

After recording please  
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M. Richard Walker  
4685 Highland Dr., #202  
Salt Lake City, Ut. 84117  
APPROVED

DECLARATION OF CONDOMINIUM

AUG 20 1986

OF

CITY RECORDER

4300616

RDL CONDOMINIUMS

*Somewhat known as RDL CORPORATION*

THIS DECLARATION is made and executed this 12<sup>th</sup> day of MAY, 1986, by RDL APARTMENTS, a Utah Cooperative Corporation, hereinafter referred to as "DECLARANT", pursuant to the provisions of the Utah Condominium Ownership Act (Sections 57-8-1 through 57-8-36, Utah Code Annotated (1953)).

RECITALS

A. Declarant is the owner of that certain parcel of real property more particularly described in Article II hereof, and the Condominium Conversion Plat attached hereto.

B. Declarant is the owner of that certain real property consisting of twenty-four apartment units, in four two-story buildings, located at 2029, 2031, 2033 and 2035 East 2700 South, Salt Lake City, Salt Lake County, State of Utah, constructed of 16 inch Aztec brick on concrete slab footing, together with all improvements and appurtenances thereon, as described in the Condominium Conversion Plat.

C. Declarant desires, by filing this Declaration and the Condominium Conversion Plat, to submit said parcel and all improvements thereon to the provisions of the Act as a Condominium Project to be known as the "RDL Condominiums".

D. Declarant intends to sell to various purchasers the fee title to the individual units contained in the Project, together with the undivided ownership interests in the Common Areas and Facilities appurtenant to such units, subject to the covenants, restrictions, and limitations herein set forth.

E. The Condominium Project created by this Declaration and the Condominium Conversion Plat recorded herewith constitutes the

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entire project to be known as the RDL Condominiums.

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

I. DEFINITIONS

When used in this Declaration (including in that portion hereof headed "Recitals") 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 (Sections 57-8-1 through 57-8-36, Utah Code Annotated (1953), as amended).

2. Declaration shall mean and refer to this Declaration.

3. Record of Survey Plat and Survey Plat shall mean and refer to the Condominium Conversion Plat filed herewith, dated the 22nd day of November, 1985, consisting of one (1) sheet, and prepared and certified to by Richard L. Sniderman, a duly registered Utah Land Surveyor.

4. Management Committee and Committee shall mean and refer to the Management Committee of the RDL Condominiums Project.

5. Common Areas and Facilities shall mean, refer to, and include:

(a) The real property and interests in real property which this Declaration submits to the terms of the Act.

(b) All Common Areas and Facilities designated as such in the Survey Plat.

(c) All Limited Common Areas and Facilities.

(d) All foundations, roofs, and lobbies constituting a portion of or included in the improvements which comprise a part of the Project, and any halls, corridors, stairs, stairways, entrances, and exits which are designed for the use of more than one Unit.

(e) All installations for all equipment connected with the furnishing of Project services such as gas, water, heat, and air conditioning.

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

(g) All portions of the Project not specifically included within the individual Units.

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

6. Limited Common Areas and Facilities shall mean and refer to those Common Areas and Facilities designated herein or in the Condominium Conversion Plat as reserved for the use of a certain Unit or Units to the exclusion of the other Units, including some of the parking stalls and carports which are included within the Project, and the storage areas associated with the Units.

7. Unit shall mean and refer to one of the home Units which is designated as a Unit on the Condominium Conversion Plat and in Exhibit A attached hereto (and incorporated herein by this reference). Unless a wall on the perimeter of a Unit separates and is common to two or more Units, such perimeter wall shall constitute a part of the Unit to which it relates. A wall on the perimeter of a Unit which separates such Unit from, and is common to, another Unit shall, from and including the surface of such wall to its center, constitute a part of the Unit to which it relates. A Unit shall include any walls, partitions, and floors which are wholly contained within its vertical and horizontal perimeters and the surface of any floors, ceilings, or coverings which bound it. A Unit shall not include pipes, wires, conduits, or other utility lines running through it which are utilized for or which serve more than one Unit.

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

9. Unit Owner or Owner shall mean and refer to the owner of the fee in a Unit and the percentage of undivided interest in the

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Common Areas and Facilities which is appurtenant thereto. In the event a Unit is the subject of an executory contract of sale, the contract purchaser shall, unless the seller and the purchaser have otherwise agreed and have informed the Committee in writing of such agreement, be considered the Unit Owner for purposes of voting and Committee membership.

10. Common Expenses shall mean and refer to all sums which are expended on behalf of all the Unit Owners and all sums which are required by the Management Committee to perform or exercise its functions, duties, or rights under the Act, this Declaration, the Management Agreement for operation of the Project, and such rules and regulations as the Management Committee may from time to time make and adopt.

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

All of Lot 12 and the west 58.0 feet of Lot 13, Country Club Garden Tract in Sections 21 and 22 T.I.S., R.I.E., S.L.B. & M., in the County of Salt Lake, State of Utah, according to the official plat thereof recorded in the office of the County Recorder of said county.

The above described Parcel which this Declaration submits to the terms of the Act comprises the Entire Tract. This Declaration is not intended to create and should not be deemed to constitute any lien, encumbrance, restriction, or limitation upon any real property or interests in real property other than the Parcel which this Declaration expressly submits to the provisions of the Act.

12. Parcel shall mean and refer to each portion of the Entire Tract which is separately submitted to the terms of the Act with the intention that it shall thereby comprise a part of the Project.

## II. SUBMISSION

Declarant hereby submits to the provisions of the Act, the following described real property situated in Salt Lake County,

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State of Utah:

All of Lot 12 and the west 58.0 feet of Lot 13, Country Club Garden Tract in Sections 21 and 22 T.I.S., R.I.E., S.L.B. & M., in the County of Salt Lake, State of Utah, according to the official plat thereof recorded in the office of the County Recorder of said county.

Together with such easements and rights of way over and across the Common Areas and Facilities as may be reasonable under the circumstances to permit access to and from and the full use and enjoyment of the Parcel and improvements constructed thereon, and to permit access to and from the Project and the full use and enjoyment thereof.

THE FOREGOING SUBMISSION IS SUBJECT TO: all patent reservations and exclusion; all instruments of record which affect the above described Parcel or any portion thereof; all visible easements and rights of way; all easements and rights of way of record; an easement for each and every pipe, line, wire, cable, utility line or similar facility which traverses or partially occupies the above-described Parcel and all easements necessary for ingress to, egress from, maintenance of, and replacement of all such pipes, lines, wires, cables, utility lines or 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 improvements now located upon the Parcel described above, and all of such improvements as described in the Condominium Conversion Plat. The Condominium Conversion Plat shows the number of stories, and the number of Units which are contained in the buildings which comprise such improvements.

2. Description and Legal Status of Units. The Condominium Conversion Plat shows the Unit Number of each Unit, its location, dimensions from which its area may be determined, those Limited Common Areas and Facilities which are reserved for its use, and the Common Areas and Facilities to which it has immediate access.

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Those carports assigned to each unit shall comprise for maintenance purposes, a part of the Limited Common Areas and Facilities. All Units shall be capable of being independently owned, encumbered, and conveyed.

3. Contents of Exhibit A. Exhibit A to this Declaration furnishes the following information with respect to each Unit: (a) The Unit Number; (b) Its approximate area; (c) Those Limited Common Areas and Facilities which are reserved for use by the Unit; (d) The Unit's appurtenant percentage of undivided ownership interest in the Common Areas and Facilities.

4. Common and Limited Common Areas and Facilities. The Common Areas and Facilities contained in the Project are described and identified in Article I of this Declaration. Neither the percentage of undivided interest in the Common Areas and Facilities nor the right of exclusive use of a Limited Common Area and Facility shall be separated from the Unit to which it appertains; and, even though not specifically mentioned in the instrument of transfer, such percentage of undivided interest and such right of exclusive use shall automatically accompany the transfer of the Unit to which they relate.

5. Computation of Undivided Interests. For purposes of determining the percentages of undivided interest in the Common Areas and Facilities which are appurtenant to the various Units, each of the Units shall be granted an undivided one-twenty-fourth interest in the entire Project.

6. Permissible Use of Units and Common Areas. Each Unit is intended to be used for single family residential housing and all are restricted to such use. Those carports which are assigned to each Unit are intended to be used only as vehicle parking spaces and are restricted to such use. No Unit shall be used, occupied, or altered in violation of law, so as to detract from the appearance or value of an other Unit, so as to jeopardize the support of any other Unit, so as to create a nuisance or interfere with the rights of any Unit Owner, or in a way which

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would result in an increase in the cost of any insurance covering the Project as a whole. The Common Areas and Facilities shall be used only in a manner consistent with their community nature. No animals or pets shall be kept or allowed in any Unit or in any part of the Common Areas and Facilities. There shall be no condominiumizing, time sharing, leasing or other similar ownership whereby a unit would be subject to any type of shared or multiple ownership other than ownership as joint tenants or tenants in common between immediate family members.

