

BOOK 2385 PAGE 241

Order Number 117197

2116038

Recorded OCT 7 1965 2:38 P  
Request of SECURITY TITLE COMPANY  
Fee Paid, Hazel Taggart Chase  
Recorder Salt Lake County Utah  
46.00  
Book Page Ref.

SECURITY TITLE CO.  
RETURN TO - ESCROW DEPT.

DECLARATION

FOR

RIDGELAND DOWNS CONDOMINIUM PROJECT

THIS DECLARATION is made and executed as of <sup>BOO.</sup> OCTOBER 5, 1965, by EMPIRE CONSTRUCTION CO., a Utah corporation, hereinafter designated and referred to as "Declarant," pursuant to the provisions of the Utah Condominium Ownership Act,

W I T N E S S E T H:

WHEREAS, Declarant is the owner of the following described real property situated in Salt Lake County, State of Utah, to wit:

Beginning at a point which is South 0°07'30" East 33 feet thence North 89°56'59" East from the North quarter corner of Section 29, Township 1 South, Range 1 West, Salt Lake Base and Meridian; thence South 0°07'30" East 542.44 feet; thence North 89°56'59" East 629.355 feet to the East line of the Northwest Quarter of the Northwest Quarter of the Northeast Quarter of said Section 29; thence North 0°07'30" West 542.44 feet along said East line; thence South 89°56'59" West 629.355 feet to the point of beginning.

and

WHEREAS, Declarant has constructed or is in the process of constructing certain town house residential buildings and certain other improvements upon the aforesaid premises in accordance with the plans and drawings set forth in the Record of

Survey Map filed herewith, dated August 16, 1965, consisting of two sheets, prepared and certified to by Edward F. Gini, a duly registered Utah Land Surveyor, and

WHEREAS, Declarant desires by filing this Declaration and the aforesaid Record of Survey Map to submit the above described property and the town house residential buildings and other improvements being constructed thereon, together with all appurtenances thereto, to the provisions of the Utah Condominium Ownership Act as a condominium project, to be known as Ridgeland Downs Condominium Project, and

WHEREAS, Declarant desires and intends to sell the fee title to the individual town house residential units contained in said condominium project, together with the undivided ownership interests in the common areas and facilities appurtenant to each of said town house residential units and the exclusive right of use of certain of said common areas and facilities, to various purchasers, subject to the covenants, restrictions and limitations herein reserved to be kept and observed.

NOW THEREFORE, for such purposes, Declarant hereby makes the following declaration, respecting the divisions, covenants, restrictions, limitations, conditions and uses to which the property submitted to said condominium project shall hereafter be subject:

DEFINITIONS:

A. The term "The Act" shall mean and refer to the Utah Condominium Ownership Act as the same may be amended from time to time.

B. The term "The Condominium Project" shall mean and refer to the above described tract of land together with all improvements and appurtenances located thereon or belonging thereto.

C. The term "Record of Survey Map" shall mean and refer to that certain Record of Survey Map filed with this Declaration, dated August 16, 1965, consisting of two sheets, prepared by Edward F. Gini, a duly registered Utah Land Surveyor.

D. The term "Common Areas and Facilities" shall mean and refer to:

(1) The above described land,

(2) Those common areas and facilities specifically set forth and designated as such in the Record of Survey Map,

(3) That part of the Condominium Project not specifically included within the respective Units as hereinafter defined,

(4) All foundations, floor joists, columns, girders, beams, supports, exterior surface material of main walls and roofs, halls, hallways, stairs, stairways, corridors, breezeways, lobbies,

escapes, entrances, exits, walks, walkways, driveways, gates, parking areas, yards, gardens, fences, swimming pools and incineration and other community facilities contained within the Condominium Project and in general all apparatus and installations included within the Condominium Project existing for common use thereon, therein or in connection therewith which are or may be necessary or convenient to the existence, maintenance, safety and management of the Condominium Project.

(5) Those portions of the utility lines and facilities contained within the Project which are not owned by a public utility and which are not contained within the boundaries of a Unit as hereinafter defined.

E. The term "The Association" shall mean and refer to Ridgeland Downs Owners Association, a nonprofit corporation organized and existing under and by virtue of the laws of the State of Utah.

F. The term "Unit" shall mean and refer to one of the town house residential units contained within the Condominium Project comprising one of the respective parts of the Condominium Project which is designated as such on the Record of Survey Map and which is intended to be independently owned, encumbered and/or conveyed, including the walls and partitions which are wholly contained within a designated Unit and the portion

of the perimeter walls and roofs which is inside of the exterior surface material thereof and the portion of all floors which is above the floor joists. The term "Unit" shall not, however, be deemed to include the exterior surfaces of the perimeter walls and roofs surrounding such Unit or the floor joists beneath such Unit, except as shown otherwise on the Record of Survey Map, nor shall it be deemed to include pipes, wires, conduits or other public utility lines running through such Unit which are utilized for or serve more than one Unit.

G. The term "Unit Owner" shall mean and refer to the legal owner or owners of a Unit as herein defined, together with the undivided ownership interest in the common areas and facilities appurtenant thereto and the exclusive right of use of certain of said common areas and facilities as herein established.

H. The term "Common Expenses" shall mean and refer to all sums lawfully assessed by the Association against the Unit Owners in accordance with the provisions of the Act, this Declaration, the Association's Articles of Incorporation, a copy of which is attached hereto marked Exhibit B and by this reference made a part hereof, the Association's By-Laws, a copy of which is attached hereto marked Exhibit C and by this reference made a part hereof, such rules and regulations pertaining to the Condominium Project as the Association may from time to time adopt, and any and all agreements and determinations lawfully made and/or entered into by the Association respecting the Condominium Project.

I. The term "Common Profits" shall mean and refer to

the balance of all income, rents, profits and revenues received by the Association from or in connection with the management and operation of the Condominium Project which may remain after the deduction of the Common Expenses.

1. Declarant hereby submits the above described property and the town house residential units and other improvements being constructed thereon, together with all appurtenances thereto, to the provisions of the Act as a condominium project, to be known as Ridgeland Downs Condominium Project. This Declaration is submitted in accordance with the terms and provisions of the Act and shall be construed in accordance therewith.

2. This Declaration and the covenants, restrictions, limitations, conditions and uses herein provided for shall constitute covenants to run with the land hereby submitted to the Condominium Project and shall be binding upon the Declarant and its successors and assigns, and upon all subsequent owners of all or any part of the Condominium Project, and upon their grantees, successors, heirs, executors, administrators, devisees and/or assigns.

3. To establish a plan of Condominium Ownership for the said Condominium Project, the Condominium Project is hereby divided into the Units described in Exhibit A attached hereto and by reference made a part hereof, which Units, together with their appurtenant interests in the Common Areas and Facilities and their appurtenant exclusive right of use of certain of said Common Areas and Facilities as hereinafter established, shall constitute separate freehold

estates for all purposes provided by the Act.

4. In the event any portion of the Common Areas and Facilities encroaches upon any of the Units, a valid easement shall exist for such encroachment, and for the maintenance of same, so long as such encroachment exists. In the event the Condominium Project is partially or totally destroyed, and then rebuilt, minor encroachments shall be permitted, as required, upon the Units, and easements for such encroachments, and for the maintenance of same, shall exist for such period of time as may be reasonably required for the reconstruction or repair of said premises.

5. The Common Areas and Facilities as hereinabove defined are hereby set aside for the use and benefit of the respective Unit Owners in accordance with and for all purposes provided by the Act.

