59''W$) 33.16 FEET; THENCE $S22^{\circ}36'01''E$ 20.60 FEET; THENCE SOUTHERLY ALONG THE ARC OF A CURVE TO THE RIGHT (RADIUS 44.00 FEET, BEARING $S67^{\circ}23'59''N$) 39.93 FEET; THENCE $S29^{\circ}23'59''W$ 12.00 FEET TO THE POINT OF BEGINNING.

C. SUBJECT TO AND TOGETHER WITH A JOINT RIGHT OF WAY OF GENERAL PASSAGE TWENTY FEET WIDE, THE CENTER LINE OF SAID RIGHT OF WAY BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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EXHIBIT "C"

PAGE 2

PLAT RECORD
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BEGINNING AT THE SOUTHEASTERLY CORNER OF SAID LOT 3, AMENDED PLAT OF OAK HILLS PLAT "L", A SUBDIVISION OF PART OF SECTION 11, TOWNSHIP 1 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE N 63° 25' 26" W 115.35 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT (RADIUS 57.00 FEET, BEARING N 26° 34' 34" E) 92.34 FEET; THENCE N 29° 23' 59" E 249.88 FEET TO THE SOUTHERLY LINE OF A 100 FOOT DIAMETER CUL-DE-SAC, THE CENTER OF WHICH BEARS N 29° 23' 59" E 50.00 FEET.

D. SUBJECT TO AN EASEMENT TWENTY FEET WIDE, TEN FEET THEREOF LOCATED UPON THE PREMISES HEREIN ABOVE FIRST DESCRIBED AND TEN FEET THEREOF LOCATED UPON THE ADJOINING PREMISES, FOR THE INSTALLATION AND CONTINUED MAINTENANCE, REPAIR, RECONSTRUCTION AND REMOVAL OF UNDERGROUND TELEPHONE AND ELECTRIC POWER CIRCUITS, SANITARY SEWER, STORM AND DRAIN SEWER, HOT WATER, CHILLED WATER, STEAM AND GAS, WATER MAINS, SNOW MELTING SYSTEMS, ALL TO BE CONTAINED IN DUCTS AND PIPES BELOW THE SURFACE OF THE LAND, WITHIN SAID TWENTY-FOOT STRIP OF LAND BEING TEN FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTER LINE, TO WIT:

BEGINNING AT THE SOUTHEASTERLY CORNER OF SAID LOT 3, AMENDED PLAT OF OAK HILLS PLAT "L", A SUBDIVISION OF PART OF SECTION 11, TOWNSHIP 1 SOUTH, RANGE 1 EAST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE N 63° 25' 26" W 115.35 FEET; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT (RADIUS 57.00 FEET, BEARING N 26° 34' 34" E) 92.34 FEET; THENCE N 29° 23' 59" E 249.88 FEET TO THE SOUTHERLY LINE OF A 100 FOOT DIAMETER CUL-DE-SAC, THE CENTER OF WHICH BEARS N 29° 23' 59" E 50.00 FEET.

E. TOGETHER WITH AN EASEMENT FOR THE INSTALLATION AND MAINTENANCE OF A RETAINING WALL PRESENTLY CONSTRUCTED AND LOCATED ALONG THE WESTERLY LINE OF THE ABOVE DESCRIBED 20.00 FOOT RIGHT OF WAY, THE WESTERLY FACE OF SAID WALL BEING CONTIGUOUS WITH THE WESTERLY LINE OF SAID RIGHT OF WAY, TOGETHER WITH A PERPETUAL EASEMENT FOR THE INSTALLATION AND MAINTENANCE OF THE NECESSARY FOOTINGS FOR SAID RETAINING WALL NOT TO EXCEED A WIDTH OF FOUR FEET SIX INCHES BEYOND THE WESTERLY FACE OF SAID WALL AND THE RIGHT OF INGRESS AND EGRESS FOR REASONABLE AND NECESSARY MAINTENANCE AND REPAIR OF SAID RETAINING WALL AND FOOTINGS.