7. Occupancy of Units. No Unit shall be occupied by more than three (3) persons. No children under 18 years of age. Account shall not be taken of occupants who are residing in the Unit concerned in conjunction with a visit lasting one month or less. If owner of Unit or occupant therein becomes pregnant, they will be expected to move at least two months before child is due. If an owner has rented his Unit and renter or occupant therein becomes pregnant, it will be the responsibility of the Owner to ask his renter to move at least two months before child is due. If this rule is not complied with, or ignored, the Management Committee may take necessary legal action to remove said person from the Unit.

8. Condition and Maintenance of Units. Each Unit shall be maintained 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.

9. Transfer or Lease of Home Units. Any Owner of any interest in a Unit who plans to transfer all or any portion of such interest or to enter into an agreement for another party's occupancy of such Unit shall, at least ten (10) days before the transaction is to be consummated, give the Committee written notice of his intentions. The notice shall furnish the name and address of the proposed transferee or occupant and the terms of the proposed transaction. If the sole consideration involved in the transaction is money, at any time within seven (7) days after its receipt of the notice the Committee shall have the right to enter into the transaction upon the same terms as those offered to the proposed transferee or occupant. If consideration other than money is involved in the proposed transaction or if such

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transaction is in the nature of a gift, the Committee shall have the right to acquire the interest concerned if, within seven (7) days after its receipt of the Owner's notice, the Committee gives the Unit Owner written notice of its intention to obtain the interest. Upon its giving such notice the Committee shall be obligated to enter into the proposed transaction at a price of purchase or occupancy determined as follows: The Committee shall select one MAI appraiser, the Unit Owner shall select another, and the two appraisers so selected shall designate a third; each appraiser shall independently arrive at a price for the interest concerned; the price to be paid by the Committee shall be the average of the two closest appraisal figures. The Committee and the Unit Owner shall take all possible steps to expedite such determination.

Notwithstanding any provision of the transaction originally proposed by the Unit Owner, in the event the Committee exercises its right under this Paragraph 9 it may transfer the interest concerned or lease the Unit to any party reasonably acceptable to it and the Unit Owner.

10. Acceptability of Tenants. In the event an Owner of a home Unit plans to allow someone other than a member of his immediate family to occupy his Unit, such Owner shall, at least ten (10) days prior to the proposed date of occupancy, give the Committee written notice of the name of the intended occupant. At any time within three (3) days after its receipt of the notice the Committee may disapprove of the proposed occupant. If the Committee does so, the Owner concerned shall not permit the planned occupancy unless the Committee's decision is reversed by the vote of at least 51% of the Project's undivided ownership interests. In the event the Unit Owner wishes to seek such a vote, he shall so notify the Committee and it shall be held as soon as reasonably possible after the Unit Owner requests it.

11. Status and General Authority of Committee. The Condominium Project shall be managed, operated, and maintained by

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

(a) The authority, without the vote or consent of the Unit Owners or of any other person(s), to grant or create, on such terms as it deems advisable, utility and similar easements over, under, across, and through the Common Areas and Facilities, for the benefit of the Project.

(b) The authority to execute and record, on behalf of all the Unit Owners, any amendment to the Declaration or Record of Survey Map which has been approved by the vote or consent necessary to authorize such amendment.

(c) The power to sue and be sued.

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

(e) The power and authority to convey or transfer any interest in real property, so long as any vote or consent necessary under the circumstances has been obtained.

(f) The power and authority to purchase, otherwise acquire, and accept title to, any interest in real property, so long as such action has been authorized by any vote or consent which is necessary under the circumstances.

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

(h) The authority to promulgate such reasonable rules, regulations, and procedures as may be necessary or desirable to aid the Committee in carrying out any of its functions or to insure that the Project is maintained and used in a manner consistent with the interests of the Unit Owners.

(1) The power and authority to perform any other acts and to enter into any other transactions which may be reasonably necessary for the Management Committee to perform its functions as agent for the Unit Owners.

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

12. Manager. The Committee may carry out any of its functions which are capable of delegation through a Project Manager. Any Manager retained for such purposes must be an individual or entity experienced and qualified in the field of property management. The Manager so engaged shall be responsible for managing the Project for the benefit of the committee and the Unit Owners and shall, to the extent permitted by law and the terms of the 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. Any agreement for professional management of the Project shall provide that the contract can be terminated for cause on not more than ninety (90) days' written notice and shall not be for a term exceeding three (3) years.

13. Composition of Management Committee. The Committee shall be composed of three (3) members. At the first regular Owners meeting two Committee members shall be elected for two-year terms and one member for a one-year term. At each annual Owners meeting thereafter any vacant seat on the Committee shall be filled with a member elected for a two-year term. Members shall serve on the Committee until their successors are elected and qualify. Only Unit Owners and officers and agents of owners other than individuals shall be eligible for Committee membership. At the annual meeting each Unit Owner may vote his

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percentage of undivided ownership interest in favor of as many candidates for Committee membership as there are seats on the Committee to be filled. In the event a Committee seat is vacant, the remaining Committee members shall elect a replacement to sit on the Committee until the expiration of the term for which the member being replaced was elected. Committee members shall be reimbursed for all expenses reasonably incurred in connection with Committee business, provided that the Committee may fix such compensation for any member as may be reasonable in light of the Committee duties which that member is required to perform.

14. 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 officer of the Committee, and their respective powers and functions, shall be as follows:

(a) President. The President shall be the chief executive of the Committee and shall exercise general supervision over the property and affairs of the Project. He shall preside over all meetings of the Committee and of the Unit Owners. He shall execute all instruments on behalf of the Committee.

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

(c) Secretary. The Secretary shall keep minutes of meetings of the Committee and of 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. He shall furnish the Committee with a bond, in the amount specified by the Committee, conditioned upon the faithful performance of his duties. The offices of Secretary and Treasurer may be held by the same Committee member.

15. Committee Meetings. A regular meeting of the Committee shall be held immediately after the adjournment of each annual Owners meeting. Other regular meetings shall be held at regular intervals at such time and place as the Committee may provide. No notice need be given of regular Committee meetings. Special Committee meetings shall be held whenever called by the President or a majority of the Committee. Either oral or written notice of special meetings shall, unless a waiver of such notice is signed by all members, be given to each Committee member at least 24 hours before the time fixed for the meeting. Any meeting attended by all Committee members shall be valid for all purposes. A quorum for the transaction of business at any Committee meeting shall consist of a majority of all the members then in office.

16. Owners Meetings. The regular meeting of the Unit Owners shall be held at 7:00 p.m. on the second Tuesday in February, 1986, and on the second Tuesday in April of each succeeding 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 a location in Salt Lake County, Utah, specified in the notice of meeting. At least ten (10) days before the date of the regular meeting a written notice thereof shall be personally delivered or mailed postage prepaid to each Unit Owner at his last known address. Such notice shall state the time, place, and general purpose of the meeting.

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

No notice of any Owners meeting shall be required if a

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waiver of such notice is signed by all of the Owners. Whenever all the Owners meet in person or by proxy such meeting shall be valid for all purposes. A quorum for the transaction of business at an Owners meeting shall consist of a majority of all the undivided ownership interest in the Project. In the event a quorum is not present at an Owners meeting, whether regular or special, the meeting may be adjourned and rescheduled for a time no earlier than 48 hours, and no later than 30 days, after the time set for the original meeting. No notice of such rescheduled meeting shall be required. A quorum for the transaction of business at the rescheduled meeting shall be 25% of all the undivided ownership interest in the Project.

17. Capital Improvements. Additions or capital improvements to the Project which cost no more than \$2,000.00 may be authorized by the Management Committee alone. Additions or capital improvements the cost of which will exceed such amount must, prior to being constructed, be authorized by at least a majority of the undivided ownership interest in the Project. Any addition or capital improvement which would materially alter the nature of the Project must, regardless of its cost and prior to being constructed, be authorized by at least 75% of the Project's undivided ownership interest.

18. Operation and Maintenance. The Management Committee shall provide each Unit with all the utility services except telephone and electricity required by it. The Committee shall provide for such maintenance and operation of the Common and Limited Common Areas and Facilities as may be reasonably necessary to keep them clean, functional, attractive, and generally in good condition and repair. The Committee shall have no obligation regarding maintenance or care of the Units, but shall maintain all areas which constitute a part of the Limited Common Areas and Facilities.