6. The owner or owners of each Unit shall own an undivided 1/68 interest in the Common Areas and Facilities. The owner of each Unit shall have and there shall be appurtenant to said Unit the exclusive right of use of the portions of the Common Areas and Facilities designated on the Record of Survey Map with the same numerical designation as the Unit number and with the letter designation "P" indicating a patio area, the letter "C" indicating carport and parking areas, and the letter "S" indicating storage area. As an example of the foregoing, the owner of Unit No. 7 shall have the right of use of the patio area

designated P-7, the carport and parking area designated C-7 and the storage area designated S-7. In addition, any owner of a Unit who elects to have air-conditioning equipment installed therein shall have the right to construct in the patio area appurtenant to said Unit adjacent to the rear wall of the Unit a concrete slab and to install and maintain thereon an air-conditioning compressor, and such owner shall have an easement for the installation and maintenance of refrigerant pipelines and power lines and conduits in the crawl space between the floor of said Unit and the surface of the ground for the purpose of connecting said compressor to the furnace installed in said Unit. All costs of installation, operation, maintenance and repair of such air-conditioning equipment shall be borne by the Unit Owner and the Association shall have no obligation with relation thereto. Of the total value of the entire Condominium Project, each of the above described Units represents an undivided 1/68 part thereof, and each are of equal value.

7. The undivided ownership interest in and the exclusive rights of use of portions of the Common Areas and Facilities appurtenant to each Unit as set forth in paragraph 6 above shall be and remain appurtenant to such Unit from and after the filing of this Declaration and said interests may not thereafter be altered without the consent of all of the



Unit Owners expressed in an amended Declaration duly recorded in accordance with this Declaration and the provisions of the Act and shall not be separated from such Units or be separately conveyed therefrom, and each such undivided interest shall be deemed to be conveyed or encumbered with the Unit to which it is appurtenant even though the description in the instrument of conveyance or encumbrance may refer only to the fee simple title to the Unit itself.

8. The Condominium Project, including the Common Areas and Facilities appurtenant thereto, shall be managed, operated and maintained by the Association, or its designated agent, in accordance with the terms, conditions and provisions of:

- a. the Act;
- b. this Declaration;
- c. the Articles of Incorporation of the Association, a copy of which is attached hereto as Exhibit B, and any amendments thereto;
- d. the By-Laws of the Association, a copy of which is attached hereto as Exhibit C, and any amendments thereto;
- e. such rules and regulations pertaining to the Condominium Project as the Association may from time to time adopt; and
- f. all agreements and determinations lawfully made by the Association respecting the Condominium Project.

9. All agreements and determinations respecting the Condominium Project lawfully made and/or entered into by the Association shall be binding upon all of the Unit Owners and upon their successors and assigns. So long as Declarant owns one or more of the Units, it shall be subject to the provisions of this Declaration the same as any other Unit Owner, and Declarant hereby covenants that it will take no action which would adversely affect the rights of the other Unit Owners or of the Association.

10. All of the issued and outstanding shares of stock of the Association shall be owned by the legal owners of the Units in the proportion of one (1) share of stock for each Unit. Said shares of stock shall belong and be appurtenant to the Unit for which they are originally issued and shall not be owned, encumbered or conveyed separately or apart from such Unit.

11. Except as otherwise provided herein and in the Act, the Unit Owners shall have the right to amend this Declaration and/or the Record of Survey Map upon the approval and consent of Unit Owners representing the ownership of not less than 51 Units, which approval and consent shall be by duly

executed and recorded instruments.

12. In the event any of the buildings in the Condominium Project is destroyed or damaged to the extent of seventy-five per cent (75%) or less, of the value thereof, the Association shall be responsible for repairing, rebuilding and/or restoring the same to the condition it was in immediately prior to such destruction or damage, and the Association shall, in this connection, be entitled to use the proceeds of any and all insurance policies which it may have had in force on said premises as of the date of such destruction or damage. In the event any of the buildings in the Condominium Project is destroyed or damaged to the extent of more than seventy-five per cent (75%) of the value thereof, the Unit Owners shall, at a meeting duly and regularly called by the Association for that purpose, determine whether or not said premises should be rebuilt, repaired or disposed of. The determination, under this paragraph, of the extent of any damage to the Project shall be made by a group of three (3) AIA appraisers who shall be selected by the Board of Trustees for that purpose. In the event all of said appraisers cannot agree on the extent of the damage or destruction to the Project, the decision of any two with respect thereto shall be conclusive. Unless Unit Owners representing the ownership of not less than 51 of the Units agree to the withdrawal of the Condominium Project from the provisions of the Act and to its subsequent disposal, the premises shall be

repaired, rebuilt or restored to the same condition they were in immediately prior to said destruction or damage.

13. The Association shall secure and maintain the following insurance coverage on the Project:

a. A policy or policies of Fire and Extended Coverage Insurance on the Project in the sum of not less than \$729,000.00 initially, and in such greater or lesser sum thereafter as the Board of Trustees may from time to time determine to be necessary, proper and adequate, but in no event less than the then reasonable replacement cost of the Project. As between members of the Association, participation in any proceeds realized by the Association from said insurance policy will be on the basis of any damage sustained. In the event such members cannot agree on the amount of damage sustained by each, the decision of the Board of Trustees respecting the appraisal of such damage shall be conclusive. Said policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees, of each Unit, if any. Each member shall be responsible for securing and maintaining insurance coverage on any items of personal property which he may have in or on his particular Unit.

b. A policy or policies insuring the Association, and the Unit Owners against any liability to the public or to the owners of Units and of the Common Areas and Facilities, and their invitees, or tenants, incident to the ownership and/or use of the Project, and including the personal liability

exposure of the Unit Owners. Limits of liability under such insurance shall be not less than Three Hundred Thousand Dollars (\$300,000.00) for any one person injured, for any one accident, and shall be not less than One Hundred Thousand Dollars (\$100,000.00) for property damage each occurrence (such limits and coverage to be reviewed at least annually by the Board of Trustees and adjusted in its discretion). Said policy or policies shall be issued on a comprehensive liability endorsement wherein the rights of named insured under the policy or policies shall not be prejudiced as respects his, her or their action against another named insured.

It is intended that the insurance policies herein provided for include coverage for any act or omission of the Association, its officers, members, agents and employees, or of the occupants of any Unit in the Project, respecting the ordinary and anticipated use, occupancy, operation and/or maintenance of the Project. It is not intended, however, that said insurance policies include any coverage or recognize any liability with respect to any act or omission on the part of any member or occupant, or their employees, respecting acts or omissions other than those arising out of the ordinary and anticipated use, occupancy, operation and/or maintenance of the Project or of any of said Units.

c. Workmens compensation insurance or coverage to the extent necessary to comply with any applicable law.

