

**AMENDMENT TO
DECLARATION OF CONDOMINIUM
OF
MOUNTAIN MEADOWS MULTIPLE
UNIT CONDOMINIUM**

KNOW ALL PERSONS BY THESE PRESENTS:

That pursuant to the affirmative vote of more than 75% of the Unit Owners of Mountain Meadows Multiple Unit Condominiums, the Declaration dated the 30th day of July, 1980, recorded in Book 1365, Page 1277, is amended as follows:

1. The Recitals at Paragraph I "Definitions" at such paragraph 11 - "Limited Common Areas and Facilities or Limited Common Areas" is amended to read as follows:

"11. Limited Common Areas and Facilities or Limited Common Areas shall mean those Common Areas designated in the Declaration as reserved for use of a certain Unit or Units to the exclusion of other Units. Limited Common Areas include appurtenant patios, exterior walkways, steps and driveways and those Limited Common Areas as shown on the Map."

2. Paragraph III "Covenants, Conditions and Restrictions" at subparagraph 10 "Maintenance of Limited Common Area" is amended to read as follows:

Phase I: 06-182-0001 - 0012
Phase II: 06-196-0001 - 0012
Phase III: 06-196-0001 - 0006

ET 1317977 BK 1735 PG 1268
DOUG CROFTS, WEBER COUNTY RECORDER
24-OCT-94 130 PM FEE \$53.00 DEP MH
REC FOR: MOUNTAIN.MEADOWS.CONDO..ASSOC.

"10. Maintenance of Limited Common Areas.
Each owner shall maintain the Limited Common Areas designed for use in connection with his Unit at his expense in a clean, sanitary and attractive condition and in a good state of repair at all times. In the event any Unit Owner fails to comply with the foregoing, the Association may maintain such Limited Common Area and assess the expense thereof to the Unit Owner and Unit and enforce collection thereof as provided for in this Declaration."

3. Paragraph IX "Insurance" is amended to read as follows:

"Article IX Insurance. 1. Type and Scope of Insurance Coverage.

(A) Insurance for Fire and Other Perils.
The Owners' Association must obtain, maintain and pay the premiums upon, as a common expense, a "master" or "blanket" type policy of property insurance covering all of the common elements, limited common elements, and other common personal property belonging to the Owners' Association, and also covering the individual Units, including fixtures therein; excluding, however, items of freestanding personalty within the Units belonging to the Unit Owners. All references herein to a "master" or "blanket" type policy of property insurance are intended to denote single entity condominium insurance coverage.

Such policy must be consistent with state and local insurance laws and at least equal to such coverage as is commonly required by prudent institutional mortgage investors in the area. The policy shall be in an amount equal to 100% of current replacement cost of the condominium, exclusive of land, foundation, excavation and other items normally excluded from coverage.

The name of the insured under such policies must be set forth therein

substantially as follows: "Association of Owners of Mountain Meadows Multiple Unit Condominium, for use and benefit of the individual owners (designated by name if required by law)."

The policies may also be issued in the name of an authorized representative of the Owners' Association, including any insurance trustee with whom the Owners' Association has entered into an Insurance Trust Agreement, or any successor trustee, as insured, for the use and benefit of the individual owners. Loss payable shall be in favor of the Owners' Association (or Insurance Trustee), as a trustee, for each Unit Owner and each such owner's mortgagee. The Owners' Association or Insurance Trustee, if any, must be required to hold any proceeds of insurance in trust for Unit Owners and their first mortgage holders, as their interests may appear. Each Unit Owner and each Unit Owner's mortgagee, if any, shall be beneficiaries of the policy in the percentage of common ownership. Certificates of Insurance shall be issued to each Unit Owner and mortgagee upon request.

Such policies shall contain the standard mortgage clause or equivalent endorsement (without contribution), which is commonly accepted by private institutional mortgage investors in the area. Such policies must also provide that they may not be cancelled or substantially modified without at least ten (10) days prior written notice to the Owners' Association and to each holder of a first mortgage listed as a scheduled holder of a first mortgage in the policies.