19. Payment of Expenses. Before the end of each calendar year the Committee shall prepare a budget which sets forth an

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itemization of the Common Expenses which are anticipated for the coming year. Such budget shall take into account any deficit or surplus realized during the current year. Provision must be made in such budget for the maintenance of an adequate reserve fund for the replacement of the Common Areas and Facilities. The total of such Common Expenses shall be apportioned among all the Units on the basis of their appurtenant percentages of undivided ownership interest. Prior to the first day of each month during the year covered by the budget each Unit Owner shall pay to the Committee as his share of the Common Expenses one-twelfth of the amount so apportioned to his Unit. If such monthly payments are too large or too small as a result of unanticipated income or expenses, the Committee may effect an equitable change in the amount of said payments. The dates and manner of payment shall be determined by the Committee. The foregoing method of assessing the Common Expenses to the Unit Owners may be altered by the Committee so long as the method it adopts is consistent with good accounting practices and requires that the portion of Common Expenses borne by each Owner during a 12-month period be determined on the basis of his undivided ownership interest. In the event the reserve fund for the replacement of Common Areas and Facilities is insufficient to provide for necessary replacement, special assessments may be levied against the Unit Owners.

20. Remedies for Nonpayment. Should any Unit Owner fail to pay when due his share of the Common Expenses, the Committee may enforce any remedy provided in the act or otherwise available for collection of delinquent Common Expense assessments as provided herein or in the Act, including but not limited to the filing of a lien against the Unit and foreclosure thereof as provided by law in the foreclosure of trust deeds or mechanics liens. Regardless of the terms of any agreement to which the Committee is not a party, liability for the payment of Common Expense assessments shall be joint and several, and any remedy for the

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collection of such assessments may be enforced against any person holding an ownership interest in the Unit concerned, against the interest which is held by him, against either or both the seller or purchaser under an executory contract of sale covering the Unit concerned, against the interests in the Unit which are held by any such seller or purchaser, and against any combination or all of such persons and interests. Any relief obtained, whether or not through foreclosure proceedings, shall include the Committee's costs and expenses and a reasonable attorney's fee. In the event of foreclosure, after the institution of the action the Unit Owner shall pay a reasonable rental for his use of the Unit and the Committee shall, without regard to the value of the Unit, be entitled to the appointment of a receiver to collect any rentals due from the Owner or any other person.

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

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

(ii) A policy or policies insuring the Committee, the Manager, and the Unit Owners against any liability incident to the ownership, use, or operation of the Project or of any Unit which may arise among themselves, to the public, and to any invitees or tenants of the Project or of the Unit Owners. Limits of liability under such insurance shall be not less than \$300,000.00 for any one person injured, \$1,500,000.00 for all persons injured in any one accident, and \$100,000.00 for property damage resulting from one occurrence. Such policies shall be issued on a comprehensive liability basis and shall provide a cross liability endorsement pursuant to which the rights of the named insureds as between themselves are not prejudiced.

The following additional provisions shall apply with respect to insurance:

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

(b) All policies shall be written by a company holding a rating "AA" or better from Best's Insurance Reports.

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

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

(e) Each policy of insurance obtained by the Committee shall, if possible, provide: A waiver of the insurer's subrogation rights with respect to the Committee, the Manager, the Unit Owners, and their respective servants, agent, and guests; That it cannot be cancelled, suspended, or invalidated due to the conduct of any particular Unit Owner or Owners; That it cannot be cancelled, suspended, or invalidated due to the conduct of the Manager or of any member, officer, or employee of the Committee without a prior written demand that the defect be cured; That any "no other insurance" clause therein shall not apply with respect to insurance held individually by the Unit Owners.

(f) Any Unit Owner may obtain additional insurance at his own expense, so long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Committee. Any Unit Owner who individually obtains insurance covering any portion of the Project shall supply the Committee with a copy of his policy within 30 days after he acquires such insurance.

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

(a) If proceeds of the insurance maintained by the Management Committee are alone sufficient to repair or reconstruct the damaged or destroyed

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improvement, such repair or reconstruction shall be carried out.

(b) If less than 75% of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Committee are not alone sufficient to accomplish repair or reconstruction, restoration shall be carried out and all the Unit Owners shall be assessed for any deficiency on the basis of their respective percentages of undivided interest in the Common Areas and Facilities.

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

(d) If 75% or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Committee are insufficient to accomplish restoration, and if the Unit Owners do not, within 100 days after the destruction or damage and by a vote of at least 75%, elect to repair or reconstruct the affected improvements, the Management Committee shall promptly record with the Salt Lake County Recorder a notice setting forth such facts. Upon the recording of such notice the provisions of subsections (1) through (4) of Section 57-8-31, Utah Code Annotated (1953), shall apply and shall govern the rights of all parties having an interest in the Project or any of the Units.

Any reconstruction or repair which is required to be carried out by this Paragraph 22 shall be accomplished at the instance and direction of the Management Committee, and the insurance proceeds for any losses to Project property shall not be used for any purpose other than the repair, replacement, or reconstruction of the damaged or destroyed Project property. Any determination which is required to be made by this Paragraph 22 regarding the extent of damage to or destruction of Project improvements shall

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be made as follows: The Management Committee shall select three MAI appraisers; each appraiser shall independently arrive at a figure representing the percentage of Project improvements which have been destroyed or substantially damaged; the percentage which governs the application of the provisions of this Paragraph 22 shall be the average of the two closest appraisal figures.

23. Consent Equivalent to Vote. In those cases in which the Act or this Declaration requires the vote of a stated percentage of the Project's undivided ownership interest for the authorization or approval of a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Unit Owners who collectively hold at least the necessary percentage of undivided ownership interest.

24. Amendment. The vote of at least 65% of the undivided ownership interest in the Common Areas and Facilities shall be required to amend this Declaration or the Condominium Conversion Plat. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Management Committee. In such instrument the Committee shall certify that the vote required by this Paragraph for amendment has occurred.

25. Effect of Invalidity. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof.

26. 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. This Declaration shall be liberally construed to effect its purpose. The captions which precede the Paragraphs of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed.

27. Covenants to Run with Land; Compliance. 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 Declarant, all parties who hereafter acquire any interest in a Unit or in the Project, and their respective grantees, transferees, heirs, devisees, personal representatives, 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 the Act, the terms of this Declaration, and the provisions of any By-laws, rules, regulations, agreements, instruments, and determinations contemplated by this Declaration. By acquiring such 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.

28. Agent for Service of Process. Herbert E. Rumel, whose address is 2031 E. 2700 So., Salt Lake City, Utah 84109 , County of Salt Lake, State of Utah, is the person to receive service of process in the cases authorized by the Act. The Management Committee shall, however, have the right to appoint a successor or substitute process agent. Such successor or substitute agent and his address shall be specified by an appropriate instrument filed in the office of the County Recorder of Salt Lake County, State of Utah.

29. Mortgage Protection. Notwithstanding any other provisions contained in this Declaration:

(a) In the event an Owner neglects for a period of thirty (30) or more days to cure any failure on his part to perform any of his obligations under this Declaration, the Committee shall give written notice of such fact to the holder of any first mortgage (or trust deed) covering such Owner's Unit.

(b) The provisions of Paragraphs 9 and 10 of this Declaration shall not apply to any transfer, sale, lease, or agreement for occupancy which occurs as a result of a mortgagee's exercise of its rights

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under a first mortgage (or trust deed) affecting a Unit, whether through foreclosure, exercise of a power of sale available thereunder, deed or assignment in lieu of foreclosure, or otherwise. In the event a mortgagee becomes the Owner of a Unit as a result of its exercise of such rights, the provisions of said Paragraphs 9 and 10 shall not apply to such mortgagee's subsequent transfer, sale, lease, or agreement for occupancy respecting the Unit.

(c) The Lien for unpaid Common Expense assessments provided for under this Declaration and by the act shall be subordinate to any first mortgage (or trust deed) affecting a Unit, but only to the extent of assessments which become due prior to the mortgagee's coming into possession of the Unit pursuant to the remedies provided for in such mortgage, foreclosure of the mortgage, exercise of a power of sale available thereunder, or deed or assignment in lieu of foreclosure.

(d) Unless at least 75% of the holders of first mortgages (or trust deeds) on the individual Units (based on one vote for each Mortgage owned) have given their prior written approval, neither the Committee nor any other party shall be entitled to:

(i) by act or omission seek to abandon or terminate the condominium status of the Project (except as provided in this Declaration and in the Act in cases of destruction of or substantial damage to the Project).

(ii) change the pro rata interest or obligations of any Unit for purposes of levying Common Expense assessments and charges, and determining shares of the Common Areas and Facilities and proceeds of the Project.

