

339

05/20/96 10:52 AM 6360654 339.00
NANCY WORKMAN
RECORDER, SALT LAKE COUNTY, UTAH
JAMES R BLAKESLEY
REC BY: B GRAY DEPUTY - WI

6360654

AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
BROOKSTONE
A Prowswood Open Space Community Condominium

BK 7402 PG 2142

TABLE OF CONTENTS

TITLE PAGE 1

RECITALS 2

DEFINITIONS 4-9

SUBMISSION 9

COVENANTS, CONDITIONS and RESTRICTIONS 10

Description of Improvements 10

Description an Legal Status of Units 10

Contents of Exhibit "A" 10

Units, Common Areas and Limited Common Areas 10

Maintenance. 11

a. Area of Personal Responsibility 11

b. Area of Common Responsibility 11

c. Standard of Care. 11

d. Landscaping 11

e. Neglect 12

Computation of Undivided Interests 12

Easement for Encroachment. 12

Access for Repair of Common Areas. 13

Right of Ingress, Egress, Lateral Support. 13

Easement of Board of Trustees. 13

Easement for Utility Services. 13

Use of Condominium and Common Areas. 14

a. Nature and Restrictions on Ownership and Use

In General 14

b. Rules and Regulations 14

c. Restrictions and Limitations of Use 14

Occupants Bound 14

Nuisance. 14

Unightly Work, Hobbies or Unkempt Condition. 15

Removing Dust & Debris. 15

Subdivision of Unit 15

Firearms, Incendiary Devices and Graffiti . . 15

Temporary Structures. 16

Tree, Shrubs, Bushes--Maintenance, etc. . . 16

Utility Lines 16

Signs 16

Energy Conservation Equipment 16

Business use. 16

On-Site Fuel Storage. 17

Heating of Units in Colder Months 17

Storage and Parking of Vehicles 17

Aerials, Antennas, and Satellite Dishes . . . 18

Windows and Window Coverings. 18

Pets. 19

Leases. 19

Status and General Authority of Board.	21
Management of the Project.	22
Composition of Board of Trustees	22
Board Officers and Agents.	23
Board Meetings	24
Meeting of Unit Owners	24
Accounting	25
Capital Improvements	26
Operation and Maintenance; Apportionment of Common Expense	26
Common Area Expenses	26
Purpose of Common Area Expenses	26
Creation of Common Area Assessments	27
Budget.	27
Apportionment	27
Approval of Budget and Assessments.	27
Payment of Common Area Assessments.	28
Owners Liable to Pay Common Area Assessments.	28
Equitable Changes	28
Dates and Manner of Payments.	28
Reserve Accounts.	28
Personal Obligation of Owner.	28
Acceleration.	29
Statement of Common Area Assessments Due.	29
Superiority of Common Area Assessments.	29
Termination of Utility Service or Right to Use Amenities for Non-Payment.	29
Suspension of Right to Vote for Non-Payment	29
Special Assessments.	29
Individual Assessments	30
Collection of Common Area Assessments.	30
Delinquent Assessments/Interest	30
Late Assessments.	30
Lien.	30
Personal Obligation	30
No Waiver	30
Duty to Pay Independent	30
Application of Payments	31
Foreclosure of Lien as Mortgage or Trust Deed	31
Appointment of Trustee.	31
Insurance.	31
Property Insurance.	31
Flood Insurance	32
Liability Insurance	32
Errors and Omissions/Directors and Officers.	32
Earthquake and Other Special Risk Coveratges.	32
Fidelity Bond	32
General Requirements.	33
Damage to Project.	35
Sufficient Insurance.	35
Minor Destruction/Insurance Insufficient.	35

Substantial Destruction/Insurance Insufficient/ Election to Repair.	35
Substantial Destruction/Insurance Insufficient/ Election Not to Repair.	35
Amendment.	36
Consent Equivalent to Vote.	36
Eminent Domain.	36
Service of Process.	36
Mortgagee Protection.	36
Reserve Required	37
No Right of First Refusal.	37
Management Contract/Mandatory Termination Clause	37
Damage to Unit or Common Area.	37
Eminent Domain	37
Leasing.	37
Pre-Foreclosure Assessments.	38
Notice of Default.	38
Subordination of Lien.	38
Amendments	38
Right to Inspect Books and Records	39
Owner Roster	39
Duty of Owner to Pay Taxes on Unit Owned.	39
Covenants to Run with Land/Enforcement/Attorneys Assessments.	39
Information Regarding Transferee of Unit.	40
Duty of Unit Owners; Remedy	40
Indemnification of Board of Trustees	40
Security.	40
Liens Against the Association	41
Agent for Service of Process.	41
Request for Notice.	41
Notice and Hearing.	41
Architectural Review.	42
Severance	43
Waiver.	43
Gender.	43
Topical Headings.	43
Conflicts	43
Effective Date.	43
 SIGNATURE PAGE	 44
EXHIBIT "A".	45
EXHIBIT "B".	46

WHEN RECORDED RETURN TO:
James R. Blakesley
Attorney at Law
2102 East 3300 South
Salt Lake City, Utah 84109
(801) 485-1555

AMENDED AND RESTATED

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF

BROOKSTONE

A Prowswood Open Space Community Condominium

THIS DECLARATION is made and executed this ____ day of April, 1996, by the Association of Unit Owners of the Brookstone Condominium Project (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), as amended.

R E C I T A L S:

A. Declarant is the authorized representative of the owners of that certain real property located in Salt Lake County, Utah, more particularly described in Article II below.

B. On the 9th day of June, 1978, Declarant's predecessors in interest executed a Declaration of Condominium of the Brookstone Condominium Project (the "Declaration") as part of a plan for the Brookstone Condominium Project (the "Project"), which Declaration was recorded in the office of the County Recorder of Salt Lake County, State of Utah, on the 12th day of June, 1978, as Entry No. 3121458, in Book 4687, at Page 1204. The original Declaration was subsequently modified by documents recorded in the Office of the County Recorder of Salt Lake County, State of Utah and described more particularly as follows:

C. The Project was expanded by the First Amendment to Declaration (Phase II) recorded the 5th day of February, 1979, as Entry No. 3233272, in Book 4810, at Page 269.

D. The Project was expanded by the Second Amendment to Declaration (Phase III) recorded the 4th day of January, 1980, as Entry No. 3384830, in Book 5019, at Page 314.

E. The Project was expanded by the Third Amendment to Declaration (Phase IV) recorded the 6th day of April, 1982, as Entry No. 3663886, in Book 5359, at Page 465.

BK 7402 PG 2146

G. The Declaration was modified by the Fourth Amendment to Declaration dated the 15th day of October, 1982 and recorded as Entry No. 3728826, in Book 5419, at Page 279.

H. The Declarant desires by filing this Amended and Restated Declaration of Covenants, Conditions and Restrictions of the Brookstone Condominium Project to modify and restate the Declaration.

I. The proposed Amended and Restated Declaration of Covenants, Conditions and Restrictions of the Brookstone Condominium Project has been approved by at least 67% of the Percentage Interest as required by Article III, Section 29 of the Declaration.

NOW, THEREFORE, for the foregoing purposes, Declarant hereby makes the following Amended and Restated Declaration containing covenants, conditions and restrictions relating to this Condominium which, pursuant to the provisions of the Utah Condominium Ownership Act, shall be enforceable equitable servitudes, where reasonable, and shall run with the land:

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 the same may be amended from time to time.
2. Articles of Incorporation or Articles shall mean and refer to the Articles of Incorporation of the Brookstone Homeowners Association, Inc., as filed in the Office of the Utah Secretary of State.
3. Association shall mean and refer to the Association of Unit Owners of Brookstone Condominium Project.
4. Board of Trustees shall mean and refer to the the members elected to operate, control, manage and regulate the Association.
5. Building shall mean and refer to the dwelling structures containing the Units.
6. By-Laws shall mean and refer to the Bylaws of the

Association attached to and incorporated in the Declaration by this reference as Exhibit "D".

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

8. Common Areas and Facilities and Common Areas 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 Map.

c. All Limited Common Areas and Facilities.

d. All foundations, columns, girders, beams, supports, perimeter walls, roofs, and lobbies constituting a portion of or included in the improvements which comprise a part of the Project, and any stairs, stairways, entrances, and exits which are designed for the use of more than one Unit, parking spaces, access roads, driveways, walkways, pedestrian sidewalks, landscape and planting areas, fences, brick walls, street lights and other common facilities.

e. All apparatus, installations, and facilities included within the Project and existing for common use.

f. All portions of the Project not specifically included within the individual Units.

9. 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.

10. Common Profits shall mean and refer to the balance of income, rents, profits and revenues from the Common Areas remaining after deduction of the Common Expenses.

11. Community shall mean and refer to the real property and interests in the real property described in this Declaration, and such additions of other real property or real property interests

as may be made by the Association by amendment or supplement.

12. Community Wide Standard shall mean and refer to the standard of conduct, maintenance, or other activity generally prevailing in the Community. Such standard may be more specifically determined by the Management Committee.

13. Declaration shall mean and refer to this Amended and Restated Declaration of Condominium.

14. Declarant shall mean and refer to the Association, and its successors and assigns.

15. 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.

16. 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.

17. Eligible Votes means and refers to those votes available to be cast on the issue at hand. A vote which is for any reason suspended is not available to be cast.