14. All insurance required by paragraph 13 hereof

shall be governed by the following provisions:

(a) All policies shall be written with a company licensed to do business in the State of Utah and holding a rating of "AAA" or better by Best's Insurance Reports;

(b) Exclusive authority to adjust losses under policies hereafter in force in the Project shall be vested in the Association or its authorized representative;

(c) In no event shall the insurance coverage obtained and maintained by the Association hereunder, be brought into contribution with insurance purchased by individual Unit Owners or their mortgagees;

(d) Each Unit Owner may obtain additional insurance at his own expense; provided, however, that 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, in behalf of all of the Unit Owners, may realize under any insurance policy which the Association may have in force on the Project at any particular time;

(e) Each Unit Owner shall be required to notify the Association of all improvements made by the Unit Owner to his Unit, the value of which is in excess of One Thousand Dollars (\$1,000.00);

(f) Any Unit Owner who obtains individual insurance policies covering any portion of the Project other than personal property belonging to such Unit Owner, shall be required to file a copy of such individual policy or policies with the

Association within thirty (30) days after purchase of such insurance;

(g) The Association shall be required to make every effort to secure insurance policies that will provide for the following:

(1) A waiver of subrogation by the insurer as to any claims against the Association, the Unit Owners and their respective servants, agents, and guests;

(2) That the master policy on the Project cannot be cancelled, invalidated or suspended on account of the conduct of any one or more individual Unit Owners;

(3) That the master policy on the Project cannot be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Association without a prior demand in writing that the Association cure the defect;

(4) That any 'no other insurance' clause in the master policy exclude individual owners' policies from consideration.

15. If any Unit Owner shall fail or refuse to make payment of Common Expenses when due, the amount thereof shall constitute a lien upon the interest of said Unit Owner in the Common Areas and Facilities and upon the Unit owned by said Unit Owner and upon the recording of notice thereof by the Association shall be a lien upon the Unit Owner's interest in the Common Areas and Facilities and the Unit owned by said Unit

Owner prior to all other liens and encumbrances, recorded or unrecorded, except only:

(a) tax and special assessment liens on the Unit in favor of any assessing unit and special district, and

(b) encumbrances or mortgages on the interest of said Unit Owner recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

16. Each Unit Owner, tenant and/or occupant of a Unit shall comply with the provisions of the Act, this Declaration, the Articles of Incorporation of the Association, the By-Laws of the Association, the rules and regulations referred to in paragraph 8e above and all agreements and determinations lawfully made and/or entered into by the Association, including any amendments thereto, and any failure to comply with any of the provisions of said Act, Declaration, Articles, By-Laws, rules, regulations, agreements and/or determinations, or of any amendments thereto, shall be grounds for an action by the Association to recover any loss or damage resulting therefrom or for injunctive relief.

17. The Association shall have and it is hereby given the authority to grant such utility easements over and across the Common Areas and Facilities as shall be determined by the Association's Board of Trustees to be in the interest of the Unit Owners.



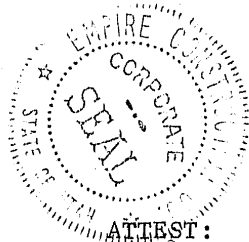
18. B. D. Scott, whose place of business is at 2645 South 3600 West Street in Salt Lake City, State of Utah, is hereby designated as the person to receive process in connection with the Project for all purposes provided by the Act; provided, however, that the Board of Trustees of the Association, or in the event the Association is dissolved, Unit Owners representing the ownership of not less than 35 of the Units, shall have the right to appoint a successor or substitute process agent. Such successor or substitute process agent shall be designated and appointed by duly executed instruments filed in the Office of the County Recorder of Salt Lake County, State of Utah, for attachment to this Declaration.

19. The provisions of this Declaration shall be in addition and supplemental to the provisions of the Act.

20. If any provision of this Declaration is determined to be invalid, the remaining provisions thereof shall remain in full force and effect and shall not be affected thereby.

21. This Declaration shall take effect upon recording as provided by the Act.

Made and executed as of the day and year first above written.



ATTEST:

*Claudia Jones*  
Secretary

EMPIRE CONSTRUCTION CO.

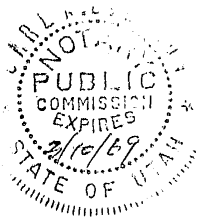
By *B. D. Scott*  
President

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

On this 5<sup>th</sup> day of October, 1965, personally appeared before me B. D. SCOTT and CLAUDIA LOWER, who, being by me duly sworn, did say: That they are the President and Secretary respectively, of EMPIRE CONSTRUCTION CO., a Utah corporation, and that the within and foregoing instrument was signed on behalf of said corporation by authority of a resolution of its Board of Directors and said B. D. Scott and Claudia Lower duly acknowledged to me that said corporation executed the same and that the seal affixed is the seal of said corporation.

*Arvid N. Ganson*  
Notary Public

Residing at Salt Lake City, Utah



My Commission Expires:  
March 10, 1969

E X H I B I T A

TO DECLARATION FOR RIDGELAND DOWNS CONDOMINIUM PROJECT

<u>Unit Designation</u>	<u>Approximate Number of Square Feet</u>	<u>Number Of Rooms Including Bath</u>	<u>Location Of Unit Within Condominium Project</u>	<u>Sheet Number Of Record Of Survey Map Showing Unit</u>	<u>General Description</u>
1	806	5	Building A	1	1 Story - 2 Bedroom Unit
2	806	5	Building A	1	1 Story - 2 Bedroom Unit
3	806	5	Building A	1	1 Story - 2 Bedroom Unit
4	806	5	Building A	1	1 Story - 2 Bedroom Unit
5	806	5	Building A	1	1 Story - 2 Bedroom Unit
6	806	5	Building A	1	1 Story - 2 Bedroom Unit
7	806	5	Building A	1	1 Story - 2 Bedroom Unit
8	806	5	Building A	1	1 Story - 2 Bedroom Unit
9	806	5	Building B	1	1 Story - 2 Bedroom Unit
10	806	5	Building B	1	1 Story - 2 Bedroom Unit
11	806	5	Building B	1	1 Story - 2 Bedroom Unit
12	806	5	Building B	1	1 Story - 2 Bedroom Unit
13	806	5	Building B	1	1 Story - 2 Bedroom Unit
14	806	5	Building B	1	1 Story - 2 Bedroom Unit
15	806	5	Building B	1	1 Story - 2 Bedroom Unit
16	806	5	Building B	1	1 Story - 2 Bedroom Unit

Exhibit A - To Declaration for Ridgeland Downs Condominium Project

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<u>Unit Designation</u>	<u>Approximate Number of Square Feet</u>	<u>Number of Rooms Including Bath</u>	<u>Location of Unit Within Condominium Project</u>	<u>Sheet Number Of Record of Survey Map Showing Unit</u>	<u>General Description</u>
17	806	5	Building C	1	1 Story - 2 Bedroom Unit
18	806	5	Building C	1	1 Story - 2 Bedroom Unit
19	806	5	Building C	1	1 Story - 2 Bedroom Unit
20	806	5	Building C	1	1 Story - 2 Bedroom Unit
21	806	5	Building C	1	1 Story - 2 Bedroom Unit
22	806	5	Building C	1	1 Story - 2 Bedroom Unit
23	806	5	Building C	1	1 Story - 2 Bedroom Unit
24	806	5	Building C	1	1 Story - 2 Bedroom Unit
25	806	5	Building D	1	1 Story - 2 Bedroom Unit
26	806	5	Building D	1	1 Story - 2 Bedroom Unit
27	806	5	Building D	1	1 Story - 2 Bedroom Unit
28	806	5	Building D	1	1 Story - 2 Bedroom Unit
29	806	5	Building D	1	1 Story - 2 Bedroom Unit
30	806	5	Building D	1	1 Story - 2 Bedroom Unit
31	806	5	Building D	1	1 Story - 2 Bedroom Unit
32	806	5	Building D	1	1 Story - 2 Bedroom Unit
33	806	5	Building E	1	1 Story - 2 Bedroom Unit
34	806	5	Building E	1	1 Story - 2 Bedroom Unit