BK 7139 PG 1829

EXHIBIT "C"

BY-LAWS

OF

OAK CREST GARDENS CONDOMINIUM PROJECT

ARTICLE I

PLAN OF UNIT OWNERSHIP AND INCORPORATION

1. Submission. These By-Laws are referred to and incorporated by reference in the Amended and Restated Declaration of Condominium of the OAK CREST GARDENS CONDOMINIUM PROJECT (the "Declaration"), which is located in Salt Lake County, State of Utah. These By-Laws shall govern the administration of the OAK CREST GARDENS and the Association of Unit Owners.

2. Incorporation. If the Association is incorporated under the laws of the State of Utah, then these By-Laws shall also function and operate as the By-Laws of the incorporated Association.

3. Office and Registered Agent. The Registered Agent of the Association is and shall be the President of the Association, who at the present is Earl Harmer. The registered office of the Association and the Registered Agent is 900 South Donner Way, Salt Lake City, Utah 84108.

4. By-Laws Applicability. All present and future Owners, occupants, tenants, renters, lessees, and their guests, licensees, invitees, servants, agents or employees, and any other person or persons who shall be permitted entrance at OAK CREST GARDENS shall be subject to and abide by these By-Laws.

ARTICLE II
ASSOCIATION

1. Composition. The OAK CREST GARDENS Homeowners Association is a mandatory association consisting of all Unit Owners at OAK CREST GARDENS.

2. Voting. The total percentage of the number of votes in the Association shall be 100% and each unit shall be entitled to a vote proportionate to his or her Percentage of Undivided Ownership Interest in the Common Areas and Facilities (hereinafter referred to as "Percentage Interest") assigned to such Unit. Multiple owners must elect a representative to cast their vote. A vote cast, without objection, by an apparent representative of multiple

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owners shall be binding upon the parties. Entities shall vote by means of an authorized agent.

3. Place of Meeting. Meetings of the Association shall be held at 900 Donner Way, Salt Lake City, Utah 84108, the principal office of the Project or at such other suitable place as may be designated by the Committee from time to time and stated in the notice of meeting.

4. Annual Meeting. Unless otherwise designated by the Committee, the annual meeting of the Association shall be held at 7:00 p.m. on the first monday of March of each year, or at such other suitable date as may be designated by the Committee from time to time. When such day is a legal holiday, the meeting shall occur on the first business day thereafter.

5. Special Meetings. The President may call a special meeting of the Association or if s/he is so directed by resolution of the Committee or upon receipt of a petition signed and presented to the Secretary of the Committee by Owners having not less than twenty-five percent (25%) of the Percentage Interest of the Project. The notice of any special meeting shall state the date, time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

6. Notice of Meeting. It shall be the duty of the Secretary to hand deliver or mail, by regular U.S. mail, a notice of (a) each annual meeting of the Owners not less than ten (10) and not more than thirty (30) days in advance of such meeting; and (b) each special meeting of the Owners at least three (3) days and not more than twenty (20) days in advance of such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Owner of record, at the address of his or her respective Unit or such other address as each Owner may have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

7. Voting Requirements. An Owner shall be deemed to be in "good standing" and "entitled to vote" at any annual meeting or at any special meeting of the Association if, and only if, s/he shall be in full compliance with all of the terms, covenants, and conditions of the Act, Declaration, By-Laws, Rules and Regulations, and shall have fully paid all common area fees.

8. Proxies. The votes appertaining to any Unit may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Unit Owner, or, in cases where the Unit Owner is more than one person, by or on behalf of all such persons. No such proxy shall be revocable except by actual written notice to the person presiding over the meeting, by the Unit Owner or by any of such

persons, that it be revoked. Any proxy shall be void if it is not dated, if it purports to be revocable without notice and if not signed by a person having authority, at the time of the execution thereof, to execute deeds on behalf of that person. Unless it expressly states otherwise, a proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy. Each proxy must be filed with the Secretary of the Committee not less than two (2) days before the meeting.

9. Quorum Voting. A majority of the Percentage Interest shall constitute a quorum for the adoption of decisions. If, however, such quorum shall not be present or represented at any meeting, the Owners entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting and reschedule for a time no earlier than two (2) days after the set time for the original meeting. No notice of such rescheduled meeting shall be required except an announcement thereof at the original meeting. The Owners present at the rescheduled meeting shall constitute a quorum for the adoption of decisions. When a quorum is present at any meeting, the vote of the Unit Owners representing a majority of the Percentage Interest in person or by proxy, shall decide any question brought before the meeting.