18. 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, plumbing and electrical systems, heating and air conditioning systems, utility systems, roads, walkways, driveways, parking areas, storage facilities, fences, walls, stairs, landscaping, trees, shrubs, bushes, recreational facilities and amenities.

19. Land shall mean and refer to the real property subject to this Declaration.

20. Limited Common Areas and Facilities or Limited Common Area shall mean and refer to those Common Areas and Facilities designated herein or in the Survey Map as reserved for the use of a certain Unit or Units to the exclusion of the other Units. Limited Common Areas consist of certain open parking spaces provided adjacent to certain end Units and patios both indicated in the Map by double-crosshatching, as are the entrances and exits of each Unit although not indicated on the Map.

21. Majority shall mean and refer to those eligible votes, Owners, members, or other groups as the context may indicate totaling more than fifty (50%) percent of the total eligible number.

22. Management Committee shall mean and refer to the Board of Trustees.

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

24. Member shall mean and refer to each Unit Owner.

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

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

27. Notice and Hearing shall mean and refer to the procedure which gives an Owner notice of an alleged violation of the Declaration, By-Laws or Rules and Regulations for a hearing before the Board .

28. Owner shall mean and refer to a Unit Owner and Member of the Association.

29. Parking Area shall mean and refer to all areas wherever located within the Project, including driveways on the Common Area immediately adjacent to a Unit and specifically designated parking spaces, but not including enclosed garages and streets.

30. Permanent Resident shall mean and refer to anyone who resides in a Unit for more than four (4) consecutive weeks or for more than eight (8) weeks in any calendar year.

31. Person shall mean and refer to a natural person, corporation, partnership, trust, limited liability company, or other legal organization or entity.

32. Percentage Interest shall mean and refer to the percentage of undivided ownership interest appurtenant to each Unit in or to the Common Areas and Facilities, as set forth with more particularity in Exhibit "A" attached hereto and incorporated herein by this reference.

33. Phase shall mean and refer to each separate step or parcel in development of the Project which was initiated through the submission of a specific parcel of land to the terms of the Act. The term shall also include all improvements which are constructed and all appurtenances, rights, obligations, and legal relationships which come into existence in conjunction with the submission of any single parcel. The submission which is

effected by this Declaration, the rights and obligations which are created by this Declaration, and the improvements described in the Map together constitute a Phase, (e.g. Phase I).

34. Project shall mean and refer to the Brookstone Condominium Project.

35. Property shall mean and refer to the land, the buildings, all improvements and the structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith.

36. Record of Survey Map and Map shall mean and refer to the Record of Survey Map filed herewith, originally consisting of seven (7) sheets, and prepared and certified to by Robert B. Jones, a duly registered Utah Land Surveyor having Certificate No. 1525.

37. Single Family Residence shall mean and refer to both the architecture, style and form of a dwelling constructed upon the Property and the nature of the use of the dwelling structure (i.e. a unit in which a single family resides).

38. Size shall mean and refer to the square footage of each Unit, exclusive of basement and garage, as depicted on the Map and shown in said Exhibit "A".

39. Special Assessment shall mean and refer to the assessments levied in accordance with Article III, Section 23, of this Declaration.

40. Survey Map or Maps shall mean and refer to the Record of Survey Map or Maps.

41. Tract shall mean and refer to the real property previously to the Project subject to the terms of the Act, and the real property which Article II of this Declaration re-submits to the terms of the Act.

42. Unit shall mean and refer to a separate physical part of the Property intended for independent use, consisting of rooms or spaces located in a building. Units are shown in the Map by single cross-hatching. Mechanical equipment and appurtenances located within any one Unit or located without said Unit but designated and designed to serve only the Unit, such as appliances, electrical receptacles and outlets, air conditioning compressors and other air conditioning apparatus, fixtures and the like, shall be considered part of the Unit, as shall all decorated interiors, all surfaces of interior structural walls, floors and ceilings, windows and window frames,

doors and door frames, and trim, consisting of, inter alia and as appropriate, wallpaper, paint, flooring, carpeting and tile. All pipes, wires, conduits, or other public utility lines or installations constituting a part of the Unit and serving only the Unit, and any structural members or any other property of any kind, including fixtures and appliances within any Unit, which are removable without jeopardizing the soundness, safety, or usefulness of the remainder of the building within which the Unit is situated shall be considered part of the Unit.

43. 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 Map.

44. 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. Unless otherwise noted, 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

Declarant hereby re-submits to the provisions of the Act a Condominium Project known as "Brookstone" comprised of that certain real property located in Salt Lake County, Utah and described with particularity on 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 improvements included in the Project are now located on the Tract described in Article II above, and all such improvements are described on the Map. The Map indicates the number of stories, the number of Units which are contained in the buildings, which comprise a part of such improvements, the dimensions of the Units, the recreational areas and facilities such as the Club House, Pool, Tennis Courts, and all other Common Areas thereof. There are 220 Units contained in 69 buildings, with each building containing four or two Units as shown on the Map. The buildings are composed of the following materials: wood frame with load and non-load bearing wall studded with wood; basement floor of concrete; first and second floors of wooden joists; interior surfaced with sheet rock, exterior of brick veneer and asphalt shingle roof.

2. Description and Legal Status of Units. The Map shows each Unit and Building designation, 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. All Units are residential Units. 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 Building and Unit Designation; (b) Its Size; and (c) Its Percentage Interest.

4. Units, Common Areas and Limited Common Areas. The Units, Common Areas, and Limited Common Areas contained in the Project are described and identified in Article I of this Declaration. Neither the Percentage Interest 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 Interest and such right of exclusive use shall automatically accompany the transfer of the Unit to which they relate.

5. Maintenance. The Units, Common Area and Limited Common Area shall be maintained, repaired and replaced as follows:

a. Area of Personal Responsibility. Each Unit Owner shall at his own cost keep his Unit and the Limited Common Areas designed for his exclusive use in a clean, sanitary and attractive condition at all times. Each Owner shall at his own cost and expense maintain, repair, paint, re-paint, tile, wax, paper or otherwise refinish and decorate the interior surfaces of the walls, ceilings, floors, windows and doors forming the boundaries of his Unit and all walls, ceiling, floors, windows and doors within such boundaries. In addition to decorating and keeping the interior of his Unit in good repair and in a clean and sanitary condition, he shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, water heater, heating equipment, air conditioner, lighting fixtures, refrigerator, dishwasher, disposal equipment, range, or other appliances or fixtures that may be in, or connected with, his Unit. This also includes the duty to maintain, repair and replace any structural alterations approved by the Board, skylights, tubes, garage door systems, and the interior area and landscaping within any enclosed Limited Common Area (e.g., replacing the patio cement, re-staining the interior patio fence, etc.). This Area of Personal Responsibility shall be maintained, repaired, and replaced 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.

b. Area of Common Responsibility. The Association shall be responsible for the maintenance, repair and replacement of all other Improvements in or on the Common Areas, including the Limited Common Area and garage doors, unless otherwise agreed by the majority of the Unit Owners.

c. Standard of Care. The Association and Unit Owners shall maintain the Units, Limited Common Area, Common Area and Improvements thereon in good condition and repair, and consistent with Community Standards and other first class residential condominium projects in Salt Lake County, Utah.

d. Landscaping. All landscaping in the Project shall be maintained and cared for in a manner consistent with the standards of design and quality originally established by the developer and in a condition comparable to that of other first class residential condominium projects in Salt Lake County, Utah. Specific guidelines, limitations and restrictions on landscaping may be adopted by the Board of Trustees from time to time. All green space, including both Common and Limited Common Area shall be maintained in a neat, orderly, safe and sanitary condition. Any weeds or diseased or dead lawn, trees, ground cover or shrubbery shall be removed and replaced promptly. All lawn areas

shall be neatly mowed, and all trees, bushes and shrubs shall be neatly pruned and trimmed.

e. Neglect. If the Board determines (i) that any Owner has failed or refused to discharge properly his obligation with regard to the maintenance, repair, or replacement of items for which he is responsible hereunder; or (ii) that the need for maintenance, repair, or replacement in the Common Area is caused by the willful or negligent act of any Owner, his family members, guests, lessees, or invitees, and it is not covered or paid for by insurance, in whole or in part, then the Association may, but is not obligated to, provide such maintenance, repair or replacement at the Owner's sole cost and expense. Such costs shall be added to and become a part of the assessment to which such Owner is subject and may be collected by judgment, lien or foreclosure as provided in this Declaration. Except in an emergency situation, the Association shall give the Owner written notice of the Association's intent to provide necessary maintenance, repair, or replacement at Owner's cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board . In the case of subsection (i) above where the Owner has not discharged his responsibility, unless the Board determines that an emergency exists, the Owner shall have at least ten (10) days after receipt of notice within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days. If the Board determines that an emergency exists or that an Owner has not complied with the demand given by the Association as herein provided, or that the need for maintenance or repair is in the Common Area, then the Association may, but is not obligated to, provide any such maintenance, repair, or replacement in the manner described above. The Association by and through its agents or employees shall have a right to entry upon or into any Unit or Limited Common Area as necessary to perform such work and shall not be liable for trespass for such entry or work. 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.

6. Computation of Undivided Interests. The proportionate share of the Unit Owners in the Common Areas of the Project, at any point in time, is based on the Size that each of the Units bears to the total Size of all Units then included in the Project. The Percentage Interest of each Unit is depicted in the Revised Exhibit "A" hereto attached and made a part hereof. All expansion of the Project has been completed. There will be no future expansion.