(Page Three)

Exhibit A - To Declaration for Ridgeland Downs Condominium Project

<u>Unit Designation</u>	<u>Approximate Number of Square Feet</u>	<u>Number of Rooms Including Bath</u>	<u>Location of Unit Within Condominium Project</u>	<u>Sheet Number of Record of Survey Map Showing Unit</u>	<u>General Description</u>
35	806	5	Building E	1	1 Story - 2 Bedroom Unit
36	806	5	Building E	1	1 Story - 2 Bedroom Unit
37	806	5	Building F	1	1 Story - 2 Bedroom Unit
38	806	5	Building F	1	1 Story - 2 Bedroom Unit
39	806	5	Building F	1	1 Story - 2 Bedroom Unit
40	806	5	Building F	1	1 Story - 2 Bedroom Unit
41	806	5	Building F	1	1 Story - 2 Bedroom Unit
42	806	5	Building F	1	1 Story - 2 Bedroom Unit
43	806	5	Building G	1	1 Story - 2 Bedroom Unit
44	806	5	Building G	1	1 Story - 2 Bedroom Unit
45	806	5	Building G	1	1 Story - 2 Bedroom Unit
46	806	5	Building G	1	1 Story - 2 Bedroom Unit
47	806	5	Building G	1	1 Story - 2 Bedroom Unit
48	806	5	Building G	1	1 Story - 2 Bedroom Unit
49	806	5	Building G	1	1 Story - 2 Bedroom Unit
50	806	5	Building G	1	1 Story - 2 Bedroom Unit
51	806	5	Building H	1	1 Story - 2 Bedroom Unit
52	806	5	Building H	1	1 Story - 2 Bedroom Unit

Exhibit A - To Declaration for Ridgeland Downs Condominium Project

<u>Unit Designation</u>	<u>Approximate Number of Square Feet</u>	<u>Number of Rooms Including Bath</u>	<u>Location of Unit Within Condominium Project</u>	<u>Sheet Number of Record of Survey Map Showing Unit</u>	<u>General Description</u>
53	806	5	Building H	1	1 Story - 2 Bedroom Unit
54	806	5	Building H	1	1 Story - 2 Bedroom Unit
55	806	5	Building H	1	1 Story - 2 Bedroom Unit
56	806	5	Building H	1	1 Story - 2 Bedroom Unit
57	806	5	Building H	1	1 Story - 2 Bedroom Unit
58	806	5	Building H	1	1 Story - 2 Bedroom Unit
59	806	5	Building I	1	1 Story - 2 Bedroom Unit
60	806	5	Building I	1	1 Story - 2 Bedroom Unit
61	806	5	Building I	1	1 Story - 2 Bedroom Unit
62	806	5	Building I	1	1 Story - 2 Bedroom Unit
63	806	5	Building J	1	1 Story - 2 Bedroom Unit
64	806	5	Building J	1	1 Story - 2 Bedroom Unit
65	806	5	Building J	1	1 Story - 2 Bedroom Unit
66	806	5	Building J	1	1 Story - 2 Bedroom Unit
67	806	5	Building J	1	1 Story - 2 Bedroom Unit
68	806	5	Building J	1	1 Story - 2 Bedroom Unit

EXHIBIT "B"

TO DECLARATION FOR RIDGELAND DOWNS CONDOMINIUM PROJECT

ARTICLES OF INCORPORATION

OF

RIDGELAND DOWNS OWNERS ASSOCIATION

A NONPROFIT CORPORATION

The undersigned natural person over the age of twenty-one (21) years, acting as the incorporator of a nonprofit corporation under the "Utah Nonprofit Corporation and Cooperative Association Act," hereby adopts the following Articles of Incorporation for said corporation.

ARTICLE I

NAME. The name of the corporation hereby created shall be:

RIDGELAND DOWNS OWNERS ASSOCIATION.

ARTICLE II

DURATION. The corporation shall continue in existence perpetually unless dissolved according to law.

ARTICLE III

PURPOSES. The purposes for which the corporation is organized are:

(a) To engage in the business of property management and to act as an agent for its members in acquiring, holding, improving, leasing, renting, collecting rentals, subleasing, and otherwise dealing with and in respect of real property and real property improvements;

(b) To engage in such other business activities and pursuits as may be reasonably related to the foregoing;

(c) To engage in any and all other lawful purposes, whether similar or dissimilar to the foregoing.

#### ARTICLE IV

MEMBERSHIP. The corporation shall have members consisting of persons having an ownership interest in one (1) or more of the Condominium Town House Residential Units (hereinafter designated the "Units") contained within the Ridgeland Downs Condominium Project (hereinafter designated the "Project"), a Condominium Project to be organized under the Utah Condominium Ownership Act, located at 2745 South 3600 West Street, Salt Lake County, State of Utah. Each and every person having an ownership interest in any of said Units shall be entitled to membership in the corporation. However, no person who has conveyed or otherwise disposed of his ownership interest in the



Project shall thereafter be entitled to acquire or retain membership in the corporation. The conveyance or other disposition by a person entitled to membership in the corporation of all such person's ownership interest in any Unit in said Project shall be deemed to constitute, and may be treated by the corporation as, a transfer and conveyance by such person to such person's successor in interest of all such person's right, title and interest in and to the corporation, including any stock or membership interest therein, and the corporation shall be entitled to cancel any stock which may have been issued to such person and reissue the same to the new owner or owners upon such terms and conditions as the Board of Trustees shall direct.

ARTICLE V

STOCK. The corporation shall issue stock to each of the persons entitled to membership in the corporation as above provided, to evidence such person's membership interest therein, on the basis of one (1) share of stock for each Unit contained within the Project of which such person is the owner. In the event a particular Unit is owned by more than one person, the stock representing such Unit shall be issued in the names of all persons having an ownership interest therein. The corporation may issue certificates representing fractional shares in the event of a sale and purchase of a portion only of a Unit in

said Project as provided in the corporation's By-Laws. The aggregate number of shares of stock which the corporation shall have the authority to issue is sixty-eight (68) shares of common stock which shall not have par value. Each share shall have equal rights as to voting and in the event of dissolution or final liquidation.

ARTICLE VI

TRUSTEES. The corporation shall have a Board of Trustees, which shall consist of a variable number of trustees of from three (3) to nine (9) as the Board of Trustees may itself from time to time determine. Until a determination is made in the future by the Board of Trustees, the Board shall consist of three (3) trustees. In the event the Board of Trustees decides to increase its number from time to time, the Board of Trustees shall itself have the right to fill vacancies occasioned by such increase, and such newly elected Trustees shall serve until the next annual meeting of the members and until their successors are duly elected and qualified. The names and addresses of the persons who are to serve as Trustees until the first annual meeting of members and until their successors are duly elected and qualified are:

<u>NAME</u>	<u>ADDRESS</u>
B. D. Scott	4662 Brookwood Salt Lake City, Utah
Betty Scott	4662 Brookwood Salt Lake City, Utah
Claudia Lower	3763 South 4563 West Kearns, Utah



EXHIBIT "C"  
TO DECLARATION FOR RIDGELAND DOWNS CONDOMINIUM PROJECT  
BY-LAWS  
OF  
RIDGELAND DOWNS OWNERS ASSOCIATION  
A NONPROFIT CORPORATION

ARTICLE I

OFFICES

Section 1. Principal Office. The principal office of the Association shall be in Salt Lake City, County of Salt Lake, State of Utah.