(iii) partition or subdivide any Unit.

(iv) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas and Facilities. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Areas and Facilities by the Project shall not be deemed a transfer within the meaning of this clause.

BOOK 5806 PAGE 2057

(e) The holder of first mortgages (or trust deeds) shall have the right to examine the books and records of the Project.

EXECUTED the day and year first above written.

RDL APARTMENTS,  
a Utah Cooperative Corporation

By Herbert E. Rumel

President

By Martha K. Lewis

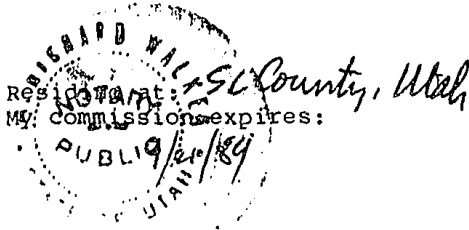
Secretary

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

On this 12 day of May, 1986, personally appeared before me HERBERT E. RUMEL and MARTHA K. LEWIS, who duly acknowledged to me that they are respectively the President and Secretary of RDL APARTMENTS, a Utah Cooperative Corporation, and that they executed the foregoing Enabling Declaration pursuant to a unanimous resolution of the Corporation's Shareholders and Board of Directors.

Richard Walker

NOTARY PUBLIC



BOOK 5808 PAGE 2058

APPROVAL BY CITY

SALT LAKE CITY, a body corporate and politic, and the City in which  
RDL CONDOMINIUMS, a Utah condominium project, is located, by and  
through its duly elected Mayor, does hereby give final approval to the said  
Project, to the foregoing Declaration, to the Record of Survey Map recorded  
concurrently herewith, and to the attributes of the said Project which are  
mentioned in Section 57-8-35(3) of the Utah Condominium Ownership Act, as  
amended and expanded by the laws of Utah, 1975, Chapter 173, Section 18.

DATED: AUG 20 1986

SALT LAKE CITY

By Palmer A. DePaulis  
Mayor

ATTEST:

John Marshall Recorder

APPROVED  
AUG 20 1986  
CITY RECORDER

2007 5806 P. 2059

EXHIBIT "A"

to

DECLARATION OF RDL CONDOMINIUMS

<u>Building Number</u>	<u>Unit Number</u>	<u>Storage Unit (LTD Common Ownership)</u>	<u>Appx. No. of Square Feet</u>	<u>% Ownership</u>
2029	1	A	730	4.167%
2029	2	B	730	4.167%
2029	3	C	730	4.167%
2029	4	D	730	4.167%
2029	5	E	730	4.167%
2029	6	F	730	4.167%
2031	1	G	730	4.167%
2031	2	H	730	4.167%
2031	3	I	730	4.167%
2031	4	J	730	4.167%
2031	5	K	730	4.167%
2031	6	L	730	4.167%
2033	1	M	730	4.167%
2033	2	N	730	4.167%
2033	3	O	730	4.167%
2033	4	P	730	4.167%
2033	5	Q	730	4.167%
2033	6	R	730	4.167%
2035	1	S	730	4.167%
2035	2	T	730	4.167%
2035	3	U	730	4.167%
2035	4	V	730	4.167%
2035	5	W	730	4.167%
2035	6	X	730	4.167%
				100%

Each unit shall consist of the unit designated above together with the storage unit (limited common ownership) so designated and the parking carport assignment (limited common ownership) together with an undivided interest in the common area all as shown on the Condominium Conversion Plat.

BOOK 5808 PAGE 2060

CORPORATE RESOLUTION  
OF  
RDL APARTMENTS  
a Utah Cooperative Housing Corporation  
*formerly known as RDL CORPORATION*

RESOLUTION

On the 25th day of February, 1986, the officers and Board of Directors met in a joint meeting at in Salt Lake County, State of Utah.

It was proposed by the President, Herbert E. Rumel, that RDL APARTMENTS, a Utah Cooperative Housing Corporation, and the real property owned thereby consisting of twenty-four apartments, be converted to condominium ownership under the provisions of the Utah Condominium Ownership Act as contained in Utah Code Annotated, 1953, as amended; and it appearing that all twenty-four members and owners of the proprietary leases, having consented and approved, the officers and Board of Directors did thereby unanimously approve the conversion to condominium ownership, and accordingly,

IT IS HEREBY UNANIMOUSLY RESOLVED:

1. That RDL APARTMENTS, a Utah Cooperative Housing Corporation, be converted to condominium ownership under the provision of the Utah Condominium Ownership Act, Section 57-8-1 through 8 UCA, 1953, as amended.

DATED this 25th day of February, 1986.

Herbert E. Rumel  
HERBERT E. RUMMEL, President

Martha Lewis  
MARTHA LEWIS, Secretary

FORM 5806 REV. 2061



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

On the 28<sup>th</sup> day of February, 1985, personally appeared before me the above named HERBERT E. RUMEL, president of RDL Apartments, a Utah Cooperative Housing Corporation, and MARTHA LEWIS, secretary of RDL Apartments, a Utah Cooperative Housing Corporation, and duly acknowledged to me that they executed the foregoing instrument; that they fully understand the meaning and purport thereof; and that said instrument was executed fully and voluntarily and with full appreciation and understanding of the legal effect thereof.

NO NOTARY SEAL  
CO. RECORDER

Richard Walker  
NOTARY PUBLIC

Residing at: Salt Lake County, Utah  
My commission expires: 9/21/89

BOOK 5806 PAGE 2162

CONSENT AND AGREEMENT

for

CONVERSION TO CONDOMINIUM OWNERSHIP

We, CHARLES DEPEW and JOAN PATE, as the legal owners of that certain PROPRIETARY LEASE in the RDL APARTMENTS, a Utah Cooperative Housing Corporation, together with Membership Stock Certificate No. 2033-3, do hereby under oath, agree, consent, affirm, and approve the following:

1. That RDL APARTMENTS, a Utah Cooperative Housing Corporation, shall be fully authorized on my/our behalf, to convert the Cooperative Housing project to condominium ownership under the provisions of the Utah Condominium Ownership Act (Sections 57-8-1 through 57-8-36, Utah Code Annotated, 1953, as amended).

2. That the undersigned agrees and authorizes the corporation to take all legal steps necessary for conversion of the RDL APARTMENTS to the RDL CONDOMINIUMS, and the undersigned further agrees to be subject to all provisions of the Utah Condominium Ownership Act, as well as the Declaration of Condominium to be recorded in connection therewith, and the Conversion Plat and appropriate By-Laws or other rules and regulations which may be approved by the Management Committee in accordance therewith, and that the same shall be binding upon me/ourselves, our heirs, assigns, or legal representatives with respect to the Condominium Unit or Common Areas, and I agree to pay one-twenty-fourth (1/24) of the cost of conversion.

3. That I agree to surrender my Membership Certificate and Proprietary Lease, in exchange for the issuance of a Special Warranty Deed to Building 2033, Unit No. 3, of RDL Condominiums and I hereby waive any claims against the RDL Apartments, its officers or agents, in connection with the conversion and agree that any interest I/we may have in the RDL Apartments,

BOOK 5806 PAGE 2063

Proprietary Lease, or Membership Certificate, shall be hereby and forever deemed null and void, upon recordation of said Special Warranty Deed.

4. I hereby direct that said Special Warranty Deed shall be issued in the following name and address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

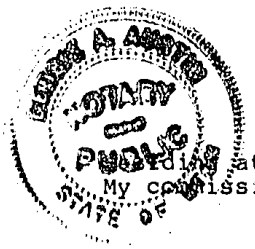
DATED this 03 day of June, 1986.

Joan Pate  
JOAN PATE, Owner  
2701 Swasont Way  
SLC, UT. 84117

Charles Depeu  
CHARLES DEPEW, Owner  
2033 E. 2700 So. #3  
SLC, Ut. 84109

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

On the 3rd day of June, 1986, personally appeared before me the above named CHARLES DEPEW and JOAN PATE, and duly acknowledged to me that they executed the foregoing instrument; that they fully understand the meaning and purport thereof; and that said instrument was executed fully and voluntarily and with full appreciation and understanding of the legal effect thereof.