7. Easement for Encroachment. If any part of the Common Areas encroaches or shall hereafter encroach upon a Unit or

Units, an easement for such encroachment and for the maintenance for the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Areas, or upon an adjoining Unit or Units, an easement for such encroachment and for the maintenance shall and does exist. Such encroachments shall not be considered to be encumbrances either to the Common Areas or the Units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of the building(s) on the tract, by error in the Map, by the elimination (for safety purposes) of the dead space between patios and the perimeter fences, by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

8. Access for Repair of Common Areas. Some of the Common Areas are or may be located within the Units or may be conveniently accessible only through the Units. The Owners of the other Units shall have the irrevocable right, to be exercised by the Board, as its agent, to have access to each Unit and to all Common Areas from time to time during such reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Areas located therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the Common Areas or to another Unit or Units. The Board shall also have such rights independent of the agency relationship. Damage to the interior of any part of a Unit or Units resulting from the maintenance, repair, emergency repair, or replacement of any of the Common Areas or as a result of emergency repairs within another Unit at the instance of the Board or of Unit Owners; provided, that if such damage is the result of negligence of the Owner of a Unit, then such Owner shall be financially responsible for all such damage. Such damage shall be repaired and the property shall be restored substantially to the same condition as existed prior to damage. Amounts owing by Owners pursuant hereto shall be collected by the Board by assessment.

9. Right of Ingress, Egress, Lateral Support. Each Owner shall have the right to ingress and egress over, upon and across the Common Areas necessary for access to his Unit, and to the Limited Common Areas designated for use in connection with his Unit, and such rights shall be appurtenant to and pass with the title to each Unit.

10. Easement to Board of Trustees. The Board of Trustees shall have non-exclusive easements to make such use of the Common areas as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration.

11. Easement for Utility Services. There is hereby created

a blanket easement upon, across, over and under the Tract above described in Article II for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to, water, sewers, gas, telephones, electricity, and other utility services.

12. Use of Condominium and Common Areas. Each Unit Owner, of whatever kind, shall be entitled to the exclusive ownership and possession of his Unit, and to the ownership of an undivided percentage of ownership interest in the Common Areas as a tenant in common with the other Unit Owners, subject to the following use 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 Unit. There shall be no requirements concerning who may own Units, it being intended that they may and shall be owned as any other property rights by persons. Brookstone is a residential community and as such Units shall be used only for residential purposes, except as set forth below; provided, however, the Units 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 Board of Trustees, 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 clubhouse, swimming pool, Common Area parking, and storage facilities. Such rules, regulations and use restrictions shall be binding upon all Owners and occupants.

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, Rules and Regulations shall be binding upon all Owners and occupants, their 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. The term "nuisance" is deemed to include but is not limited to the following:

a. The development of any unclean, unhealthy, unsightly, or unkempt condition on in or about a Unit or the Common Areas;

b. The storage of any item, property or thing that will cause a Unit or the Common Area to appear to be

in an unclean or untidy condition or that will be noxious to the senses;

c. The storage of any substance, thing, or material in, on or about a Unit or 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 activity in or about any Unit or the Common Area;

e. Actions or activities in any Unit or the Common Area 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 Unit or the Common Area which 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. Too much noise in a Unit or the Common Area, especially after 10:00 p.m. Sunday - Thursday (11:00 p.m. on Friday and Saturday) and before 6:30 a.m.; and

h. Too much traffic in and out of the Unit, or in, on or about the Common Area, especially after 10:00 p.m. Sunday - Thursday (11:00 p.m. on Friday and Saturday) and before 6:30 a.m.

(3) Unsightly 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 Limited Common Area, and shall not be allowed to accumulate thereon.

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

(6) Firearms, Incendiary Devices and Graffiti. The use of firearms and incendiary devices, or the painting of

graffiti, within the Project is prohibited. The term "firearms" is deemed to include 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, or sheds, without the prior written consent of the Board .

(8) Trees, Shrubs, Bushes -- Maintenance of Sight Distances 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 and all obstructions, and to permit safe sight. No fence, wall, hedge, shrub, bush, tree or monument, be it real or artificial, shall be planted, placed or positioned by any Owner or occupant in, on or about the Common Areas, without the prior written consent of the Board of Trustees. Any property planted, placed or positioned in violation of this subsection may be removed by the Board of Trustees without further notice, and the Board shall not be guilty of trespass.

(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, placards, billboards or similar objects may be placed on the Common Areas or attached to the exterior of any Units without the prior written consent of the Board.

(11) Energy Conservation Equipment. No solar energy collector panels, or other energy conservation equipment or attendant hardware shall be constructed or installed on the Project without the prior written consent of the Board .

(12) 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 Board . 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: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) 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.

(13) On-Site Fuel Storage. Without the prior written consent of the Board of Trustees, no on-site storage of gasoline, propane, heating oil, or other fuels shall be permitted on any part of the Project; provided, however, the Board may store that fuel necessary to operate and maintain the Community provided it is stored in a separate facility designed for this purpose; and small amounts of gasoline for snow blowers, wood and paper for stoves, and propane for use in motor homes and BBQ's may be maintained and stored by the Units Owners and occupants.

(14) 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 fifty-five (55) degrees Fahrenheit or the temperature recommended by Mountain Fuel Supply Company, its successors or assigns, whichever is greater (except during power failures or periods when heating equipment is broken) from the months of October through April, inclusive, of each year or whenever the temperature outside is forecasted to or does reach thirty-two (32) 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 Board may, after proper notice and a hearing, individually assess any Owner or occupant a sum equal to the amount of the Association's insurance deductible or, in its sole discretion, deny the Owner or occupant the right to make a claim on the Association's policy of insurance for violation of this subsection.

(15) Storage and Parking of Vehicles. No motor vehicle or trailer, including but not limited to any automobile, van, motor home, commercial vehicle, over-size vehicle, off-road 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 on any unauthorized Common Area. No motor vehicle may be stored in the Common Area other than the RV Parking Area. The term "stored" shall be deemed to include vehicles not driven outside the Project at least every seventy-two (72) or twenty (20) out of every thirty (30) consecutive days. All recreational, commercial and oversized motor vehicles shall be parked (except for loading/unloading purposes) in the RV Parking Area. Owners or occupants may only park their motor vehicles within their garages, carports or in other designated parking areas. Visitors may only park their vehicles temporarily in spaces designated for "guests" or "visitors." All vehicles shall be driven and parked in accordance with motor vehicle rules and regulations adopted by the Board of Trustees from time to time. No Owners or occupants shall repair or restore any motor vehicle of any kind in, on or about any Unit or the Common Area, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility. No garages or carport may be altered in such a manner that the number of motor vehicles which may reasonably be parked therein after the alteration is less than the number of motor vehicles that could have been reasonable parked in the garage or carport as originally designed and constructed. No motor vehicles shall be parked or stored in the driveways unless the length of the driveway is sufficient to contain the entire vehicle, and in no event shall a motor vehicle be parked so as to inhibit or block access to a Unit, garage, entry, exit or parking area. Garage doors shall remain closed except when the garage is in use. As long as applicable ordinances, if any, are observed, the Board may remove, tow or impound motor vehicles parked or stored in violation of this Declaration at the owner's expense and without additional notice.

(16) Aerials, Antennas, and Satellite Dishes. No private radio, television, or 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 without the prior written consent of the Board of Trustees; provided, 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.

(17) 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 within the Project shall be substantially identical in terms of size, appearance, design and

quality.

(18) Pets. Up to two (2) pets per Unit are allowed at Brookstone provided they do not create a nuisance and are properly licensed. No pets may be raised, kept or bred at Brookstone for commercial purposes. Dogs in, on or about the Common Area must be kept on a leash and cleaned up after immediately.

(19) 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 Unit or who intends to lease his Unit shall give notice in writing to the Board of Trustees 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 Board may reasonably require and (iv) if possible, shall provide the Board with a copy of the Lease or proposed Lease. The Board shall have authority to make and to enforce reasonable rules and regulations in order to enforce this provision, including the right to impose individual assessments for failure to comply, and to file a notice of lien against the Unit sold or leased for unpaid individual assessments.

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 individual rooms, fraction or portion thereof may be rented.

(2) Transient Use. No transient Lessees may be accommodated therein. All Rentals or Leases must be for an initial term of no less than six (6) months, and no resort, hotel, seasonal, skier, time-share, corporate, executive 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. Each Unit Owner leasing or renting his Unit 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 Brookstone, 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 virtue of taking possession of 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 or 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 Assessment, 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, individual assessments, 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. 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 Board 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.