Section 2. Additional Offices. The Association may also have offices at such other places both within and without the State of Utah as the Board of Trustees may from time to time determine or the business of the Association may require.

ARTICLE II

MEETING OF MEMBERS

Section 1. Annual Meeting. The annual meeting of the members shall be held at 7:00 o'clock p.m. on the second Monday in June of each year at the principal office of this Association, or at such other place as shall be stated in the notice of meeting or in a duly executed waiver of notice; provided, however, that whenever such date falls upon a legal holiday, the meeting shall be held on the next succeeding business day, and further provided, that the Board of Trustees may by resolution fix the date of the annual meeting at such other date as the Board may deem appropriate. At such meeting the members shall elect trustees for one (1) year terms to serve until their successors shall be elected and shall qualify. Only members of the Association shall be elected trustees; provided, however that officers and/or duly authorized agents of corporate members may also be elected trustees of the Association.

Section 2. Special Meetings. Special meetings of the members may be called by the President, by a majority of the

Board of Trustees, or by any number of members whose holdings shall not be less than one-third (1/3) of the outstanding stock of the Association.

Section 3. Calls and Notices of Meetings. The calls and notices of all meetings of the members shall conform to the provisions of Article IX of these By-Laws.

Section 4. Presiding Officer. The President, and in his absence, a Vice President, shall preside at all such meetings.

Section 5. Voting Requirements. When a quorum is present in person or represented by proxy at any meeting, the vote of the holders of a majority of the stock having voting power, present in person or represented by proxy, shall decide any question brought before such meeting, including the election of trustees, unless the question is one upon which, by express provision of the statutes of the State of Utah or of the Articles of Incorporation or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. All votes may be cast by the members either in person or by proxy. All proxies shall be in writing, and in the case of proxies for the annual meeting, they shall be delivered to a credentials committee consisting of the President, a Vice President and Secretary of the Association at least ten (10) days prior to said annual meeting. Proxies for special members' meetings must be of record with the credentials committee at least five (5) days prior to the holding of such special members' meetings. If instructed, the Secretary shall enter a record of such proxies in the minutes of the meeting. Each share of stock shall have one (1) vote on all matters submitted to a vote of the members. The owner of a fractional interest shall have a fractional vote equal to the fraction of a share owned by him. In the case of stock owned as joint tenants, each such joint tenant shall be deemed the owner of the fraction of said stock determined by dividing said share by the number of joint tenants who own the same.

Section 6. Registered Members. At annual meetings of the members only such persons shall be entitled to vote in person or by proxy as appear as members upon the transfer books of the Association on the thirtieth day before such annual members' meeting. The Board of Trustees may, by resolution, fix a date in advance of the date of special members' meetings upon which a member must appear as a member of record on the Association's transfer books in order to be entitled to vote at such special members' meeting; provided, however, that said date shall in no event be fixed at less than ten (10) nor more than thirty (30) days prior to the date set for such meeting.

Section 7. Quorum. At any meeting of the members, the holders of a majority of the issued and outstanding shares of the Association present in person or by proxy shall constitute a quorum of the members for all purposes. In the absence of a quorum, the chairman of the meeting may adjourn the meeting from time to time, without notice other than by announcement at the meeting, until holders of the amount of stock requisite to constitute a quorum shall attend. At any such adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the meeting as originally notified.

Section 8. Waiver of Irregularities. All inaccuracies and/or irregularities in calls, notices of meeting and in the matter of voting, form of proxies, credentials and method of ascertaining those present, shall be deemed waived if no objection is made at the meeting.

### ARTICLE III

#### BOARD OF TRUSTEES

Section 1. Responsibilities. The business and property of the Association shall be managed by its Board of Trustees, hereinafter designated and referred to as the "Board of Trustees." The Board of Trustees may, however, enter into such management agreement or agreements with third persons as it may deem advisable.

Section 2. Vacancies. In case of any vacancy in the Board of Trustees, the remaining members of the Board may elect a successor trustee or trustees to hold office until the next meeting of the members.

Section 3. Regular Meetings. A regular annual meeting of the trustees shall be held immediately after the adjournment of each annual members' meeting at the place at which such members' meeting was held. Regular meetings, other than the annual meeting, shall be held at regular intervals at such places and at such times as the Board of Trustees may from time to time by resolution provide.

Section 4. Special Meetings. Special meetings of the Board of Trustees shall be held whenever called by the President, the Vice President, or by a majority of the Board. By unanimous consent of the trustees, special meetings of the Board may be held without call or notice at any time or place. Notice of all calls and meetings of the Board of Trustees shall be as provided in these By-Laws.

Section 5. Quorum. A quorum for the transaction of business at any meeting of the trustees shall consist of a majority of the trustees then in office.

Section 6. Committees. The Board of Trustees may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of two (2) or more of the members of the Association, which, to the extent provided in said resolution, shall have and may exercise the powers in said resolution set forth. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Trustees. Such committees shall keep regular minutes of their proceedings and report the same to the Board of Trustees when required. The President may appoint persons to fill vacancies on each of said committees occasioned by death, resignation, removal or inability to act for any extended period of time.

Section 7. Compensation. Trustees, as such, shall not receive any stated salary for their services, but, by resolution of the members a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board of Trustees; provided that nothing herein contained shall be construed to preclude any trustee from serving the Association in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

Section 8. Additional Facilities. The Board of Trustees shall have the authority to provide such facilities, in addition to those for which provision has already been made, as it may deem to be in the interest of the members.

#### ARTICLE IV

##### OFFICERS

Section 1. Selection of Officers. The trustees shall elect or appoint the officers of the Association. Such election or appointment shall regularly take place at the first meeting of the trustees immediately following the annual meeting of the members; provided, however, that elections of officers may be held at any other meeting of the Board of Trustees.

Section 2. Additional Officers. The Board of Trustees may appoint such other officers, in addition to the officers hereinbelow expressly named, as they shall deem necessary, who shall have such authority to perform such duties as may be prescribed from time to time by the Board of Trustees or by the President.

Section 3. Removal. 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 of Trustees.

ARTICLE V

PRESIDENT

The President shall be the chief executive of the Association, and shall exercise general supervision over its property and affairs. He shall sign on behalf of the Association, all certificates of stock, conveyances, mortgages, and contracts and shall do and perform all acts and things which the Board of Trustees may require of him. He shall receive such compensation for his services as may be fixed or approved by the Board of Trustees. The President shall be invited to attend meetings of each committee.

ARTICLE VI

VICE PRESIDENT

In the event of the President's absence or inability to act, the Vice President shall have the powers of the President. He shall perform such other duties as the Board of Trustees may impose upon him, and shall receive such compensation as may be fixed or approved by the Board of Trustees.

ARTICLE VII

SECRETARY

The Secretary shall keep the minutes of the Association, its stock books and such books and records as these By-Laws or any resolution of the trustees may require him to keep. He shall be the custodian of the seal of the Association, and shall affix the seal to all papers and instruments requiring it. He shall perform such other services as the Board of Trustees may impose upon him, and shall receive such compensation as the Board of Trustees may fix or approve. One or more Assistant Secretaries may be elected, who shall, in the event of the Secretary's absence or inability to act, perform the duties and functions of the Secretary.