Debbie A. Austin  
NOTARY PUBLIC

at: Salt Lake City, UT  
My commission expires: 2-11-90

BOOK 5808 PAGE 2054

**Aposhian,  
Snideman, and  
Associates, Inc.**

CONSULTING ENGINEERS & LAND SURVEYORS

1444 EAST 3300 SOUTH • SALT LAKE CITY, UTAH 84106 • TELEPHONE (801) 486-3844

April 1, 1986

M. Richard Walker, Attorney  
4685 South Highland Drive  
Suite 202, Heritage Plaza  
Salt Lake City, Utah 84117

Subject: R. D. Lewis Condominiums

Dear Sir,

On Monday March 31, 1986, accompanied by Mr. Rumel, I made an inspection of the above project as you requested, for the purpose of determining various structural items relative to the buildings. These condominium units were constructed in 1960, and consist of four buildings, each of which contains, six units three on the upper floor and three on the lower floor. The lower floor is 1/2 story into the ground and a full length covered walkway is found on both levels on the front of the units. The construction of the exterior walls of the buildings is concrete block veneer over a wood frame construction. The roof is slightly pitched to the rear of the units but is basically a flat roof. The upper floor is of wood frame construction and the bottom floor is a concrete slab on grade.

Generally speaking the condition of the buildings is very good. The units have been well maintained over the years, and items of needed repair have been taken care of as required. With a continued program of maintenance I would expect these buildings to continue to be servicable for at least another 50 to 75 years. This of course assumes that there is no catastrophic act of nature that would cause conditions to be otherwise.

I would like to point out the following conditions that I observed, none of which would cause the buildings to be unsafe or of any great structural concern, some of which however could have a bearing on the economy of the heating and cooling systems and on other items that will be noted.



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page 2  
Richard Walker

1. The buildings were reroofed approximately 6 to 8 years ago, the roof being basically flat with asphalt built roofing and a gravel surface. It can be expected that another reroofing job may be required sometime in the next 10 to 12 years.
2. It was observed and reported by Mr. Rumel, who accompanied me on my inspection visit, that approximately 10 of the 24 units still have their original hot water heater. These hot water heaters seem to be functioning properly, but it was noted that none of the units have a safety blow off valve. Such a valve is required on hot water heaters now being sold. The result of not having a safety blow off valve on a hot water heater has in some cases proved to be very costly and dangerous, because if the pressure was to build up in a hot water heater due to the malfunctioning of any of the controls the hot water heater becomes a potential bomb, and entire buildings have been destroyed by the explosion of such a unit. It is my recommendation that in a reasonable length of time these units should all be replaced with a more modern hot water heater with safety valves.
3. It was also noted that none of the hot water heaters contains any precaution against leakage into the lower apartments from the upper units should a hot water heater fail or spring a leak. It is required in new construction that a sheet metal pan be placed under each hot water heater, equipped with a drain so that in case of leakage the water goes down the drain instead of into the units below.
4. It was noted that all of the furnaces are original to the initial construction, meaning that they are 26 years old. It may be expected that some of these units will begin to have to be replaced within the foreseeable future.
5. It was reported by Mr. Rumel that his experience with his own units indicate that there is no insulation in the exterior walls of the building, thus the units would not be very economical to heat nor to cool if reffridgerated type air conditioning were to be used. Most of the upstairs units are now equipped with swamp coolers, which no doubt have proved satisfactory, but the lack of insulation could become a costly item if the cost of energy were to continue to rise.

2024 5806 PAGE 2066

page 3  
Richard Walker

6. It was also noted that all of the windows were single pane glass which also contributes to a lack of insulating value and thus higher energy costs.
7. I think it would be safe to assume, although there was no way to verify this, that the insulation in the roof is also of minimal quantity, since at the time this building was constructed it was not common to put more than just a 4 inch batt of insulation in this type of construction, whereas present energy codes require much more insulation.
8. It was observed that on the rear exterior wall of all four buildings there was either one or two vertical cracks on the upper level in the masonry. These cracks appear to be the result of expansion and contraction of the masonry units. These cracks have been filled with a caulking compound and are not causing any particular problem and I would not expect them to cause any problems in the future, however, there may be a need to replace this caulking material if it should become dry and brittle and perhaps fall out.
9. It was pointed out to me by Mr. Rumel and I observed myself that there is some termite damage on the lower level of the buildings along the east side of the project. This termite damage manifests itself in the baseboards and in the furring near the floor. It appears that the termites gained entry to this area by coming up under the floor slab and perhaps finding their way into the wood in the joint between the floor slab and the footing or exterior foundation wall. At the present time Terminix Company has been engaged to treat the buildings for this termite damage, and repair of the damaged areas is to be undertaken by the Home Owners Association. Mr. Rumel indicated that all of these buildings are being treated for termite infestation even though there is not evidence in all of them that damage has occurred.

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page 4  
Richard Walker

10. On the building at the northeast corner of the project, referred to as building #2035, water has come into the lower units due to improper grading of the driveway along the east side of the building. As this driveway has been graded there is very little opportunity for water to flow away from the building, and in fact water in a heavy down pour of rain or fast snow melt would actually be diverted to the soil immediately adjacent to the building. This soil being saturated allows the water to go down the foundation wall and into the building through what is probably worn out or improper water proofing of the foundation wall. I consider it to be necessary for this driveway to be regraded and the foundation walls on this side of the buildings to be properly protected from water intrusion.
11. Although not of a structural nature, I observed that all of the sidewalks adjacent to all four of the buildings have settled adjacent to the foundations. The settlement varies from 1/2 inch to as much as 4 to 5 inches and as a result of this settlement surface water due to snow melt or rain fall, finds itself flowing toward the building instead of away from the building. In one place sand bags have been placed at the top of the stairway into the lower unit for the purpose of keeping this surface water from running down the stairway. In several cases it was noted that water would stand against the foundation under heavy rain fall conditions. The settlement has caused sections of sidewalk to displace vertically relative to each other, and in order to keep these vertical displacements from being hazardous over which people would trip, there have been patches placed to cause the vertical displacement to be less abrupt. I consider it essential in the near future to replace most of the sidewalks around the buildings and adjacent to them. At that time it would be necessary to properly compact the soil under them before placing the sidewalks at a proper grade that would allow surface water to drain away from the buildings.

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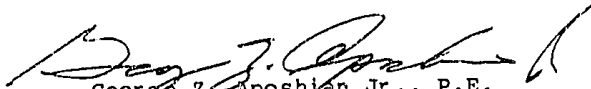
page 5  
Richard Walker

My observations relative to the buildings on this project as stated above are given as a statement of the general condition of the buildings and premises. As I stated I do not see anything of a structural nature to be concerned about. The buildings have not given any indication of differential settlement or of any out of plumb or out of level conditions, and structurally I consider them to be in very good condition. The items listed relate to energy efficiency and drainage of surface water for the most part.

If there is anything else you require or if I may be of further service, please let me know.

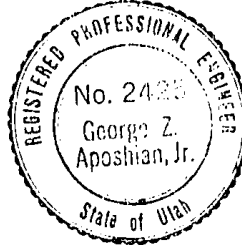
Sincerely,

APOSHIAN, SNIDEMAN & ASSOC., INC.



George Z. Aposhian Jr., P.E.  
Structural Engineer

GZA:tm



FORM 5806 REV. 2009



**Aposhian,  
Snideman, and  
Associates, Inc.**

CONSULTING ENGINEERS & LAND SURVEYORS

1444 EAST 3300 SOUTH • SALT LAKE CITY, UTAH 84106 • TELEPHONE (801) 486-3844

August 6, 1986

Salt Lake City Corporation  
Department of Building and Housing Services  
412 City and County Building  
Salt Lake City, Utah 84111

Attention: Mark H. Hafey, Jr., ASA #85291

Dear Sir:

With respect to the RDL Apartments, 2029 to 2035 East 2700 South, Salt Lake City, I submit the following supplemental information in response to a letter from Roger Evans to you, dated June 30, 1986.

Attached is a summary of our inspection of water heaters, furnaces, electrical service and other related items. This will satisfy your request for a description of the condition and the capacity of these items. You will also see from the summary that a smoke detector has been installed in each unit, but that GFIC electrical outlets have not been installed. The reason for this is that there are no wall outlets in the bathrooms in any of these units.

The drainage problems around the building have been corrected, and you will see from the summary that temperature relief valves and drains have been installed on all the water heaters.

If there is any further information which you require in order to approve this condominium conversion, please contact me or Mrs. Lewis directly.

Respectfully submitted,

APOSHIAN, SNIDEMAN, AND ASSOCIATES, INC.

*George Z. Aposhian, Jr.*  
George Z. Aposhian, Jr., P.E.  
Structural Engineer

GZA/blc  
Enclosure

2007 5806 P. 2070



W A T E R H E A T E R S , F U R N A C E S ,

E T C .