13. Status and General Authority of Board. The Condominium Project shall be managed, operated, and maintained by the Board of Trustees as agent for the Association. The Board of Trustees 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, or other non-exclusive easements over, under, across and through the Common Areas and Facilities.

b. The authority to execute and record, on behalf of all the Unit Owners, any amendment to the Declaration or 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 to operate, maintain and regulate the Common Areas the Project.

e. The power and authority to convey or transfer any interest in real property, so long as the vote or consent of at least 75% of the Percentage Interest 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 the vote or consent of at least 75% of the Percentage Interest has been obtained.

g. The power and authority to add any interest in real property obtained pursuant to subparagraph (e) above to the Project so long as such action has been authorized by the vote or consent of at least 75% of the Percentage Interest.

h. The authority to license persons not otherwise entitled to use any of the recreational areas and facilities to use the same from time to time as the Board deems appropriate

upon payment of Assessment prescribed by it to help defray the cost of maintenance thereof.

i. The power and authority to borrow money so long as such action has been authorized by the vote or consent of at least 75% of the Percentage Interest.

j. The authority to promulgate such reasonable rules, regulations, and procedures as may be necessary or desirable to aid the Board 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.

k. Insurance claims. The authority to refuse to submit a Unit Owner's claim for damages to the Association's insurance carrier if the Board reasonably believes the damage was caused by or could have been avoided by the Owner or occupant and the submission of the claim is likely to result in the cancellation of the Association's policy or a substantial increase in its premiums.

m. Federally Insured Deposits. The Board of Trustees may only deposit Association reserve funds into federally insured bank accounts or certificates of deposit, or use said funds to purchase direct securities of the U.S. government. No other deposits or investments are permitted under any circumstances.

n. Apparent Authority. Any instrument executed by the Board of Trustees that recites facts which, if true, would establish the Board'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.

o. Miscellaneous. The power and authority to perform any other acts and to enter into any other transactions which may be reasonable necessary for the Board of Trustees to perform its functions as agent for the Association.

14. Management of the Project. The Board employ contract services, an experienced on site manager, or a professional management company as it deems necessary or appropriate to assist it in the operation, control and regulation of the Project.

15. Composition of Board of Trustees. The Board shall be composed of five (5) members. At each annual Owners meeting any vacant seat on the Board shall be filled with a member elected for a two (2) year term. Only Unit Owners and officers and agents of Owners other than individuals shall be eligible for Board membership. At each annual meeting the Percentage Interest appurtenant to a Unit may be voted in favor of as many

candidates for Board membership as there are seats on the Board to be filled. Members shall serve on the Board until their successors are elected and qualify. Members may be removed at any time for cause by the affirmative vote or consent of the majority of the Percentage of Interest. Board members shall be reimbursed for all expenses reasonably incurred in connection with Board business. The Board may fix such compensation for any member as may be reasonable in light of the Board duties which that member is required to perform.

16. Board Officers and Agents. The Board shall perform its functions through those members who are elected as officers by the Board and through such agents or employees as the Board may appoint. Any Board officer, agent, or employee may at any time be removed with or without cause by the vote of a majority of the Board members. The officers of the Board, and their respective powers and functions, shall be as follows:

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

b. Vice Chairman. The Vice Chairman shall have all the powers of the 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 Board and of the Unit Owners and shall keep all records which are required or made necessary by the Act, this Declaration, or the Board.

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

e. Assistant Secretary shall have all the powers of the Secretary in the event of the latter's absence or inability to act.

f. Other Officers. The Board may appoint such other officers, in addition to the officers hereinabove expressly made, as it shall deem necessary, who shall have authority to perform such duties as may be prescribed from time to time by the Board.

g. Removal of Officers and Agents. All officers and agents shall be subject to removal, with or without cause, at any time by the affirmative vote of the majority of the then members

of the Board.

17. Board Meetings. The Board of Trustees shall hold the at least the following meetings:

a. Regular Meetings. A regular meeting of the Board shall be held immediately after the adjournment of each annual Owners meeting or at such other time as the Board may decide. Other regular meetings shall be held at regular intervals at such time and place as the Board may provide. No notice need be given of regular Board meetings.

b. Special Meetings. Special Board meetings shall be held whenever called by the Chairman or a majority of the Board. Either oral or written notice of special meeting shall, unless a waiver of such notice is signed by all members, be given to each Board member at least 24 hours before the time fixed for the meeting. Any meeting attended by all Board members shall be valid for all purposes.

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

d. Compensation. Members of the Board, as such, shall not receive any stated salary or compensation; provided that nothing herein contained shall be construed to preclude any member thereof from serving the Project in any other capacity and receiving compensation therefor.

e. Waiver. For or at any meeting of the Board, any member thereof, may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall be deemed waiver of notice by him of the time and place thereof.

f. Adjournment. The Board may adjourn any meeting from day to day or for such other time as may be prudent or necessary, provided that no meeting may be adjourned for longer than thirty (30) days.

g. Fidelity Bond Required. The Board shall require that all officers and employees of the Board handling or responsible for funds shall require adequate fidelity bonds. The premium on such fidelity bonds shall be paid by the Board,

18. Meeting of Unit Owners. The Unit Owners shall meet as follows:

a. Annual Meeting. The annual meeting of the Association shall be held on the second Tuesday 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 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.

b. Special Meetings. Special meetings of the Association may be called by the Chairman of the Board, by a majority of the Board members or by Unit Owners cumulatively holding at least 40% of the Percentage Interest. At least four (4) 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.

c. Waiver of Notice. No notice of any Association meeting shall be required if a waiver of such notice is signed by all of the Owners. Whenever all the Owners meet in person or by proxy such meeting shall be valid for all purposes. A quorum for the transaction of business at an Association meeting shall consist of a majority of all the Percentage Interest. In the event a quorum is not present at an Association meeting, whether regular or special, the meeting may be adjourned and rescheduled for a time no earlier than 48 hours, and no later than thirty (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 twenty-five (25%) percent of the Percentage Interest.

d. Voting. When a quorum, as provided herein, is present at any meeting, the vote of Unit Owners representing the majority of the Percentage Interest, present in person or represented by proxy, shall decide any question of business brought before such meeting, including the election of the Board, unless the question is one upon which, by express provisions of the statutes or the Declaration a different vote is required, in which case such express provision shall govern and control the decision of such question. All votes may be cast either in person or by proxy. All proxies shall be in writing, and they shall be delivered to the Secretary of the Association prior to the meeting.

For purposes of this section, only the Buyer or the Seller under an executory contract may vote; and unless the contract between the parties says otherwise, and the Association is notified in writing of the contract language, the Buyer shall be deemed to be the designated party entitled to vote.

19. Accounting. The books and records of the Association

shall be kept as follows:

a. Treasurer. The books and accounts of the Association shall be kept under the direction of the Treasurer and in accordance with the reasonable standards of accounting procedures.

b. Report. At the close of each accounting year, the books and records of the Association shall be reviewed by a person or firm selected by the Board. Report of such review shall be prepared and submitted to the Unit Owners at or before the annual meeting of the Association. If at least seventy-five (75%) percent of the total Percentage Interest in the Project request it, the books and records of the Association shall be audited by an independent certified public accountant not an Owner or resident of a Unit.

c. Inspection of Books. Financial reports, such as are required to be furnished, shall be available at the principal office of the Board or the manager for inspection at reasonable times by any Unit Owner.

20. Capital Improvements. Additions or capital improvements to the Project which cost no more than five (5%) percent of the total maintenance and operations annual budget may be authorized by the Board of Trustees 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 Percentage 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 67% of the Project's Percentage Interest.

21. Operation and Maintenance; Apportionment of Common Expenses. The Board shall provide for such repair, maintenance, and replacement of those Common Areas that must be replaced on a periodic basis and shall keep the Common Areas clean, functional, attractive and generally in good condition and repair. The Board shall have no obligation regarding maintenance or care of Units. Expenses attributable to the Common Areas and to the Project as a whole shall be apportioned among all Units in proportion to their Percentage Interest.

22. Common Area Expenses. Each Unit Owner shall pay his Common Area expenses subject to the following guidelines, requirements and restrictions:

a. Purpose of Common Area Expenses. The Common Area Assessments 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 Board of Trustees.

b. Creation of Common Area Assessments. There are hereby created Common Area Assessments to pay for the common expenses as may be from time to time specifically authorized by the Board of Trustees. 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 Assessments levied.

c. Budget. Before the annual homeowners meeting each year, the Board of Trustees shall prepare a proposed 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 proposed budget shall be based upon advance estimates of cash requirements by the Board of Trustees 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 Board 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 Board of Trustees 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. The Board of Trustees shall approve and adopt the budget after its presentation to the Owners at the Annual meeting of the Association.

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 Assessments 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 Assessments or the Board of Trustees fails for any reason establish the Budget and Common Area Assessments 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

Assessments in affect for the then current year shall continue for the succeeding year.

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

g. Owners Liable To Pay Common Area Assessments. 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 Assessments.

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 Board may from time to time effect an equitable change in the amount of said payments. Owners shall be given at least thirty (30) days written notice of any changes.