10. Order of Business. The order of business at all meetings of the Association shall be as follows:

- (a) roll call;
- (b) proof of notice of meeting;
- (c) reading of minutes of preceding meeting;
- (d) reports of officers;
- (e) report of special committees, if any;
- (f) election of inspectors of election, if applicable;
- (g) election of Committee Members, if applicable;
- (h) unfinished business; and
- (i) new business.

11. Conduct of Meeting. The President shall, or in his or her absence the Vice-President, preside over all meetings of the Association; and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted by the meeting as well as record of all transactions occurring thereat.

12. Nuisance. At all meetings, the Members and other persons in attendance shall conduct themselves in a civil and appropriate manner and shall not under any circumstances create or maintain a nuisance, in which case they shall be asked to leave.

ARTICLE III MANAGEMENT COMMITTEE

1. Powers and Duties. The affairs and business of the Association shall be managed by the Management Committee. The

Management Committee shall have all of the powers and duties necessary for the administration of the affairs of the Association in accordance with the provisions of the Declaration and may do all such acts and things necessary to operate and maintain OAK CREST GARDENS. The Committee shall have the power from time to time to adopt any Rules and Regulations deemed proper for the exercise of its management powers. The Committee may delegate its authority to a manager or managers. Subject to any limitations or provisions contained in the Declaration, the Committee shall be responsible for at least the following:

(a) Preparation of an annual budget, in which there shall be established the contribution of each Owner to the common area fees.

(b) Establishing common area fees against Owners to defray the costs and expenses of the Condominium, establishing the means and methods of collecting such common area fees from the Owners, and establishing the period and method of the installment payment of the annual assessment for common area fees subject to these guidelines. Unless otherwise determined by the Committee, each Owner's common area fee may be payable in equal monthly installments, due and payable in advance on the first day of each month of each month. However, in the event a Unit Owner fails to make an installment payment in a timely manner, then the entire annual assessment may be accelerated by the Committee and shall thereafter be automatically due and payable without further notice, although the Committee may subsequently elect to de-accelerate the obligation.

(c) Providing for the operation, care, upkeep, replacement, maintenance, and surveillance of all the Common Areas and services of the Project.

(d) Designating, hiring, and dismissing the personnel necessary for the maintenance, operation, repair, and replacement of the Common Areas, and providing services for the property, and, where appropriate, providing the compensation of such personnel in the performance of their duties, which supplies and equipment shall be deemed the common property of the Owners.

(e) Collecting the common area fees against the Owners, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to carry out the administration of the Property.

(f) Making, amending, and enforcing Rules and Regulations respecting the Declaration, these By-Laws, and the use of the Property.

(g) Opening of bank accounts on behalf of the Association and designating the signatories required therefor.

(h) Making, or contracting for the making of, repairs, additions, and improvements to, or alterations of, the Property and repairs to, and restoration of, the Property, in accordance with the Declaration and other provisions of these By-Laws, after damage or destruction by fire or other casualty.

(i) Enforcing by legal means the provisions of the Declaration, these By-Laws, and Rules and Regulations for the use of the Property adopted by it, and bringing any proceedings which may be instituted on behalf of the Owners.

(j) Obtaining and carrying insurance against the risks, casualties and liabilities, as provided in the Declaration and paying the premium cost thereof.

(k) Paying the cost of all services rendered to the Project and not billed directly to Owners of individual Units.

(l) Keeping books and records with detailed accounts of the receipts and expenditures affecting the Property, and the administration of the Project, specifying the maintenance and repair expenses of the Common Areas and any other expenses incurred. The said books and vouchers accrediting the entries thereupon shall be available for examination by the Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner that shall be set and announced by the Committee for the general knowledge of the Owners. All books and records shall be kept in accordance with generally accepted accounting practices, and the same, upon resolution of the Association, may be audited at least once a year by an outside auditor employed by the Committee who shall not be a resident of the Project, or an Owner therein. The cost of such audit shall be a Common Expense. A copy of the annual audit report shall be supplied to any first mortgagee of any Unit in the Project who requests the same in writing from the Secretary.