BLDG. #	WATER HEATER	FURNACE	DISHWASHER	GARBAGE DISPOSAL	ELECTRICAL SERVICE	SEPARATE WATER SHUT-OFF
2029 #1	A.O. SMITH 40 gal. 40,000 BTU/Hr.	MUELLER CLIMATROL 80,000 BTU/Hr.	NO	YES	70 amps	YES
2029 #2	JOHN WOOD 30 gal. 30,000 BTU/Hr.	"	NO	NO	70 amps	YES
2025 #3	RHEEM 30 gal. 46,000 BTU/Hr.	ELECTRIC BASEBOARD	YES	YES	100 amps	YES
2029 #4	HOLLY 40 gal. 42,000 BTU/Hr.	MUELLER CLIMATROL 80,000 BTU/Hr.	NO	YES	70 amps	NO (In Apt. #1.)
2029 #5	JOHN WOOD 30 gal. 30,000 BTU/Hr.	"	NO	YES	"	NO (In Apt. #2.)
2029 #6	SEARS THIRTY-FOUR 40 gal. 34,000 BTU/Hr.	"	NO	YES	"	NO (In Apt. #3.)
2031 #1	RUUD 40 gal. 45,000 BTU/Hr.	"	NO	NO	"	YES
2031 #2	SUPERBO 30 gal. 41,000 BTU/Hr.	"	NO	NO	"	YES
2031 #3	JOHN WOOD 30 gal. 30,000 BTU/Hr.	"	NO	NO	"	YES

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WATER HEATERS, FURNACES, ETC., CONTINUED  
Page 2

BLDG #	WATER HEATER	FURNACE	DISHWASHER	GARBAGE DISPOSAL	ELECTRICAL SERVICE	SEPARATE WATER SHUT-OFF
2031 #4	SUPERBO 30 gal. 41,000 BTU/Hr.	MUELLER CLIMATROL 80,000 BTU/Hr.	NO	NO	70 amps	NO (In Apt. #1.)
2031 #5	SUPERBO 40 gal. 40,000 BTU/Hr.	MUELLER CLIMATROL 80,000 BTU/Hr.	NO	NO	70 amps	NO (In Apt. #2.)
2031 #6	A.O. SMITH 30 gal. 40,000 BTU/Hr.	"	NO	YES	"	NO (In Apt. #3.)
2033 #1	HOLLY 40 gal. 44,000 BTU/Hr.	"	NO	YES	"	YES
2033 #2	CRAFTMASTER 40 gal. 44,000 BTU/Hr.	"	NO	YES	"	YES
2033 #3	STANDARD 40 gal. 36,000 BTU/Hr.	"	NO	NO	"	YES
2033 #4	SUPERBO 40 gal. 40,000 BTU/Hr.	"	NO	YES	"	NO (In Apt. #3.)
2033 #5	SUPERBO 40 gal. 41,000 BTU/Hr.	"	NO	YES	"	NO (In Apt. #2.)
2033	SUPERBO 40 gal. 41,000 BTU/Hr.	"	NO	NO	"	NO (In Apt. #1.)
2035	RUUD 40 gal. 48,000 BTU/Hr.	"	NO	NO	"	YES

2702 9085 9085 9085

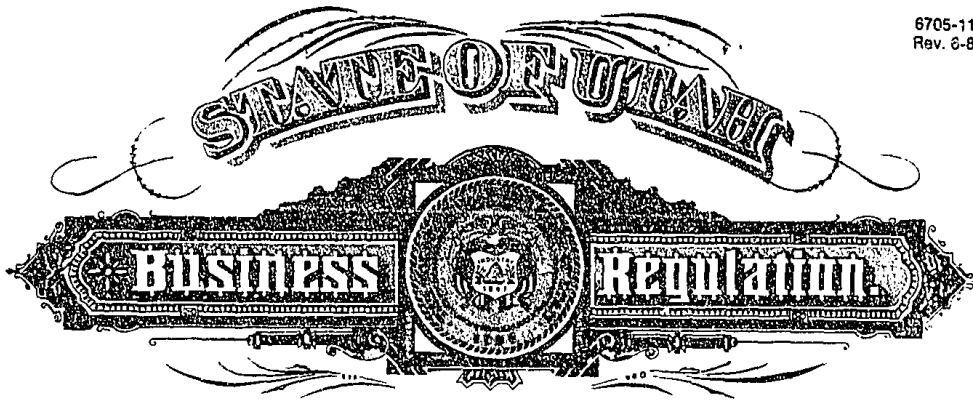
WATER HEATERS, FURNACES, ETC., CONTINUED  
Page 3

BLDG #	WATER HEATER	FURNACE	DISHWASHER	GARBAGE DISPOSAL	ELECTRICAL SERVICE	SEPARATE WATER SHUT-OFF
2035 #2	JOHN WOOD 30 gal. 30,000 BTU/Hr.	MUELLER CLIMATROL 80,000 BTU/Hr.	NO	NO	"	YES
2035 #3	RHEEM 40 gal. 40,000 BTU/Hr.	"	NO	NO	"	YES
2035 #4	SUPERBO 40 gal. 40,000 BTU/Hr.	"	NO	YES	"	NO (In Apt. #3.)
2035 #5	A.O. SMITH 40 gal. 40,000 BTU/Hr.	"	NO	NO	"	NO (In Apt. refrig. #2) A.C.
2035 #6	JOHN WOOD 30 gal. 30,000 BTU/Hr.	"	NO	NO	"	NO (In Apt. #1.)

Notes:

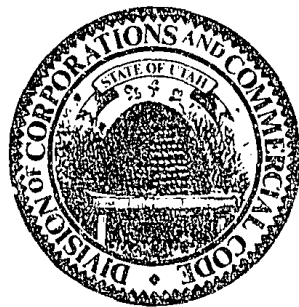
1. All Water Heaters appear to be clean and in good working condition. All are now fitted with Temperature and Pressure relief valves with proper discharge pipes to drains.
2. All furnaces are clean and appear to be in good working condition. Unit 2029 #3 does not have a furnace. It has electric heat.
3. All units have been fitted with approved Smoke Detectors.
4. There are no electrical wall outlets in the bathrooms.

8702 5806 2073



The Department of Business Regulation, Division of Corporations and Commercial Code, certifies that the attached is a full, true and correct copy of the Articles of Incorporation of RDL APARTMENTS INC., a Utah non-profit corporation filed with this office on June 30, 1961

File #38265  
AS APPEARS OF RECORD IN THE DIVISION OFFICE



Dated this 4th day of  
April A.D. 19 86

*[Signature]*  
Director, Division of Corporations and  
Commercial Code

BOOK 5806 PAGE 2074

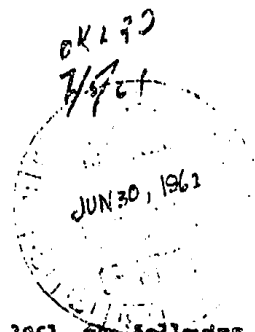
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11/11

ARTICLES OF INCORPORATION

OF

RDL APARTMENTS 38265



STATE OF UTAH )  
                  ) ss.  
County of Salt Lake )

I do solemnly swear that on the 23 day of May, 1961, the following named persons met at 2029 East 2700 South, Salt Lake City, Salt Lake County, State of Utah, for the purpose of organizing a non-profit co-operative housing corporation in accordance with the laws of the State of Utah:

- Neal D. Lewis
- Wilma L. Lewis
- Myrl K. Christensen

That the undersigned was chosen as Secretary of the meeting; that at said meeting the above named persons decided by a unanimous vote to incorporate as a non-profit corporation with such rights and obligations as may be prescribed by law; that said persons voted unanimously to adopt the following Articles of Incorporation for said Corporation:

ARTICLE I

The name of said corporation shall be RDL APARTMENTS.

ARTICLE II

The principal place of business of the corporation shall be at Salt Lake City, Salt Lake County, State of Utah.

ARTICLE III

That this corporation's existence shall be perpetual, unless sooner dissolved according to law.

ARTICLE IV

The corporation is not organized for pecuniary profit nor shall it have any power to issue certificates of stock or declare dividends, and no part of its net earnings shall inure to the benefit of any member, director, or individual. The balance, if any, of all money received by the corporation from its operations, after the payment in full of all debts and obligations of the corporation of whatever kind and nature, shall be distributed to the members by the issuance of certificates of indebtedness as herein provided.

NOT LEGIBLE FOR MICROFILM  
OR RECORDER

BOOK 5806 PAGE 2075

ARTICLE V

The general business of this corporation shall be to construct, improve, operate and maintain a cooperative housing apartment in which the members of this corporation who purchase proprietary leases shall be entitled to occupy for dwelling purposes an apartment in such apartment buildings under leasehold terms to be established by the corporation, which buildings are to be constructed on the following described premises and land adjacent thereto, acquired or to be acquired by the corporation, in Salt Lake City, Salt Lake County, State of Utah:

All of lot 13, COUNTRY CLUB GARDEN TRACT, according to the official plat thereof on file and of record in the office of the County Recorder of Salt Lake County, Utah, and

Lot 12, COUNTRY CLUB GARDEN TRACT, a subdivision of part of sections 21 and 22, Township 1 South, Range 1 East of Salt Lake Meridian.