ARTICLE VIII

TREASURER

The Treasurer shall have the custody and control of the funds of the Association, subject to the action of the Board of Trustees, and shall, when requested by the President so to do, report the state of the finances of the Association at each annual meeting of the members and at any meeting of the trustees. He shall perform such other services as the Board of Trustees may require of him and shall receive compensation as the Board of Trustees may fix or approve.

ARTICLE IX

CALLS AND NOTICES OF MEETINGS

Section 1. Annual Meeting. At least ten (10) days (inclusive of the date of meeting) before the date of any annual meeting of the members, the Secretary shall cause a written notice setting forth the time, place and general purpose of the meeting, to be delivered personally or deposited in the mail, with postage prepaid, addressed to each member of record at his post office address as it then appears on the books of the Association.

Section 2. Special Board Meetings. Special meetings of the Board of Trustees may be called by the President (or in his absence the Vice President), or by a majority of the Board of Trustees, and notice of such meeting shall be given to each trustee, orally or in writing, at least twenty-four (24) hours before the time fixed for the meeting, and such notice shall advise each trustee as to the time, place and general purpose of the meeting, and shall be delivered personally, or by telephone or telegram, or mailed, postage prepaid, to each trustee at his last post office address as it appears on the books of the Association. No notice need be given of regular meetings of the Board of Trustees. Whenever all of the trustees meet, such meetings shall be valid for all purposes without call or notice, or waiver of call and notice. No call or notice of any meeting of trustees shall be necessary if waiver of call and notice be signed by all of the trustees.

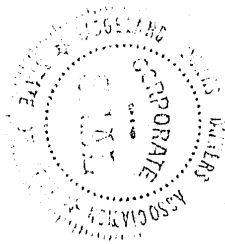
Section 3. Special Members' Meetings. Special meetings of the members may be called by the President (or in his absence the Vice President) or by a majority of the Board of Trustees, and notice of such meeting shall be given to each member in writing at least forty-eight (48) hours before the time fixed for the meeting and such notice shall advise each

member as to the time, place and general purpose of the meeting and shall be delivered personally, or mailed, postage prepaid, to each member at his last post office address as it appears on the books of the Association. Whenever all of the members shall meet in person or by proxy, such meetings shall be valid for all purposes without call or notice, or waiver of call and notice. No call or notice of any meeting of members shall be necessary if waiver of call and notice be signed by all of the members.

ARTICLE X

SEAL

The seal of the Association shall be impressed as follows:



ARTICLE XI

STOCK CERTIFICATES

Section 1. Form of Certificate. Each certificate of stock shall express on its face the par value, if any, of the shares, or fractional shares, represented thereby and shall indicate that the shares are fully paid and nonassessable.

Section 2. Issuance. All certificates of stock shall be signed by the President or Vice President and by the Secretary or an Assistant Secretary, and the seal of the Association shall be impressed thereon. The name of the initial owner of each certificate and the number of shares represented by it shall be entered on its stub. Each and every person having an ownership interest in any of said Units shall be issued shares of stock

in the Association as provided in Article V of the Association's Articles of Incorporation. No person who has conveyed or otherwise disposed of his ownership interest in the Project shall thereafter be entitled to acquire or retain membership in the Association. The conveyance or other disposition by a member of all of such member's entire ownership interest in the Project shall be deemed to constitute, and may be treated by the Association as a transfer and conveyance by such member to his successor in interest of any of the Association's stock issued to such member which may have been appurtenant to the Unit sold or disposed of, and the Association shall be entitled to cancel the certificate evidencing such stock whether or not said certificate is surrendered and reissue the same to the new owner or owners of such Unit upon such terms and conditions as the Board of Trustees may, in each case, direct.

Section 3. Transfer. Except as provided in Section 2 of this Article XI, certificates of stock shall be transferred on the books of the Association by assignment made by the owner, his attorney-in-fact or legal representative, and by delivery of the certificate to the Secretary of the Association for transfer, together with such further supporting documents as the Association may reasonably require. Each certificate surrendered for transfer shall be marked "Cancelled" by the Secretary and the cancelled certificate shall be affixed to its stub.

Section 4. Lost Certificates. Should the owner of any certificate of stock make application to the Association for the issuance of a duplicate certificate by reason of the loss or destruction of his certificate, he shall accompany his application by an affidavit setting forth the time, place and circumstances of such loss or destruction, together with a bond in such amount and with such surety or sureties as are acceptable to the Secretary of the Association, agreeing to indemnify the Association against such loss as the Association may suffer by reason of the issuance of a duplicate certificate or the refusal to recognize the certificate that was allegedly lost or destroyed. Upon satisfaction of the foregoing, a duplicate certificate may be issued. The duplicate certificate shall be marked "Duplicate," and the stub of the certificate lost or destroyed shall indicate the issuance of the duplicate. The Board of Trustees may, in its discretion, waive the requirement of a surety or sureties on the bond.

## ARTICLE XII

### TRANSFER OR LEASE OF APARTMENT UNITS

The owner, or owners, of any Unit in the Project who desires to convey said Unit, or to enter into any agreement for

the occupancy of said Unit by another person or persons, shall give the Association ten (10) days' advance written notice thereof, which notice shall state the name and address of the proposed purchaser or occupant, as the case may be, and the terms and conditions upon which said proposed purchaser or occupant agrees to purchase or occupy said Unit. The Association shall have the right, exercisable at any time within five (5) days after its receipt of such notice, to purchase or enter into an agreement for the occupancy of said Unit upon the same terms and conditions as those specified in the notice; provided, however, that in the event the Association enters into an agreement under this Article XII for the occupancy of any Unit, it shall have the right to sublet said Unit to any person or persons reasonably suitable to both the Association and to the owner of said Unit. In the event the Association determines that it desires to purchase, or enter into an agreement respecting the occupancy of, a Unit as above provided, but believes that the price or rental specified in the notice is unreasonable, the Association shall give the owner or owners of said Unit written notice thereof within five (5) days after its receipt of notice of the proposed sale or occupancy agreement. The notice thus given by the Association shall state that the Association has elected or thereby elects to purchase said Unit, or enter into an agreement for the occupancy of the same, and shall state further that the Association believes the price or rental specified in the notice given to it is unreasonable. The Association shall thereafter be obligated to purchase said Unit, or enter into an agreement for the occupancy of same, at a price or rental to be determined by a group of three (3) AIA appraisers to be selected as follows: The Association shall select one appraiser, the Unit owner or owners concerned shall select one appraiser, and the two appraisers thus selected shall select the third appraiser. In the event all three (3) appraisers cannot agree on a price or rental to be paid, the decision of any two of the three shall be binding. The Association and the Unit owner or owners concerned shall make every reasonable effort to select their respective appraisers and to take any other action on their part to be taken so as to secure a decision respecting the price or rental which is to be paid at the earliest possible date.

#### ARTICLE XIII

##### DIVIDENDS

There shall be no dividends paid or payable on the issued and outstanding stock of the Association. It is hereby acknowledged that the Association is organized as a nonprofit corporation under the "Utah Nonprofit Corporation and Cooperative Association Act" solely and strictly as an association of

condominium owners to act as an agent for said owners in the management of the Project. It is not intended that the Association realize any profit on any transactions.

ARTICLE XIV

ANNUAL STATEMENT

The Board of Trustees shall present at each annual meeting, and when called for by a vote of the members at any special meeting of the members, a full and complete statement of the business and condition of the Association.

ARTICLE XV

FISCAL YEAR

The fiscal year of the Association shall be fixed by a resolution of the Board of Trustees.