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

j. Reserve Accounts. The Board 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 Assessments. The Association shall pay out of the Reserve Account only those costs that are attributable to the maintenance, repair or replacement of Capital Improvements for which reserves have been collected and held. No portion of a reserve designated for a particular Capital Improvement may be expended for any purpose other than the maintenance or replacement of that Capital Improvement. Except for funds collected for contingencies, no funds collected for the Reserve Account may be used for ordinary current maintenance and operation purposes. ANYTHING TO THE CONTRARY NOTWITHSTANDING, ANY AND ALL RESERVE FUNDS SHALL ONLY BE INVESTED IN DIRECT SECURITIES OF THE UNITED STATES GOVERNMENT, OR DEPOSITED IN FEDERALLY INSURED BANK ACCOUNTS OR USED TO PURCHASE CERTIFICATES OF DEPOSITS FEDERALLY INSURED.

k. Personal Obligation of Owner. Owners are jointly and severally liable to pay all Common Area Assessments assessed, accrued interest, late Assessments and collection costs, including attorneys Assessments. 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 Assessments which accrued prior to the acquisition of title.

l. Acceleration. If an Owner is delinquent in the payment of his Common Area Assessments, the Board may, at its option and in its sole discretion, elect to accelerate the entire annual Common Area Fee. If, however, the Common Area Fee is accelerated and an Owner subsequently files bankruptcy or the Board otherwise decides acceleration is not in its best interest, the Board, at its option and in its sole discretion, may elect to deaccelerate the obligation.

m. Statement of Common Area Assessments Due. Upon written request, the Board shall furnish to any Owner a statement of Common Area Assessments 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 Assessments are paid current on the Unit. The Association may require the advance payment of a processing charge not to exceed Fifteen Dollars (\$15.00) for the issuance of such certificate.

n. Superiority of Common Area Assessments. All Common Area Assessments and liens created to secure the obligation to pay Common Area Assessments 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 Board, the utility service to any Owner or occupant of any Unit paid for by Common Area Assessments, 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 Assessments and has failed to cure or make satisfactory arrangements to cure the default after reasonable notice of at least ten (10) days.

p. Suspension of Right to Vote for Non-Payment. At the discretion of the Board, 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 Assessments, and has failed to cure or make satisfactory arrangements to cure the default after reasonable notice of at least ten (10) days.

23. Special Assessments. In addition to the other Common Area Assessments authorized herein, the Board may impose a special assessment only if the proposal is approved by at least a

Majority of the Percentage Interest. The Board in its discretion may allow any special assessment to be paid in installments although, if it deems itself insecure for any reason, it may require that the unpaid special assessment be secured by a lien on the Unit.

24. Individual Assessments. In addition to the other Common Area Assessments authorized herein, the Board may impose on an individual Unit Owner or occupant an individual assessment for administrative costs and expenses incurred, attorney's Assessments, recordation or filing Assessments, court costs, or other collection charges incurred in the enforcement of the Declaration, ByLaws, or Rules and Regulations governing the Project.

25. Collection of Common Area Assessments. All Unit Owners shall pay their Common Area Assessments in a timely manner subject to the following. Time is of the essence.

a. Delinquent Assessments/Interest. Any Common Area Assessments which are not paid when due are delinquent. Interest shall accrue on all delinquent accounts at a rate one and one-half percent (1.5%) per month.

b. Late Assessments. Any Common Area Assessments delinquent for a period of more than ten (10) days shall incur a late charge in an amount the Board may from time to time determine but in no event less than Ten Dollars (\$10.00).

c. Lien. A lien to secure payment of any delinquent account attaches automatically, regardless of whether a notice of lien is recorded; provided, however, the Board of Trustees may record a Notice of Lien in the office of the County Recorder of Salt Lake County, Utah on any delinquent account.

d. 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 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.

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

f. Duty to Pay Independent. No reduction or abatement of Common Area Assessments shall be claimed or allowed by reason of any alleged failure of the Association or Board to

take some action or perform some function required to be taken or performed by the Association or Board 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 Assessments being a separate and independent covenant on the part of each Owner.

g. Application of Payments. All payments shall be applied first to costs and attorney's Assessments, then to late charges, then interest, and finally to delinquent Common Area Assessments.

h. Foreclosure of Lien as Mortgage or Trust Deed. The lien for nonpayment of Common Area Assessments may be enforced by sale or foreclosure of the Unit Owner's interest therein by the Board. 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: (i) the costs and expenses of such proceedings, including but not limited to the cost of a foreclosure report, (ii) reasonable attorney's Assessments, and (iii) 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 Board may bid for the Unit at foreclosure or other sale and hold, lease, mortgage, or convey the Unit.

i. Appointment of Trustee. If the Board 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. Insurance. If reasonably available, the Association shall purchase and maintain at least the following insurance coverage:

a. Property Insurance. Blanket property or casualty insurance using the standard "Special" or "All-Risk" building form for condominium projects. Loss adjustment shall be based upon replacement cost.

b. Flood Insurance. 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.

c. Liability Insurance. 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.

d. Errors and Omissions/Directors and Officers Insurance. Liability insurance for the directors and officers of the Association, and members of the Board of Trustees in a reasonable amount. This coverage is also known as Errors and Omissions insurance.

e. Earthquake and Other Special Risk Coverages. Upon the affirmative vote of at least a Majority of the Percentage Interest, the Association shall purchase and maintain earthquake or other special risk coverages.

f. Fidelity Bond. A separate fidelity bond in a reasonable amount to be determined by the Board of Trustees to cover all non-compensated officers as well as all employees for theft of Association funds, subject to the following additional conditions or requirements:

(1) Agents. Where the Board or the Association has delegated some or all of the responsibility for the handling of funds to a management agent, a fidelity bond is required for the management agent and his officers, employees and representatives handling or responsible for funds belonging to or administered on behalf of the Association.

(2) Amount of Coverage. The total amount of fidelity bond coverage required shall be based upon the Board's best business judgment, but shall not be less than the estimated maximum amount of funds, including reserve funds, in the custody of the Board, 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

at least ten (10) days prior written notice to each Mortgagee.

(6) Waiver of Subrogation. Each policy shall waive any right of subrogation against the Unit Owners.

(7) Individual Neglect. Each policy shall state that coverage is not prejudiced by any act or neglect of any Unit Owner.

(8) Deductible. The deductible on a policy, if any, shall be the responsibility of and paid by the party who would be liable for the loss, damage, repair or claim in the absence of insurance. 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. Anything to the contrary notwithstanding, if a claim is caused by an act of God or Nature, or by any element beyond the control of the Board or Association, then the Unit Owner shall be responsible for and pay the deductible.

(9) Individual Insurance. By virtue of taking title to a Unit subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association to purchase and maintain that property and liability insurance necessary and reasonable to protect his Unit, personal belongings, furniture, furnishings and effects. Each Owner must provide the Association or Board 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 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.

(10) Prompt Repair. Each Unit Owner shall, in the event of any partial loss, damage or destruction to his Unit, promptly repair the damage in a manner consistent with the original construction.

(11) 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.

(12) Special Endorsements. If available, each policy shall also contain: a) "Agreed Amount and Inflation Guard Endorsement"; and b) "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.

(13) 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.

(14) Primary Coverage. The individual insurance policy of any Unit Owner or Occupant is primary in the event the Association and the Owner or Occupant both have coverage of the same loss.

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

a. Sufficient Insurance. If proceeds of the insurance maintained by the Board of Trustees are alone sufficient to repair or reconstruct the damage or destroyed improvement, such repair or reconstruction shall be carried out.

b. Minor Destruction/Insurance Insufficient. If less than 75% of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Board 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 the undivided interest in the Common Areas and Facilities.

c. Substantial Destruction/Insurance Insufficient/Election to Repair. If 75% or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Board of Trustees 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 sub-paragraph (b) above.

d. Substantial Destruction/Insurance Insufficient/Election Not to Repair. If 75% or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Board 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 Board of Trustees 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 (40\)) 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 regarding the extent of damage to or destruction or Project improvements shall be made by three MAI appraisers selected by the Board of Trustees. The decision of any two such appraisers shall be conclusive.

26. Amendment. Except as provided below, the vote of at least 67% of the Percentage Interest shall be required to amend this Declaration or the Map. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Board of Trustees. In such instrument the Board shall certify that the vote required by this Paragraph for amendment has occurred. Notwithstanding anything to the contrary contained in the Declaration, neither the insurance provisions, the mortgagee protection provisions, nor the Percentage Interest shall be amended without the written approval of all institutional first Mortgagees.

27. 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 Interest.

28. Eminent Domain. Whenever all or part of the Common Areas shall be taken, injured or destroyed as the result of the exercise of the power of eminent domain, each Unit Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto, but in any proceeding for the determination of damages, such damages shall be determined for such taking, injury or destruction as a whole and not for each Unit Owner's interest therein. After such determination each Unit Owner shall be entitled to a share in the damages in the same portion as his Percentage Interest in the Common Areas.

29. Service of Process. The President of the Association whose business address is 1630 East 6480 South, Salt Lake City, Utah 84117, is the person to receive service of process in cases authorized by the Act.