(m) Providing water, waste removal, gas, electricity, telephone, cable t.v., and other necessary utility services for the Common Areas and such services to the Units, including but not limited to heating, as are not separately metered or charged to the Unit Owners thereof.

(n) Landscaping, gardening, snow removal, painting, cleaning, maintenance, decorating, repair and replacement of the Common Areas, but not including the interior surfaces, windows, doors, patios, or balconies, of the Units.

(o) Paying any amount necessary to discharge any mechanic's or materialmen's lien or other encumbrance levied against the Property, or any part thereof, which may in the opinion of the Committee constitute a lien against the Property or against the Common Areas, rather than merely against the particular Unit. When one or more Unit Owners are responsible for the existence of such a lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Committee by reason of said lien or liens shall be specially assessed to said Unit Owners and shall, until paid by said Unit Owners, constitute a lien on the interest of said Unit Owners in the Property which lien may be perfected and foreclosed in the manner provided in the Declaration.

(p) To levy fines, make sanctions and issue citations wherever and whenever necessary or appropriate for violations of the Declaration, By-Laws, or Rules and Regulations, and make collection by lien or foreclosure as provided in Section 25 of the Declaration.

(q) To make emergency repairs.

(r) At the expense of the Owner, or Occupant, to tow away or otherwise remove any motor vehicle parked or standing in an unauthorized area.

(s) To evict non-owner Occupants in material violation of the Declaration, By-Laws, or Rules and Regulations.

(t) To do such other things and acts necessary to accomplish the foregoing and not inconsistent with the Act, the Declaration, the By-Laws, or to do anything required by a proper resolution of the Management Committee or Association.

2. Composition of Management Committee. The Management Committee shall be composed of five members. Only Unit Owners and officers or agents of Owners other than individuals shall be eligible for Committee Membership.

3. Election and Term of Office of the Committee. The term of office of membership on the Committee shall be two (2) years. At the expiration of the member's term, a successor shall be elected.

4. Organization Meeting. The first meeting of the members of the Committee shall be immediately following the annual meeting of the Association.

5. Regular Meetings. Regular meetings of the Committee shall be held from time to time and at such time and place as shall be determined by a majority of the members of the Committee.

6. Special Meetings. Special meetings of the Committee may be called by the President, Vice-President or a majority of the members on at least forty-eight (48) hours prior notice to each member. Such notice shall be given personally, by mail or by telephone, and such notice shall state the time, place and purpose of the meeting. Any meeting attended by all members of the Committee shall be valid for any and all purposes.

7. Waiver of Notice. Before or at any meeting of the Committee, any member 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 at any meeting of the Committee shall constitute a waiver of notice. If all the members are present at any meeting of the Committee, no notice shall be required and any business may be transacted at such meeting.

8. Committee's Quorum. At all meetings of the Committee, a majority of the members then in office shall constitute a quorum for the transaction of business, and the acts of the majority of all the Committee members present at a meeting at which a quorum is present shall be deemed to be the acts of the Committee. If, at any meeting of the Committee, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time but for no longer than two (2) days. At any such rescheduled meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

9. Vacancies. Vacancies in the Committee caused by any reason other than removal of a member by a vote of the Association shall be filled by vote of the majority of the remaining members of the Committee at a special meeting of the Committee held for that purpose promptly after the occurrence of any such vacancy, even though the total members remaining may constitute less than a quorum of the committee; and each person so elected shall be a member for the remainder of the term of the member so replaced or until a successor is elected at the next annual meeting of the Association. A vacancy created by the removal of a member by a vote of the Association shall be filled by the election and vote of the Association.

10. Removal of Committee Member. A member may be removed with or without cause, and his or her successor elected, at any duly called regular or special meeting of the Association at which

a quorum of the Association is present, by an affirmative vote of a majority of the Percentage Interest. Any member whose removal has been proposed by the Owners shall be given at least thirty days notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting. Any Committee Member who misses forty percent or more of the Committee Meetings or who misses three consecutive meetings, in any calendar year, shall be automatically removed from the Committee.