ARTICLE XVI

BUILDING RULES

The Board of Trustees shall have the power to adopt and establish, by resolution, such building, management and operational rules as the Board of Trustees may deem necessary for the maintenance, operation, management and control of the Project, and the Board may from time to time, by resolution, alter, amend and repeal such rules. Members, who shall also be the owners of Units in the Project, shall at all times obey such rules and see that they are faithfully observed by those persons over whom they have or may exercise control and supervision, it being understood that such rules shall apply and be binding upon all members of the Association and upon all owners and occupants of the Project.

ARTICLE XVII

AMENDMENTS

These By-Laws may be altered or repealed by the affirmative vote of a majority of the members at any regular meeting of the members or at any special meeting of the members if notice of the proposed alteration or repeal be contained in the notice of such special meeting.

ARTICLE XVIIIOPERATION AND MAINTENANCE OF CONDOMINIUM PROJECT

The Association, as agent for its members, shall be responsible for the maintenance, control, operation and management of the Project, in accordance with the provisions of the Utah Condominium Ownership Act, the Declaration whereby the Project is established and submitted to the provisions of said Act, the Association's Articles of Incorporation, these By-Laws, such building, management and operational rules and regulations as the Association may adopt from time to time as herein provided, and all agreements and determinations lawfully made and entered into by the Association. The Association shall, in this connection, provide for the proper and reasonable maintenance, control, operation and management of the Project and of the common areas and facilities appurtenant thereto. The Association, unless determined otherwise by a majority of its members, shall also provide water as the same may be required for the proper and necessary use and occupancy of said Units and such general repair and maintenance services as may be reasonably required for the proper and necessary care, maintenance and repair of said common areas and facilities. In addition, the Association will be responsible for the proper and reasonable care and maintenance of the exterior surfaces of all fences, railings and outside walls, excluding windows, even though the same may not be common areas or facilities. Each owner or occupant of a Unit shall be obligated to repair or replace any windows in such Unit which are broken or damaged irrespective of the cause of said breakage or damage. Each owner or occupant of one of the Units shall provide and pay for all utilities, including water and sewer, used in any Unit of which he is the owner or occupant. Charges for water and sewer services shall be paid directly to the Association and shall be at the rate of \$3.00 per month for water and \$2.00 per month for sewer services commencing with the first day of the month following the date the Unit is completed and ready for occupancy. No owner or occupant shall permit or suffer the water to be left running for any unreasonable or unnecessary length of time in any Unit of which he is the owner or occupant. The Association shall have no obligation or responsibility with respect to the care and maintenance of the individual Units, except for the care and maintenance of the exterior surfaces of fences and walls as above provided.

The Association shall have no obligation to remove snow, ice or debris from any parking area or carport which is appurtenant to a Unit and of which a Unit Owner has the exclusive right of use, nor shall the Association have any obligation to water, mow or otherwise maintain or care for any lawns, shrubs, flowers or other growing plants situated in any patio area which is appurtenant to a Unit and of which a Unit Owner has the exclusive right of use.

The owner or occupant of each Unit shall be obligated to maintain the patio area, carport, parking area and storage area which is appurtenant to said Unit in a clean and presentable condition and shall not cause or permit unsightly rubbish, debris or other material to accumulate or be stored thereon.

ARTICLE XIX

PAYMENT OF EXPENSES AND DISTRIBUTION OF INCOME

Section 1. General Operating Reserve Fund. At the time each Unit is completed and ready for occupancy, the owner of said Unit will prepay to the Association the sum of \$18.00. The amount so paid shall be used by the Association for the purpose of establishing a general operating reserve fund for use in connection with the management and operation of the Project. The amount of such fund may be increased or decreased by the Board of Trustees from time to time as the Board may deem advisable.

Section 2. Payment of Expenses. All costs and expenses incurred by the Association, as agent for its members, in connection with the maintenance, control, operation and management of the Project shall be paid and discharged by the Association, or its duly authorized agent, from the general operating reserve fund, as the same shall become due and payable. Each member of the Association whose Unit has been completed and is occupied or ready for occupancy shall in turn pay the Association for his share of said costs and expenses on the basis of such owner's proportionate interest in the Project's common areas and facilities. Such payments by members to the Association shall be paid monthly and shall be payable on such days and in such amounts as the Board of Trustees shall determine; provided, however, that the total amount of all payments required to be paid by any member to the Association during any given year shall not exceed such owner's proportionate part of the total costs and expenses for which the Association is reimbursed by its members during such year. No member of the Association shall be obligated to make any payment to the Association pursuant to this Article XIX, Section 2 unless and until his Unit is completed and occupied or ready for occupancy.

Section 3. Lien. If any Unit Owner shall fail or refuse to make payment of Common Expenses when due, the amount thereof shall constitute a lien upon the interest of said Unit Owner in the Common Areas and Facilities and upon the Unit owned by said Unit Owner and upon the recording of notice thereof by the Association shall be a lien upon the Unit Owner's interest in the Common Areas and Facilities and the Unit owned by said Unit Owner prior to all other liens and encumbrances recorded or unrecorded, except only:

(a) tax and special assessment liens on the Unit in favor of any assessing unit and special district, and

(b) encumbrances or mortgages on the interest of said Unit Owner recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

ARTICLE XX

TAXES AND INSURANCE

Section 1. Taxes. It is acknowledged that under the Utah Condominium Ownership Act each of said Units and each of said Units' percentage of undivided interest in the Common Areas and Facilities of the Project, are subject to separate assessment and taxation by each assessing unit and special district for all types of taxes authorized by law, and that as a result thereof no taxes will be assessed or payable against the Project as such. Each member will, therefore, pay and discharge any and all taxes which may be assessed against any of said Units of which he is the owner, against the percentage of undivided interest in the Common Areas and Facilities of any such unit, and/or against any items of personal property located in or upon any Unit of which he is the owner.

Section 2. Insurance. The Association shall secure and maintain the following insurance coverage on the Project:

a. Fire and Extended Coverage. A policy or policies of Fire and Extended Coverage Insurance on the Project in the sum of not less than \$729,000.00 initially, and in such greater or lesser sum thereafter as the Board of Trustees may from time to time determine to be necessary, proper and adequate, but in no event less than the then reasonable replacement cost of the Project. As between members of the Association, participation in any proceeds realized by the Association from said insurance policy will be on the basis of any damage sustained. In the event such members cannot agree on the amount of damage sustained by each, the decision of the Board of Trustees respecting the appraisal of such damage shall be conclusive. Said policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees, of each Unit, if any. Each member shall be responsible for securing and maintaining insurance coverage on any items of personal property which he may have in or on his particular Unit.

b. Public Liability Coverage. A policy or policies insuring the Association, and the Unit Owners against any liability to the public or to the owners of Units and of the



Common Areas and Facilities, and their invitees, or tenants, incident to the ownership and/or use of the Project, and including the personal liability exposure of the Unit Owners. Limits of liability under such insurance shall be not less than Three Hundred Thousand Dollars (\$300,000.00) for any one person injured, for any one accident, and shall be not less than One Hundred Thousand Dollars (\$100,000.00) for property damage each occurrence (such limits and coverage to be reviewed at least annually by the Board of Trustees and adjusted in its discretion). Said policy or policies shall be issued on a comprehensive liability endorsement wherein the rights of named insured under the policy or policies shall not be prejudiced as respects his, her or their action against another named insured.