In furtherance of said business the powers of this corporation are as follows:

(a) As necessary and incidental to the construction, betterment, addition, operation and maintenance of the cooperative housing apartments and properties:

(1) To acquire by purchase, lease or otherwise improved or unimproved lands and interest in lands, and to own, hold, improve, develop and manage any property so acquired, and to erect or cause to be erected on any lands owned, held or occupied by the corporation, buildings or other structures with their appurtenances, and to manage, operate, lease, rebuild, enlarge, alter or improve any building or other structures, now or hereafter erected on any land so owned, held or occupied and to encumber or dispose of any lands or interest in lands, and any buildings or other structures, or part of any buildings or other structures, at any time owned or held by the corporation.

(2) To acquire by purchase, lease or otherwise any personal property deemed necessary or useful in equipping, furnishing, improvement, development or management of any property, real or personal, at any time owned, held or occupied by the corporation, and to generally deal with and in any personal property deemed

NOT LEGIBLE FOR MICROFILM  
CO. RECORDER

BOOK 5806 PAGE 2076

beneficial to the corporation and to encumber or dispose of such personal property at any time owned or held by the corporation.

(b) To borrow money and contract debts when necessary for the transaction of business or for the exercise of its corporate rights, privileges, or franchises, or for any other lawful purpose of its incorporation, to issue bonds, promissory notes, bills of exchange, debentures and other obligations and evidence of indebtedness, whether secured by mortgage, pledge or otherwise, or unsecured, for money borrowed or in payment for property purchased or acquired, or for any other lawful object, and to pay such debts and obligations.

(c) To invest its surplus funds, reserves, etc. in and to purchase or otherwise acquire, subscribe for, hold, sell, exchange, pledge or deal in and dispose of, with the same right of ownership as may be permitted a natural person, stocks, bonds, notes, debentures or other evidences of indebtedness and obligations and securities of any corporation, syndicate, or association, or of any government or governmental authority or of any political or subdivision or department thereof, and certificates and receipts of any kind evidencing any interest in such stocks, bonds, notes, debentures or other evidences of indebtedness and obligations and securities; while the owner thereof to exercise all the rights of ownership in connection therewith; to issue its own bonds, notes, debentures or other securities and evidences of indebtedness for the acquisition of any such stocks, bonds, notes, debentures or other evidences of indebtedness and securities.

(d) To conduct its business at any place or places within the United States and in any and all foreign countries and territories, and to purchase, sell, mortgage, hypothecate, pledge, issue, lease, or otherwise acquire encumber, dispose of and deal in on its own behalf all kinds and character of property, real, personal or mixed, and while the owner thereof to exercise all the rights, powers, and privileges of ownership.

(e) To do all and everything necessary, suitable or proper for the accomplishment of any of the purposes, the attainment of any of the objects or the furtherance of any of the powers hereinabove set forth, either alone or in connection with other corporations, firms or individuals, and either as principals or agents, and to do every other act or acts, thing or things incidental or appurtenant to, or growing out of or in connection with the aforesaid objects, purposes or powers, or any of them.

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The purposes and powers specified in the clauses contained in this Article are to be construed both as purposes and powers and shall be regarded as independent purposes and powers. The specification herein contained of particular powers is not intended to be and shall not be held to be in limitation of the general powers herein or a restriction or limitation in any manner of the general powers granted to non-profit cooperative housing corporations under the laws of the State of Utah, but shall be in furtherance thereof.

#### ARTICLE VI

The principal place of business and general offices of this corporation shall be at Salt Lake City, Utah, but the Board of Directors may establish an office or offices in any other place within the State of Utah at which place meetings of the Board of Directors may be held and the business of this corporation may be transacted.

#### ARTICLE VII

The board of directors shall cause one membership stock certificate to be issued to each person duly elected and qualified as a member of this corporation, which certificate shall evidence the membership of said person in this organization and shall entitle said person to one vote either in person or by proxy at all meetings of the members of this organization. The membership stock certificates may be issued by the corporation upon such terms and conditions and upon payment of such membership fees as shall be determined from time to time by the Board of Directors. The membership stock certificates are non-transferable without the consent of the majority of the board of directors and/or a majority of the members of the corporation then in good standing. The membership stock certificate of any member may be cancelled or terminated by the corporation upon the terms and conditions contained herein or as specified in the by-laws adopted from time to time by the Board of Directors. The proprietary leases mentioned herein may be purchased only by members in good standing of this organization. The total membership stock certificates to be issued and the total number of members of this corporation shall be limited to thirty (30), provided, however, that this number may be changed from time to time by resolution of the board of directors. Members may be admitted to this corporation only on written application, and only after investigation and approval by the board of directors and it shall be the duty of the secretary to record the action of the board with respect to all applications for membership in the minutes of the meeting or such action is taken.

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### ARTICLE VIII

The government and management of the corporation shall be invested in a board of directors consisting of not less than three nor more than twenty seven members, the majority of which shall form a quorum for the transacting of the business of the corporation. A president, a vice-president, and a secretary-treasurer shall be selected by the board of directors who shall each perform such duties and have such authority as usually pertains to such officers and corporations or as may be prescribed from time to time by the board of directors. The board of directors may from time to time increase the number of directors and may appoint duly qualified members to fill the vacancy created by the said directors officers thereby created. The term of office of all directors shall be three years except for the initial officers named herein whose terms shall be the period specified opposite their respective names. The office of the president and vice-president shall be filled from members of the board of directors, but the office of secretary and treasurer may be held by the same person at the same time who need not be a member of the board of directors. The board of directors may appoint an assistant secretary if it deems such to be advisable. The term of all officers appointed by the board of directors shall be one year, provided however, that directors and officers shall hold office until their successors are duly elected and qualified. Any officer or director may resign by filing his written resignation with the secretary of the corporation or in the event of the secretary with the president of the corporation and upon acceptance thereof by the board of directors, or if such board shall neglect to act upon such resignation within fourteen (14) days after its receipt, the resignation shall become effective and the office shall be deemed vacant. In the event of the death, disability, or resignation of any officer or director of the corporation, the remaining directors even though less than a quorum, may fill the vacancies thereby created for the unexpired term. The first officers and directors of this corporation who shall hold office during the period indicated by their respective names and until their successors are duly elected and qualified are as follows:

Reed B. Lewis	3968 South 20th East, Salt Lake City, Utah President & Director - 3 year term
Vilate L. Lewis	3968 South 20th East, Salt Lake City, Utah Secretary-Treasurer & Director - 4 year term
Myrtle E. Christensen	2033 East 27th South #6, Salt Lake City, Utah Vice-President & Director - 3 year term

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All officers, and employees appointed by the Board of Directors may be removed at any time with or without cause by the affirmative vote of a quorum of the Board of Directors. The annual election of officers shall be held at a meeting of the Board of Directors following the annual meeting of members. The Board of Directors shall have power to appoint any officers, employees, agents, managers, etc. as is deemed appropriate from time to time who may or need not be members of the corporation. Members of the Board of Directors shall receive no compensation for serving as such except such compensation as may be voted from time to time at duly convened meetings of the members of the corporation, but this shall not prevent any members of such board from receiving compensation as authorized and fixed by the Board for services rendered to the corporation as an officer, agent, or employee thereof.

ARTICLE IV

Directors shall be elected by ballot at the annual meeting of members to fill all vacancies in the Board of Directors which shall then exist by reason of the expiration of the term of any director or by reason of removal or resignation of any director or for any other cause whatsoever.

ARTICLE V

Each member shall be entitled to one vote at all meetings where the membership of this corporation is entitled to vote on any matter, which vote may be cast in person or by proxy. Voting shall be non-cumulative.

ARTICLE XI

Contracts and other transactions between this corporation and any other person, firm or corporation shall not be affected or invalidated by the fact that any director of this corporation is interest in or is a director or officer of such other corporation or in any way associated with such persons firm, or corporation and any director or directors of this corporation, individually or jointly, may be a party or parties to or may be interested in contracts or transactions in which this corporation is interested without affecting or invalidating such contract or other transaction of this corporation. And each person who may become a director of this corporation is hereby relieved from any liability that might otherwise exist from contracting from this corporation by the benefit of himself or any other person, firm or corporation which he may be in any way interested in or associated with, provided however, that the provisions of this paragraph shall have no application if said contracts or transactions by said persons with this corporation are made in *bona fide* faith.