11. Conduct of Meetings. The President shall preside over all meetings of the Committee and the Secretary shall keep a Minute Book of the Committee recording therein all resolutions adopted by the Committee and a record of all transactions and proceedings occurring at such meetings. The Committee shall have the authority to establish its own procedures, policies and guidelines for the conduct of its meetings, including but not limited to the power to plan its agendas, establish an open meeting time for members of the Association at large, exclude non-members of the Committee, or prohibit electronic audio or video recording of meetings.

12. Report of Committee. The Committee shall present at each annual meeting, and when called for by vote of the Association at any special meeting of the Association, a full and clear statement of the business and condition of the Association.

ARTICLE IV OFFICERS

1. Designation. The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Committee. The Committee may appoint assistant secretaries and such other officers as in its judgment may be necessary. All officers shall also be members of the Committee. Two or more offices may be held by the same person, except that the President shall not hold any other office.

2. Election of Officers. The officers of the Association shall be elected annually by the Committee at the organization meeting of each Committee and shall hold office at the pleasure of the Committee. Any vacancy in an office shall be filled by the Committee at a regular meeting or special meeting called for such purpose.

3. Removal of Officers. The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Committee may be removed at any time by the affirmative vote of a majority of the Committee, and his or her successor may be elected at any regular meeting of the Committee, or at any special meeting of the Committee called for such purposes.

4. President. The President shall be the chief executive officer; s/he shall preside at meetings of the Association and the Committee and shall be an ex officio member of all committees; s/he shall have general and active management of the business of the Committee and shall see that all orders and resolutions of the Committee are carried into effect. S/he shall have all of the general powers and duties which are usually vested in or incident to the use of president of a stock corporation organized under the laws of the State of Utah.

5. Vice-President. The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Committee or the President shall prescribe. If neither the President nor the Vice-President is able to act, the Committee shall appoint a member of the Committee to do so on an interim basis.

6. Secretary. The Secretary shall attend all meetings of the Committee and all meetings of the Association and record all votes and the minutes of all proceedings in a book to be kept by him or her for that purpose and shall perform like duties for committees when required. S/he shall give, or cause to be given, notices for all meetings of the Association and the Committee and shall perform such other duties as may be prescribed by the Committee. The Secretary shall compile and keep current at the principal office of the Association, a complete list of the Owners and their last known post office addresses. This list shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days. The Secretary shall also keep current and retain custody of the Minute Book of the Association, containing the minutes of all annual and special meetings of the Association and all sessions of the Committee including resolutions.

7. Treasurer. The Treasurer shall have custody of all funds and securities that are not under the control of the Managing Agent, and with the Assistance of the Managing Agent, shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all monies and other valuable effects in such depositories as may be designated by the Committee. S/he shall disburse funds as ordered by the Committee, taking proper vouchers for such disbursements, and shall render to the President and members, at the regular meetings of the Committee, or whenever they may require it, an account of all his or her transactions as Treasurer and of the financial condition of the Project.

ARTICLE V
FISCAL YEAR

The fiscal year of the Association shall be the calendar year consisting of the twelve month period commencing on January 1 of each year terminating on December 31 of the same year. The fiscal year herein established shall be subject to change by the Committee should it be deemed advisable or in the best interests of the Association.

ARTICLE VI
AMENDMENT TO BY-LAWS

1. Amendments. These By-Laws may be modified or amended either (i) by the affirmative vote of a majority of the Percentage Interest or (ii) pursuant to a written instrument of consent duly executed by a majority of the Percentage Interest provided all of the written consents are obtained within a ninety (90) day period.

2. Recording. An amendment to these By-Laws shall become effective immediately upon recordation in the Office of the County Recorder of Salt Lake County, State of Utah.

ARTICLE VII
NOTICE

1. Manner of Notice. All notices, demands, bills, statements, or other communications provided for or required under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or sent by regular U.S. Mail, first class postage pre-paid, (i) if to an Owner, at the address of his or her Unit and at such other address as the Owner may have designated by notice in writing to the Secretary; or (ii) if to the Committee or the Manager, at the principal office of the Manager or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section.

2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes, the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the provisions of the Act.