30. Mortgagee Protection. Notwithstanding anything to

the contrary contained in the Declaration:

a. Reserve Required. An adequate reserve fund for repair, maintenance and replacement of the Common Areas must be established and maintained.

b. No Right of First Refusal. Any mortgage holder which comes into possession of the Unit pursuant to the remedies provided in the Mortgage or foreclosure of the Mortgage or deed (or assignment in lieu of foreclosure) shall be exempt from any "right of first refusal", or other provisions which may exist relating to sale or lease of the Units in the Project.

c. Management Contract/Mandatory Termination Clause. Any agreement for professional management of the Project, or any other contract providing for services by the Declarant must provide for termination by either party without cause or payment of a termination fee on 90 days or less written notice and a maximum contract term of three years.

d. Damage to Unit or Common Area. In the event of damage to or destruction of any Unit, which loss exceeds \$1,000.00, or any part of the Common Areas, which loss exceeds \$10,000.00, the institutional holder of any first mortgage on a Unit shall be entitled to timely written notice to any such damage or destruction. No Unit Owner or other party shall be entitled to priority over such institutional holder with respect to the distribution to such Unit of any insurance proceeds regardless of the amount of loss.

e. Eminent Domain. If any Unit or portion thereof or the Common Areas or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, which taking of Common Areas exceeds \$10,000.00, or which taking of Units exceeds \$1,000.00, the institutional holder of any first mortgage of a Unit shall be entitled to timely written notice of any such proceeding or proposed acquisition. No Unit Owner or other party shall have priority over such institutional holder regardless of the amount of the condemnation award with respect to the distribution to such Unit of the proceeds of any award or settlement.

f. Leasing. With the exception of a lender in possession of a Unit following a default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no Unit Owner shall be permitted to lease his Unit for transient or hotel purposes. No Unit Owner may lease less than the entire unit. Any lease agreement shall provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration and By-Laws and that any failure by the lessee to comply with the terms of such documents

shall be a default under the lease. All leases shall be in writing.

g. Pre-Foreclosure Assessments. Each holder of a first mortgage lien on a unit who obtains title to a Unit by virtue of remedies provided in the Mortgage, including but not limited to, foreclosure of the mortgage, or by deed of assignment in lieu of foreclosure, shall take the Unit free of unpaid charges and shall not be liable for any unpaid claims or assessments and charges against the Unit which accrue prior to the acquisition of title of such Unit by Mortgagee.

h. Notice of Default. Any holder of the Mortgage is entitled to written notification from the Board of Trustees of any default by the Mortgagor or such Unit in the performance of such Mortgagor's obligation under the Declaration which is not cured within thirty (30) days.

i. Subordination of Lien. Any lien which the Board of Trustees may have on any Unit in the Project for the payment of Common Expense assessments attributable to such Unit will be subordinate to the lien or equivalent security interest of any first mortgage on the Unit.

j. Amendments. Unless at least 75% of the first Mortgagees (based on one vote for each Mortgage owned) of Units have given their prior written approval neither the Board of Trustees, Declarant, nor the Association shall:

(1) By act or omission, seek to abandon or terminate the Project.

(2) Change the pro-rata interest or obligation of any Unit for (i) purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, and for (ii) determining the pro-rata share of ownership of each Unit in the appurtenant Common Areas.

(3) Partition or subdivide any Unit.

(4) Make any material amendment to the Declaration or to the By-Laws of the Board of Trustees, including, but not limited to, any amendment which would change Mortgagee rights, the percentage interests of the Unit Owners in the Common Areas, the division of expenses and profits, or voting rights.

(5) By act or omission, seek to amend, partition, subdivide, encumber, sell, abandon or transfer the Common Areas. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common

Areas of the Project shall not be deemed a transfer within the meaning of this subparagraph).

(6) Use property insurance proceeds for losses to any condominium property (whether to Units or to the Common Areas) for other than the repair, replacement or reconstruction of such improvements, except as provided by statute in cases of substantial loss to the Units and/or the Common Areas of the Project.

(7) Terminate professional management and assume self-management of the Project.

k. Right to Inspect Books and Records. The holders of first mortgages (or trust deeds) shall have the right to examine the books and records of the Project.

l. Owner Roster. Whenever there is a change of ownership of a Unit, the Board shall require that the new Unit Owner furnish the Board with the name of the holder of any first mortgage (or trust deed) affecting such Unit. The Board of Trustees or Manager shall maintain a current roster of Unit Owners and of the holders of first mortgages (or trust deed) affecting Units in the Project.

31. Duty of Owner to Pay Taxes on Unit Owned. It is understood that under the Act each Unit (and its percentage of interest in the Common Areas) in the Project is subject to separate assessment and taxation of each taxing authority and the special district (s) for all types of taxes and assessments authorized by law, and that as a result thereof no taxes will be assessed or levied against the Project as such, except for certain personal properties thereof. Accordingly, each Unit Owner will pay and discharge any and all taxes and assessments which may be assessed against him on his Unit.

32. Covenants to Run with Land/Enforcement/Attorneys Assessments. This Declaration, and all the covenants, conditions, restrictions, and 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 a) Association, b) all other signatories hereto, c) 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, d) all residents, and e) all guests, visitors and invitees.

Each Owner or occupant of a Unit shall comply with, and all interests in all Units shall be subject to, the terms, covenants and conditions of this Declaration, the ByLaws and any administrative rules or regulations, agreements, instruments, supplements, or amendments contemplated hereby. By acquiring any

interest in a Unit or in the Project, the party acquiring such interest consents to, and agrees to be bound by and subject to each and every provision of the Project Documents. Should the Association or Board be required to take action to enforce the Act, this Declaration, the By-Laws, or any administrative rules and regulations adopted by the Board from time to time, or to pursue any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise, the Association or Board may recover all costs and expenses, including but not limited to a reasonable attorney's fee.

33. Information Regarding Transferee of Unit. Any Unit Owner who sells, leases, or otherwise disposes of his Unit shall submit to the Board pertinent information concerning the transferee or new occupant within one (1) week of any transfer of title or possession on a form furnished by the Board .

34. Duty of Unit Owners; Remedy. Each Unit Owner and occupant shall comply strictly with the provisions of this Declaration and with the administrative rules and regulations drafted pursuant thereto as the same may be lawfully amended from time to time and with the decisions adopted pursuant to this Declaration and the administrative rules and regulations, and failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Board of Trustees or manager on behalf of the Unit Owners, or in a proper case, by an aggrieved Unit Owner.

35. Indemnification of Board of Trustees. Each member of the Board of Trustees shall be indemnified and held harmless by the Unit Owners against all costs, expenses, and Assessments, reasonably incurred by him in connection with any proceeding to which he may become involved by reason of his being or having been a member of said Board , so long as s/he has acted in good faith.

36. 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 Board shall in any way be considered insurers or guarantors of security within the Project however, and neither the Association, nor the Board 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 Board and the Association do not represent or warrant that any guard post, monitor, exterior lighting, fire protection or burglar alarm system designated by or installed according to guidelines established by the Board 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. Every Owner and occupant, their guests and invitees, acknowledge and understand that the Association and Board 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 Board 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 monitor, lighting, fire and/or burglar alarm systems recommended or installed or any security measures undertaken within the Project.

37. Liens Against the Association. All liens for materials, labor or money judgments against the Association or Board are to be indexed in the public records of Salt Lake County, Utah under the name of the Association and the name of the Brookstone Condominium Project. An Owner may pay the pro rata share of the amount of any lien against the Association or Board 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.

38. Agent for Service of Process. The Chairman of the Board of Trustees is the person to receive service of process in the cases authorized by the Act and the office of the registered agent is 1630 East 6480 South, Salt Lake City, Utah 84121.

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 mortgage or deed of trust filed for record against any Units at the Brookstone Condominium Project be mailed to the Brookstone Homeowner's Association at 1630 East 6480 South, Salt Lake City, Utah 84117 pursuant to U.C.A. Section 57-1-26 (1953), as amended.

40. Notice and Hearing. If it is alleged that a Unit Owner or occupant (the Respondent) may be in violation of any provision of the Project Documents, and the provisions of any of the Project Documents require that notice of the alleged violation be given and that a hearing opportunity be provided, then:

a. Notice. The Board shall give written notice to the Respondent specifying the nature of the violation (and

providing any other appropriate information) and stating the time, date and place that the Respondent may be heard by the Board . Written notice shall be given at least fifteen (15) days prior to the date set for the hearing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after it has been deposited in the United States mail, first class postage prepaid, addressed to the Respondent at the address given by the Respondent to the Board for the purpose of service of notice or to the address of the Respondent's Unit if no other address has been provided. Any address may be changed from time to time by giving written notice to the Board .

b. Individual Assessment. If the Respondent's failure to correct a violation results in the expenditure of funds by the Association to correct the violation, the notice shall also state that the Board may vote to levy an individual assessment if the Board finds that a violation has occurred.

c. Ruling. After the hearing, the Board shall: (i) determine whether a violation has occurred and if so, the Board may impose an individual assessment which shall become effective not less than five (5) days after the date of the hearing; or (ii) take such other action as may be appropriate. The determination of the Board shall be final. The decision of the Board shall be registered in the minutes, books or records of the Association.

d. Emergency. Anything to the contrary notwithstanding, nothing herein shall be construed to prevent the Board from making any emergency repairs or taking any other emergency action it deems necessary and subsequently providing to the Respondent notice and the opportunity to be heard.

41. Architectural Review. The Board shall use its best efforts to maintain uniformity of appearance and quality of construction at the Project. No alterations may be made by an Owner to the exterior of his Unit, the Common Area, or Limited Common Area without the prior written consent of the Board . The Association shall be entitled to all remedies available in law and equity to prohibit violations of this section, including but not limited to injunctive relief and damages. This includes the right to recover all attorneys fees and court costs.

Approval of any plans, drawings or specifications for any work proposed, or for any other matter requiring approval, shall not be deemed to constitute a waiver of any right to deny approval of any similar plan, drawing, specification or matter subsequently submitted for approval.

If the Board has acted in good faith on the basis of such information possessed by it at the time any decision is made,

neither the Board nor any member shall be liable to the Association or to any Owner for any damage, loss or prejudice suffered or claimed due to: a) the approval or disapproval of any plans, drawings and specifications, whether or not defective; b) the construction or performance of any work whether or not pursuant to approved plans, drawings, and specifications; or c) the execution and filing of any estoppel certificate, whether or not the facts therein are correct.