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#### ARTICLE XXV

Special meetings of the members may be called by the president, vice-president, by any two directors, or by any five of the members. Notice of such special meetings shall be given by personal notice thereof to each member or by mailing notice to the address of such member at the last known address of such member at least five days prior to the date and hour of such meeting, or by advertisement in a daily newspaper of general circulation published in Salt Lake City, Utah in at least one issue thereof and at least five days prior to the date of the meeting. Notice by mail shall be completed at the time of mailing of said notice.

Any notice required to be given by a member, director, or officer of this corporation may be waived by written instrument signed by such stockholder, director, or officer, or by their personal attendance at said meeting, and in the event of such waiver, notice shall be unnecessary whether such waiver is consented prior to or subsequent to such meeting. Should the date for any annual special meeting of members fall on a Sunday or legal holiday, then such meetings shall be held on the first business day thereafter.

Meetings for the amendment of the Articles of Incorporation of this corporation shall be called in the manner above specified except that notice of the proposed amendments shall be given with the notice of said meeting.

#### ARTICLE XXVI

A majority of the directors shall be necessary to constitute a quorum and the majority of such quorum is authorized to transact the business and exercise the corporate powers of the corporation. A lesser number of directors may adjourn the meeting.

Meetings of the Board of Directors for the transaction of any business of the corporation may be held at its principal office in this State or at any other place within the State of Utah, as the directors may by resolution or by-law provide. Three days notice of the time and place of the meeting shall be given to each of the Directors, unless such notice is waived. Such notice may be given to each of the Directors in person or by mailing a copy thereof to such director at his last known address, as shown by the books of said corporation, the date of mailing shall be date of such notice.

The Board of Directors may establish regular meetings, if desired, to be held at such times and at such places as it may from time to time determine and after due notice to each member of the Board of Directors of the establishment of the time and place of such regular meetings, no further notice need be given of such meetings.

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In carrying on the business of this corporation, the Board of Directors is hereby authorized and empowered to sell, exchange, mortgage, lease or otherwise dispose of, deal with and encumber any or all of the real, personal or mixed property of the corporation, upon such terms and conditions as such Board of Directors may deem just and proper and for the best interest of the corporation, provided, however, that as to real property or real property interests the Board shall have first revised the prior authorization of a vote of not less than a 3/4 majority of the members in good standing of the corporation. X

ARTICLE XIV

The private property of the members shall not be liable or responsible for the debts of the corporation.

ARTICLE XV

These Articles of Incorporation may be amended at any meeting of the stockholders by the vote of the holders of three-fourths of the members of the corporation.

ARTICLE XVI

The board of Directors may, but shall not be required, to adopt such by-laws for the corporation as in their judgment may be deemed necessary or advisable, and may amend and repeal the same from time to time.

ARTICLE XVII

No member of this corporation shall be entitled, either conditionally or unconditionally, to receive any dividends or distribution upon the membership stock certificate issued by the corporation, except as required by law or upon a partial or complete liquidation of the corporation.

ARTICLE XVIII

In the event of partial or complete liquidation of this corporation the assets of the corporation shall be distributed to the members in the following manner and order:

(a) One competent real estate appraiser shall be selected by the Board of Directors, a second competent real estate appraiser shall be selected by the members of the corporation and said two appraisers shall select a third competent appraiser who shall appraise the value of each unit occupied by a member under the terms of the proprietary lease and which is being

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distributed as part of said liquidation and shall ascertain the value thereof including improvements made thereto by the member and said appraisers shall ascertain the total value of the property so being distributed.

(b) Each member who holds a proprietary lease in good standing at the time of total or partial liquidation as aforesaid shall be entitled to receive as his share of the assets so distributed an undivided interest on the whole of the assets distributed, such shares to be the ratio which the value of the unit occupied by him under the terms of his proprietary lease bears to the value of all units held under proprietary leases being so distributed and except that the amounts owed by any such holder of a proprietary lease to the corporation shall be deducted from the assets distributed to that individual and/or said obligations of the corporation in said amount provided however, that all obligations owed by the corporation shall be assumed by the persons to whom the assets are distributed and in the same ratio as aforesaid.

#### ARTICLE XIX

The secretary shall credit to the capital account of the corporation all amounts received as payment by members for membership fees and all amounts paid by members to the corporation on the principal price of the proprietary leases and all other assessments made by the corporation against the members thereof for purposes of capital improvements, liquidation of mortgages, or for other purposes so specified in the resolution creating said assessments.

All monies received by the corporation from sources other than those specified in the immediately preceding paragraph pertaining to memberships, capital items, etc., shall be credited to a separate revolving account on the books and records of the corporation for each separate fiscal year of the corporation. All operating charges and expenses incurred or paid by the corporation shall be charged to this revolving fund account and the net credit remaining in said account at the end of each fiscal year shall be allocated to the members in the ratio that the total amount paid into said fund by each such member bears to the total paid into said account by all members of the organization and a certificate of indebtedness shall be issued by the corporation in favor of each such member for each such separate year and which certificates shall be redeemable at a future date specified and bear interest at the rate

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specified by resolution by the Board of Directors duly enacted after the close of said fiscal year. In the event that a net debit shall remain in said revolving fund account at the close of the operations of any one year said debit shall be carried forward and transferred to the revolving fund account established for the following fiscal year and shall be deducted in the same manner as though the balance of that account had constituted expenditures for said ensuing year. The certificates of indebtedness issued pursuant to the provisions hereof shall be construed as a patronage refund to the members and the amounts received from each member shall be construed as advances made by said member to pay and defer the operating expenses of the corporation and the corporation shall not realize any income whatsoever by reason of contributions received or payments received from members, it being expressly declared to be the policy and purpose of this corporation to operate the corporation and furnish facilities for and on behalf of its members at actual cost thereof to the corporation.

#### ARTICLE XX

In addition to the powers herein specified invested in the Board of Directors and the powers granted by law, the Board of Directors shall have the following powers concerning the affairs of the corporation.

- (a) To manage all of the affairs of the corporation on any and all questions relating in any manner whatsoever thereto and to make all contracts necessary for the proper transaction of business.
- (b) To negotiate and contract for and procure by lease or purchase or otherwise upon such terms as may be deemed by the Board to be reasonable and proper, buildings, and facilities for conducting and carrying out the affairs of the corporation.
- (c) To admit members and to prescribe rules for the admissions of members and to prescribe and enforce qualifications for membership in the corporation.
- (d) To fix, levy, and collect fees, dues, charges, assessments, and penalties and to vary the same from time to time to meet the obligations of the corporation and to provide for, furnish, repair and maintain facilities for the members.

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(e) To make rules pertaining and concerning the use of the corporation property by the members while in the buildings or using the facilities of the corporation.

(f) To suspend any member and/or to terminate or put an end to the membership of any persons and of any and all rights appertaining thereto for conduct of a member which is in violation of the by-laws or the rules or which is improper and prejudicial to the interest of the corporation, provided, however, that an appeal may be taken to the members and said members shall be reinstated by a majority vote of the members and/or the Board of Directors may reinstate any member at any time within three months after the forfeiture of his membership by the vote of two-thirds of the members of the Board present at any meeting of the Board, provided all financial obligations of such persons to the corporation are paid to a current status.

(g) To appoint committees from the membership the duties of which shall be prescribed by the Board and such committees shall be answerable to the Board and serve at the pleasure of the Board.

(h) To select and employ such employees and agents as it may deem advisable and to define the authority of each and to prescribe his duties and compensation.

(i) To affiliate this corporation with other similar corporations, associations, or clubs and to appoint delegates to different associations of which the corporation may be a member.

(j) To select such members or non-members upon such terms and conditions as it may decide to handle the management operations, and performance of the necessary work and labor incidental to the operations of the corporation upon such terms and conditions and in such manner as the Board may determine.

#### ARTICLE XXI

The annual meeting of the members of the corporation shall be held at the office of the corporation in Salt Lake City, Utah, or such other place as shall be designated by the Board of Directors by resolution on the last Thursday of March of each year commencing with March, 1962 for the election of members to fill vacancies which may then exist in the Board of Directors and the transaction of such other business as may be properly brought before the meeting. No notice need be given of the annual meeting unless the place of said meeting is different from that announced at the next preceding meeting or is different from the place specified in said articles.

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*Neil Lewis, President*  
*W. L. Lewis*  
Secretary

Subscribed and sworn to before me this 22 day of May, 1961.

*Ronald C. Burke*  
Notary Public Residing at

My Commission Expires:

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REC'D OF  
M. Richard Walker  
DEP  
*Patricia R. Brown*  
PATRICIA R. BROWN

KATIE L. DIXON  
RECORDER  
SALT LAKE COUNTY,  
UTAH

BOX 5806 P.O. 2086