It is intended that the insurance policies herein provided for include coverage for any act or omission of the Association, its officers, members, agents and employees, or of the occupants of any Unit in the Project, respecting the ordinary and anticipated use, occupancy, operation and/or maintenance of the Project. It is not intended, however, that said insurance policies include any coverage or recognize any liability with respect to any act or omission on the part of any member or occupant, or their employees, respecting acts or omissions other than those arising out of the ordinary and anticipated use, occupancy, operation and/or maintenance of the Project or of any of said Units.

c. Workmens Compensation. Workmens compensation insurance or coverage to the extent necessary to comply with any applicable law.

Section 3. General Provisions Relating to Insurance Coverage. All insurance required by Article XX, Section 2 shall be governed by the following provisions:

(a) All policies shall be written with a company licensed to do business in the State of Utah and holding a rating of "AAA" or better by Best's Insurance Reports;

(b) Exclusive authority to adjust losses under policies hereafter in force in the Project shall be vested in the Association or its authorized representative;

(c) In no event shall the insurance coverage obtained and maintained by the Association hereunder, be brought into contribution with insurance purchased by individual Unit Owners or their mortgagees;

(d) Each Unit Owner may obtain additional insurance at his own expense; provided, however, that 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, in behalf of all of the Unit Owners, may realize under any insurance policy which the Association may have in force on the Project at any particular time;

(e) Each Unit Owner shall be required to notify the Association of all improvements made by the Unit Owner to his Unit, the value of which is in excess of One Thousand Dollars (\$1,000.00);

(f) Any Unit Owner who obtains individual insurance policies covering any portion of the Project other than personal property belonging to such Unit Owner, shall be required to file a copy of such individual policy or policies with the Association within thirty (30) days after purchase of such insurance;

(g) The Association shall be required to make every effort to secure insurance policies that will provide for the following:

(1) A waiver of subrogation by the insurer as to any claims against the Association, the Unit Owners and their respective servants, agents, and guests;

(2) That the master policy on the Project cannot be cancelled, invalidated or suspended on account of the conduct of any one or more individual Unit Owners;

(3) That the master policy on the Project cannot be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Association without a prior demand in writing that the Association cure the defect;

(4) That any 'no other insurance' clause in the master policy exclude individual Unit Owners' policies from consideration.

#### ARTICLE XXI

##### PROJECT MANAGER

The Board of Trustees may employ a Project Manager for the Project which may be either an individual, partnership or corporation under a Management Agreement containing such terms and conditions as the Board shall deem to be in the interest of the members. Said Project Manager shall be responsible for managing the Project, for and on behalf of the Association, in accordance with these By-Laws and said Management Agreement.

ARTICLE XXII

RIGHT OF ENTRY

Section 1. By the Association. The Association and its duly authorized agents shall have the right to enter any and all of the said Units in case of an emergency originating in or threatening such Unit or any other part of the Project, whether the owner or occupant thereof is present at the time or not. The Association and its duly authorized agents shall also have the right to enter any and all of said Units at all reasonable times as required for the purpose of making necessary repairs upon the common areas and facilities of the Project.

Section 2. By Members. All members and their duly authorized agents and representatives shall have the right to enter any of said Units contained within the Project for the purpose of performing emergency installations, alterations or repairs to the mechanical or electrical devices or installations located therein, thereon or thereunder; provided, however, such emergency installations, alterations or repairs are necessary to prevent damage or threatened damage to other Units in the Project; and provided further that the member affected by such entry shall first be notified thereof, if available and if time permits.

ARTICLE XXIII

REIMBURSEMENT FOR DAMAGES

Each member shall promptly perform or cause to be performed all maintenance and repair work within any of said Units owned by him which, if omitted, will adversely affect the building in which said Unit is located in its entirety, or any other part of the Project, and shall be liable in damages for any failure on his part so to do. Each member shall also reimburse the Association for the full value of any repairs or replacements to the common areas and facilities made necessary through the negligence or fault of such member or such member's tenants.

ARTICLE XXIV

NUISANCES

No member of occupant shall cause, permit or suffer any nuisance to be created or carried on in any Unit of which he is the owner or occupant.

ARTICLE XXV

PARKING FACILITIES

Separate parking areas have been provided as a portion of each of the Units as shown on the Record of Survey Map. No automobile shall be parked overnight in any area embraced within the Project outside of the designated parking areas.

ARTICLE XXVI

USE AND OCCUPANCY

Section 1. Obstruction of Common Areas and Facilities.

No member shall cause or allow, nor permit any person over whom he has or may exercise supervision or control to cause or allow, any exit, entrance, breezeway, roadway, driveway, visitor parking area or sidewalk in or on the Project to be obstructed or to be used for any purpose other than for ingress to or egress from said Units or the Project.

Section 2. Use of Units. No owner or occupant of any of said Units shall, without the prior written consent of the Association, occupy or use any of said Units, nor permit any person over whom such owner or occupant has or may exercise supervision and control to occupy or use the same, for any purpose other than a private dwelling, or to permit or suffer anything to be done or kept in or upon any of said Units which would constitute a nuisance or a violation of any law, ordinance, or regulation, which would increase the rate of fire insurance on the Project or which might otherwise interfere with the rights of other owners or occupants of the Project. No sign, signal, advertisement or illumination shall be inscribed or exposed on or at any window or outside wall of the Project.

Section 3. Maintenance of Units. Each owner and/or occupant of any of said Units shall, at such owner's and/or occupant's sole cost and expense, maintain the interior of such Unit and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition, and do all re-decorating, painting and/or varnishing which may at any time be necessary to maintain such Unit in a clean and attractive condition. No such owner or occupant shall, however, without the prior written consent of the Board of Trustees, make or permit to be made any structural alteration, improvement or addition in or to any of said Units which would adversely affect the building in which such Unit is situated or any other Unit. No shades, awnings or window guards shall be used on the outside of any building contained within the Project without the prior written approval of the Board of Trustees. No radio or TV antenna or aerial shall be installed on the outside of any building contained within the Project without the prior written consent of the Board of Trustees.

Section 4. Pets. No bird or animal shall be kept or harbored in the Project unless the same in each instance be expressly permitted by the Board of Trustees in writing. In no event shall dogs be permitted in any of the common areas and facilities of the Project unless carried on a leash. The owner shall indemnify the Association and hold it harmless against any loss or liability of any kind or character whatsoever arising from or growing out of having any animal or pet in the Project.

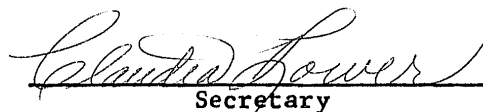
Section 5. No Waiver of Strict Performance. The failure on the part of the Association to insist, in one or more instances, upon a strict performance of any of the terms, covenants or conditions of the aforesaid Act, Declaration, Record of Survey Map, Management Agreement, rules, regulations, agreements, determinations and/or these By-Laws, or to exercise any right or option therein contained, shall not constitute, nor be construed as, a waiver or relinquishment of any other right which the Association may have thereunder or which it may thereafter acquire.

ARTICLE XXVII

RENTAL DURING FORECLOSURE PROCEEDINGS

In the case of a foreclosure of a lien upon any unit in the Project, the owner of such Unit shall be required to pay a reasonable rental for such Unit during the period of the foreclosure proceedings and the plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect the rental without regard to the value of the mortgage or lien security.

ADOPTED AND APPROVED this 5<sup>th</sup> day of October, 1965, by resolution of the Board of Trustees.

  
Secretary