The Board may authorize variances from past decisions when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations require, but such variances may only be granted when unique circumstances dictate and no variance shall a) be effective unless in writing, b) be contrary to restrictions set forth in the body of this Declaration, or c) be used to estop the Board from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit or the terms of financing shall not be considered a hardship warranting a variance.

42. Severance. The invalidity of any provisions of this Declaration, or any portion thereof, shall not be deemed to impair or affect in any manner the validity, enforceability, or effect of the remainder of this Declaration and, in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

43. Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

44. Gender. The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

45. Topical Headings. The headings appearing at the beginning of the paragraphs of this Declaration are only for convenience of reference and are not intended to describe, interpret, define, limit, extend, or otherwise affect the content, meaning or intent of this Declaration or any paragraph or provision hereof.

46. Conflicts. This Declaration is set forth to comply with the requirements of the Act. In the event of any conflict between this Declaration and the provisions of the Act, the provisions of the latter shall control.

47. 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.

IN WITNESS WHEREOF, the undersigned, being the Declarant, has caused this instrument to be executed and its seal be affixed hereto on the 22 day of April, 1996.

BROOKSTONE HOMEOWNERS ASSOCIATION

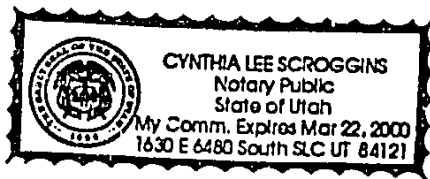
By William Hutchinson
Title: President

By Jacou Sawyer
Title: Secretary

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

On the 22 day of April, 1996, personally appeared before me William Hutchinson and Jacou Sawyer, who being by me duly sworn did say, each for himself/herself, that s/he, the said William Hutchinson is the President, and s/he, the said Jacou Sawyer is the Secretary of the Brookstone Homeowners Association, and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its board of directors and said William Hutchinson and Jacou Sawyer each duly acknowledged to me that said corporation executed the same and that the seal affixed is the seal of said corporation.

Cynthia Lee Scroggins
NOTARY PUBLIC



REVISED EXHIBIT "A"
 BROOKSTONE CONDOMINIUM PROJECT
 (After Third Expansion)

<u>Unit No.</u>	<u>Building No.</u>	<u>Size (Sq. Ft. Living Space)</u>	<u>Percentage Interest</u>
1	1	1578	.4212%
2	1	2094	.5590%
3	1	2185	.5833%
4	1	1710	.4564%
5	2	1578	.4212%
6	2	2094	.5590%
7	2	2185	.5833%
8	2	1710	.4564%
9	3	1356	.3619%
10	3	1780	.4751%
11	3	1780	.4751%
12	3	1356	.3619%
13	4	1356	.3619%
14	4	1780	.4751%
15	4	1780	.4751%
16	4	1356	.3619%
17	5	1356	.3619%
18	5	1780	.4751%
19	5	1780	.4751%
20	5	1356	.3619%
21	6	1356	.3619%
22	6	1780	.4751%
23	6	1780	.4751%
24	6	1356	.3619%
25	7	1578	.4212%
26	7	1710	.4564%
27	8	2094	.5590%
28	8	1578	.4212%
55	17	1578	.4212%
56	17	2094	.5590%

REVISED EXHIBIT "A" - (Continued)

<u>Unit No.</u>	<u>Building No.</u>	<u>Size (Sq. ft. Living Space)</u>	<u>Percentage Interest</u>
57	17	2185	.5833%
58	17	1710	.4564%
59	18	1578	.4212%
60	18	2094	.5590%
61	18	2185	.5833%
62	18	1710	.4564%
63	19	1578	.4212%
64	19	2094	.5590%
65	19	2185	.5833%
66	19	1710	.4564%
67	20	1578	.4212%
68	20	2094	.5590%
69	20	2185	.5833%
70	20	1710	.4564%
71	21	1578	.4212%
72	21	1710	.4564%
73	22	1578	.4212%
74	22	2094	.5590%
101	32	1578	.4212%
102	32	2094	.5590%
103	32	2185	.5833%
104	32	1710	.4564%
105	33	1578	.4212%
106	33	2094	.5590%
107	33	2185	.5833%
100	33	1710	.4564%
29	9	1710	.4564%
30	9	1578	.4212%
31	10	1578	.4212%
32	10	2094	.5590%
33	11	1356	.3619%
34	11	1780	.4751%

REVISED EXHIBIT "A" - (Continued)

<u>Unit No.</u>	<u>Building No.</u>	<u>Size (Sq. Ft. Living Space)</u>	<u>Percentage Interest</u>
35	11	1780	.4751%
36	11	1356	.3619%
37	12	1710	.4564%
38	12	2185	.5833%
39	12	2094	.5590%
40	12	1578	.4212%
41	13	1356	.3619%
42	13	1780	.4751%
43	13	1780	.4751%
44	13	1356	.3619%
45	14	1356	.3619%
46	14	1356	.3619%
47	14	1356	.3619%
48	14	1355	.3619%
49	14	1356	.3619%
50	15	1780	.4751%
51	15	1780	.4751%
52	15	1356	.3619%
53	16	1710	.4564%
54	16	1578	.4212%
75	23	1578	.4212%
76	23	1710	.4564%
77	24	1710	.4564%
78	24	1578	.4212%
79	25	2094	.5590%
80	25	1578	.4212%
81	26	1710	.4564%
82	26	1578	.4212%
83	27	1710	.4564%
84	27	2185	.5833%
85	27	2094	.5590%
86	27	1578	.4212%
87	28	1710	.4564%

REVISED EXHIBIT "A" - (Continued)

<u>Unit No.</u>	<u>Building NO.</u>	<u>Size (Sq. ft. Living Space)</u>	<u>Percentage Interest</u>
88	28	1578	.4212%
89	28	1578	.4212%
90	28	1710	.4564%
91	29	1578	.4212%
92	29	1710	.4564%
93	30	1710	.4564%
94	30	1578	.4212%
95	30	1578	.4212%
96	30	1710	.4564%
97	31	1356	.3619%
98	31	1780	.4751%
99	34	1780	.4751%
100	34	1356	.3619%
109	35	1710	.4564%
110	35	1578	.4212%
111	36	1710	.4564%
112	36	1578	.4212%
113	37	1356	.3619%
114	37	1780	.4751%
115	37	1780	.4751%
116	37	1356	.3619%
117	38	1578	.4212%
118	38	1710	.4564%
119	39	1710	.4564%
120	39	1578	.4212%
121	40	1710	.4564%
122	40	1578	.4212%
123	40	1578	.4212%
124	40	1710	.4564%
125	41	1578	.4212%
126	41	2094	.5590%
127	41	2185	.5833%
128	41	1710	.4564%
129	42	1578	.4212%
130	42	2094	.5590%

REVISED EXHIBIT "A" - (Continued)

<u>Unit No.</u>	<u>Building No.</u>	<u>Size (Sq. ft. Living Space)</u>	<u>Percentage Interest</u>
131	42	2105	.5033%
132	42	1710	.4564%
133	43	1356	.3619%
134	43	1780	.4751%
135	44	1780	.4751%
136	44	1356	.3619%
137	45	1356	.3619%
138	45	1780	.4751%
139	46	1780	.4751%
140	46	1356	.3620%
141	47	1578	.4212%
142	47	2094	.5590%
143	47	2094	.5590%
144	47	1578	.4212%
145	48	1356	.3620%
146	48	1780	.4751%
147	48	1780	.4751%
148	48	1356	.3620%
149	49	1710	.4564%
150	49	1578	.4212%
151	49	1578	.4212%
152	49	1710	.4564%
153	50	1710	.4564%
154	50	1578	.4212%
155	51	1578	.4212%
156	51	1710	.4564%
157	52	1710	.4564%
158	52	1578	.4212%
159	53	1710	.4564%
160	53	1578	.4212%
161	53	1578	.4212%
162	53	1710	.4564%
163	54	1710	.4564%

REVISED EXHIBIT "A" - (Continued)

<u>Unit No.</u>	<u>Building No.</u>	<u>Size (Sq. ft. Living Space)</u>	<u>Percentage Interest</u>
164	54	1578	.42120
165	54	1578	.42120
166	54	1710	.45640
167	55	1710	.45640
168	55	2094	.55900
169	55	2094	.55900
170	55	1710	.45640
171	56	1710	.45640
172	56	2094	.55900
173	56	2094	.55900
174	56	1710	.45640
175	57	1710	.45640
176	57	2094	.55900
177	57	2094	.55900
178	57	1710	.45640
179	58	1710	.45640
180	58	1578	.42120
181	58	1578	.42120
182	58	1710	.45640
183	59	1578	.42120
184	59	1578	.42120
185	59	1578	.42120
186	59	1578	.42120
187	60	1578	.42120
188	60	1780	.47510
189	60	1780	.47510
190	60	1578	.42120
191	61	1578	.42120
192	61	1780	.47510
193	61	1780	.47510
194	61	1578	.42120
195	62	1356	.36200
196	62	1356	.36200
197	62	1356	.36200

REVISED EXHIBIT "A" - (Continued)