ARTICLE VIII
COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

1. Compliance. These By-Laws are set forth in compliance with the requirements of the Act.

2. Conflict. These By-Laws are subordinate and subject to all provisions of the Act and the Declaration. All of the terms

hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration or the Act. In the event of any conflict between these By-Laws and the Act or Declaration, the provisions of the Act or Declaration shall control.

3. Severability. If any provisions of these By-Laws or any section, sentence, clause, phrase, or work, or the application thereof in any circumstance is held invalid, the validity of the remainder of these By-Laws shall not be affected thereby and to this end, the provisions hereof are declared to be severable.

4. Waiver. No restriction, condition, obligation, or provision of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

5. Captions. The captions contained in these By-Laws are for convenience only and are not part of these By-Laws and are not intended in any way to limit or enlarge the terms and provisions of these by-Laws.

6. Gender & Grammatical Disclaimers. Whenever in these By-Laws the context so requires, the singular number shall refer to the plural and the converse; and the use of any gender shall be deemed to include both masculine and feminine.

7. Liability of Committee Members. The members of the Committee and the officers of the Association shall not be liable to any member of the Association for any damage, loss or liability arising out of or caused by their voluntary participation as a member of the Committee, including but not limited to any claims due to negligence, mistake of judgment, or for any acts or omissions made in good faith. In addition, the members of the Association agree to indemnify and hold the members of the Committee and officers of the Association harmless from any and all claims arising out of or caused by their voluntary participation as a member of the Committee or officer of the Association to the extent any damage, loss or liability is not covered by insurance.

8. Prior Documents Superseded. These Amended By-Laws supersede and replace in their entirety all other By-Laws governing OAK CREST GARDENS or the OAK CREST GARDENS Homeowners Association, Inc.

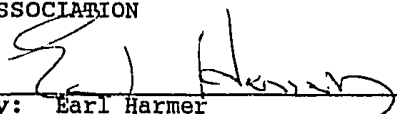
9. Attorney's Fees and Costs. If an Owner or occupant, their families, guests or invitees shall, at any time, violate the terms, covenants or conditions of these By-Laws, and the Committee shall be required to take action to enforce the same, regardless of whether a lawsuit is commenced, the Owner or occupant shall reimburse the Committee for all costs and expenses, including but not limited to a reasonable attorney's fee, necessitated thereby. To secure payment of any unpaid costs or fees, the Committee shall

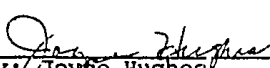
have the right and power to file a lien against the Unit owned or occupied, and may proceed to collect the unpaid costs and fees the same as if it were unpaid common area fees. In the event of a breach or anticipated breach by an Owner or occupant, their family, guests or invitees, of any of the terms, covenants, or conditions of these By-Laws, the Committee shall have, in addition to any other remedies provided by law or equity, the right to injunctive relief and damages.

10. Persons Bound. All references herein to an Owner, Occupant, Tenant, Renter, Lessee, Guest, or Invitee shall be deemed to include their respective executors, administrators, employees, representatives, legatees, distributees, successors and assigns; and the terms, covenants, and conditions herein contained shall apply to and be binding upon them.

DATED this 1st day of March, 1995.

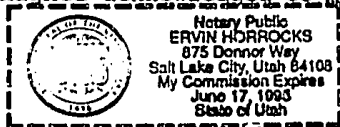
OAK CREST GARDENS HOMEOWNER'S
ASSOCIATION

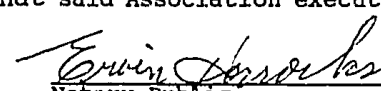

By: Earl Harmer
Title: President


By: Joyce Hughes
Title: Secretary

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On this 1st day of March, 1995 personally appeared before me, Earl Harmer and Joyce Hughes, who duly acknowledged to me that they are the President and Secretary of OAK CREST GARDENS HOMEOWNERS ASSOCIATION and that the foregoing instrument was signed on behalf of said Association by authority of its resolution of its Management Committee of Directors, and said Earl Harmer and Joyce Hughes acknowledged to me that said Association executed the same.




Notary Public
Residing at:

My Commission Expires:

June 17, 1995