<u>Unit No.</u>	<u>Building No.</u>	<u>Size (Sq. ft. Living Space)</u>	<u>Percentage Interest</u>
198	62	1356	.3620%
199	63	1780	.4751%
200	63	1356	.3620%
201	64	1356	.3620%
202	64	1780	.4751%
203	65	1780	.4751%
204	65	1356	.3620%
205	66	1710	.4564%
206	66	2094	.5590%
207	66	2094	.5590%
208	66	1710	.4564%
209	67	1710	.4564%
210	67	1578	.4212%
211	67	1578	.4212%
212	67	1710	.4564%
213	68	1710	.4564%
214	68	1578	.4212%
215	68	1578	.4212%
216	68	1710	.4564%
217	69	1710	.4564%
218	69	2094	.5590%
219	69	2094	.5590%
220	69	1710	.4564%
			100%

EXHIBIT "B"
LEGAL DESCRIPTION

The Land described in the foregoing document is located in Salt Lake County, Utah and is described more particularly as:

PHASE ONE

Beginning at a point on the centerline of 6400 South Street, said point being S 0°07'45" W 1404.54 feet; thence N 89°57'30" W 2639.85 feet to a monument; thence N 89°46'54" W along the centerline of said 6400 South Street 378.466 feet from the Northeast Corner of Section 21, Township 2 South, Range 1 East, Salt Lake Base and Meridian, and running thence South 356.88 feet; thence East 59.25 feet; thence South 338.00 feet; thence West 112.00 feet; thence South 160.45 feet; thence S 60°00' W 176.17 feet to a point on a curve to the right, the radius point of which is N 60°00' E 232.50 feet; thence Northwesterly along the arc of said curve 29.42 feet to a point of tangency; thence N 22°45' W 161.05 feet to a point of a 1150.0 foot radius curve to the left; thence Northwesterly along the arc of said curve 225.80 feet to a point of a reverse curve to the right, the radius point of which is N 56°00' E 210.0 feet; thence Northerly along the arc of said curve 142.94 feet; thence S 87°13'06" W 196.87 feet; thence N 2°46'54" W 447.00 feet to the centerline of said 6400 South Street; thence S 89°46'54" E along said centerline 641.234 feet to the point of beginning.

RESERVED FROM THE FOREGOING SUBMISSION are such easements and rights of ingress and egress over, across, through, and under the above-described tracts and any improvements now or hereafter constructed thereon as may be necessary to develop the entire Project. If pursuant to this reservation, the above-described real property or any improvement thereon is traversed or partially occupied by a permanent improvement or utility line, a perpetual easement for such improvement or utility line shall exist. With the exception of such perpetual easements, the reservation hereby effected shall terminate upon the completion and sale by Declarant of all Units in the Project. The foregoing submission is subject to a 12 ft. drainage and irrigation easement to Salt Lake County Flood Control and to Little Cottonwood Ditch Company described as follows:

Beginning at a point on the South line of 6400 South Street said point being South 1431.74 feet and West 3661.10 feet from the Northeast corner of Section 21, Township 2 South, Range 1 East, Salt Lake Base and Meridian and running thence South 2°46'54" East 413.95 feet; thence North 87°13'06" East 12.00 feet; thence North 2°46'54" West 413.32 feet to the South line of said 6400 South Street; thence North 89°46'54" West along said Southline 12.02 feet to the point of beginning. And subject, also, to easements of record and visible and subject, further, to restrictions, conditions and covenants of record.

BK 7402 PG 2194

EXHIBIT "B"
LEGAL DESCRIPTION

The Land described in the foregoing document is located in Salt Lake County, Utah and is described more particularly as:

PHASE TWO

Beginning at the center of Section 21, Township 2 South, Range 1 East, Salt Lake Base and Meridian and running thence N 99°37'20" W along the South line of the Northwest quarter of said section 1096.07 feet to the East line of Rothmoor Estates No. 1 Subdivision; thence along the East line of said Subdivision as follows: N 26°13'06" E 287.73 feet; thence N 70°43'06" E 183.10 feet; thence N 26°16'54" W 272.24 feet; thence N 36°31'54" W 132.00 feet; thence N 2°46'54" W 114.01 feet; thence leaving said East line N 87°13'06" E 196.87 feet to a point on a curve to the left; the radius point of which is S 85°00' E 210.0 feet; thence Southeasterly along the arc of said curve 142.94 feet, to a point of a reverse curve to the right, the radius point of which is S 56°00' W 1150.0 feet; thence Southeasterly along the arc of said curve 225.80 feet to a point of tangency; thence S 22°45' E 161.05 feet to a point of a 23'.50 foot radius curve to the left; thence Southeasterly along the arc of said curve 29.42 feet; thence N 60°00' E 176.17 feet; thence North 160.45 feet; thence East 112.00 feet; thence North 338.0 feet; thence East 68.765 feet to a point of a 90.0 foot radius curve to the right; thence Southeasterly along the arc of said curve 145.56 feet to a point of tangency; thence S 2°40' W 137.00 feet to a point of a 1000.0 foot radius curve to the left; thence Southerly along the arc of said curve 168.715 feet to a point of tangency; thence S 7°00' E 170.00 feet to a point of 120.0 foot radius curve to the right; thence Southwesterly along the arc of said curve 128.42 feet; thence S 35°41' E 38.465 feet; thence S 89°54'30" E 325.20 feet; thence S 0°05'30" W 56.135 feet; thence S 20°14'17" W 85.37 feet; thence S 0°16'04" W 31.00 feet; thence N 89°43'56" W 130.90 feet to the point of beginning. Contains 12.197 acres

Subject to easements of record, and visible, and subject, also, to restrictions and covenants of record.

RESERVING UNTO THE DECLARANT a perpetual 24 foot right-of-way easement for ingress and egress the centerline of which is described as follows:

Beginning at a point on the South right of way line of 6400 South Street, said point being North 89°46'54" West along the center line of said 6400 South Street 537.59 feet and South 0°13'06" West 31.00 feet from a Salt Lake County Monument at point where the center line of said 6400 South Street intersects the West line of the Northeast quarter of Section 21, Township 2 South, Range 1 East, Salt Base and Meridian; said point of beginning also being North 1203.13 feet and West 535.74 feet from the center of said Section 21 and running thence South 0°13'06" West 324.485 feet; thence East 288.50 feet to a point of a 90.0 foot radius curve to the right; thence Southeasterly along the arc of said curve 145.56 feet to a point of tangency; thence South 2°40' West 137.00 feet to a point of a 1000.0 foot radius curve to the left; thence Southerly along the arc of said curve 168.715 feet to a point of tangency; thence South 7°00' East 170.00 feet to a point of 120.00 foot radius curve to the right; thence Southwesterly along the arc of said curve 128.42 feet; thence South 35°41' East 38.465 feet; thence South 89°54'30" East 170.50 feet; thence South 69°54'30" East 21.93 feet; thence South 89°54'30" East 52.82 feet; thence South 44°54'30" East 102.47 feet to a point on the Northwesterly line of a RV storage area said point being North 86.60 feet and East 151.80 feet from the center of said Section 21.

BK 7402PG2195

EXHIBIT "B"
LEGAL DESCRIPTION

The Land described in the foregoing document is located in Salt Lake County, Utah and is described more particularly as:

PHASE THREE

Beginning at a point which is South 89°43'56" East along the quarter section line 160.61 feet and North 129.88 feet from the center of section 21, Township 2 South, Range 1 East, Salt Lake Base and Meridian; and running thence North 0°05'30" East 37.495 feet; thence North 89°54'30" West 325.20 feet; thence North 35°41' West 38.465 feet to a point on a 120.00 foot radius curve to the left the center of which bears North 35°41' West from said point; thence Northerly along the arc of said curve 128.42 feet to the point of tangency; thence North 7°00' West 170.00 feet to a point of a 1000.00 foot radius curve to the right; thence Northerly along the arc of said curve 168.715 feet to the point of tangency; thence North 2°40' East 24.90 feet; thence South 89°54'30" East 168.00 feet; thence South 0°05'30" West 7.76 feet; thence South 89°54'30" East 138.19 feet to an old fence line; thence South 0°30' East along said fence line 123.73 feet; thence South 89°57'30" East 157.87 feet to an old fence line; thence South 0°35' East along said fence line 411.52 feet thence North 89°54'30" West 144.92 feet to the point of beginning. Contains 4.949 acres.

EXHIBIT "B"
LEGAL DESCRIPTION

The Land described in the foregoing document is located in Salt Lake County, Utah and is described more particularly as:

PHASE FOUR

Beginning at a point on an old fence line which point is South $89^{\circ}43'56''$ East along the quarter section line 142.39 feet and North 664.90 feet from the center of Section 21, Township 2 South, Range 1 East, Salt Lake Base and Meridian, and running thence North $89^{\circ}54'30''$ West 138.19 feet; thence North $0^{\circ}05'30''$ East 776 feet; thence North $89^{\circ}54'30''$ West 168.00 feet; thence North $2^{\circ}40'$ East 112.10 feet to a point of a 90.0 foot radius curve to the left; thence northwesterly along the arc of said curve 145.56 feet to a point of tangency; thence West 128.015 feet; thence North 356.88 feet to the centerline of 6400 South Street; thence South $89^{\circ}46'54''$ East along said centerline 371.27 feet to a point on the extension of an old fence line; thence South $0^{\circ}15'$ East along said extension and fence line 281.07 feet; thence South $89^{\circ}57'30''$ East 143.87 feet to an old fence line; thence South $0^{\circ}30'$ East along said fence line 288.72 feet to the point of beginning.

BK 7402Pg2197