Policies are unacceptable whereby the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's Board of Directors, policyholders or members.

The policies must also provide for the following: (a) Recognition of any Insurance Trust Agreement; (b) A waiver of the right of subrogation against Unit Owners individually; (c) That the insurance is not prejudiced by any act or neglect of individual Unit Owners; and (d) That the policy is primary in the event the Unit Owner has other insurance covering the same loss.

The insurance policy shall afford, as a minimum, protection against the following: (a) Loss or damage by fire and other perils normally covered by the standard extended coverage endorsement; (b) In the event the condominium contains a steam boiler, loss or damage resulting from such steam boiler equipment accidents in an amount of not less than \$50,000.00 per accident per location (or such greater amount as deemed prudent based on the nature of the property); (c) All other perils which are customarily covered with respect to condominiums similar in construction, location and use, including all perils normally covered by the standard "all-risk" endorsement, where such is available.

In addition, such policies shall include an "Agreement Amount Endorsement" and, if available an "Inflation Guard Endorsement."

The Association of Owners or its agent shall notify the first mortgagee or designee whenever: (i) damage to a condominium Unit covered by a mortgage exceeds \$1,000.00; or (ii) damage to common elements and related facilities exceeds \$10,000.00."

(B) Fidelity Coverage. The Association of Owners must have fidelity coverage against dishonest acts on the part of directors, managers, trustees, employees or volunteers responsible for handling funds belonging to or administered by the condominium Association of Owners if the condominium project ever reaches

more than thirty (30) Units. The fidelity bond or insurance must name the condominium Association of Owners as the named insured and shall be written in an amount sufficient to provide protection which is in no event less than one and one-half (1 1/2) times the insured's estimated annual operating expenses and reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

(C) Public Liability. The Association of Owners must have a comprehensive policy of public liability insurance covering all of the Common Areas, commercial spaces and public ways in the condominium project. Such insurance policy shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of a condominium Unit Owner because of negligent acts of the condominium Association of Owners or other Unit Owners. The scope of coverage must include all other coverage in the kinds and amounts required by private institutional mortgage investors for projects similar in construction, location and use. If the project has more than thirty (30) Units, coverage shall be for at least \$1,000,000.00 per occurrence, for personal injury and/or property damage.

2. Minimum Financial Rating of Carrier:
No Assessments; Other Requirements. Each hazard insurance policy must be written by a hazard insurance carrier which has a financial rating by Best's Insurance Reports of Class VI or better. Hazard insurance policies are also acceptable from an insurance carrier which has a financial rating by Best's Insurance Reports of Class V, provided it has a general policy holder's rating of at least A. Each carrier must be specifically licensed or authorized by law to transact business within the state or

territory where the condominium project is located.

Policies shall not be acceptable where: (i) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the borrower or any first mortgagee or designee; or (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders, or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which would prevent the borrower or any first mortgagee or designee from collecting insurance proceeds.

3. Mortgagee Clause; Endorsement. All policies of hazard insurance must contain or have attached the standard mortgagee clause commonly accepted by private institutional mortgage investors in the area in which the mortgaged premises are located. The Mortgagee Clause must provide that the insurance carrier shall notify the first mortgagee named at least ten (10) days in advance of the effective date of any reduction in or cancellation of the policy.

4. Additional Provisions. The following additional provisions shall apply with respect to insurance: (a) In addition to the insurance described above, the Committee shall secure and at all times maintain insurance against such risks as are or hereafter may be customarily insured against in connection with condominium projects similar to the project construction, nature and use; (b) Insurance secured and maintained by the Association shall not be brought into contribution with insurance held by the individual Unit Owners or their mortgagees; (c) Each policy of insurance obtained by the Association shall, if possible, provide a waiver of the insurer's subrogation rights with respect to the

committee, the manager, the Unit Owners and their respective servants, agents and guests; that it cannot be cancelled, suspended or invalidated due to the conduct of any member, officer or employee of the committee or of the manger without a prior written demand that the defect be cured; that any "no other insurance clause" therein shall not apply with respect to insurance held individually by the Unit Owners; and (d) Any Unit Owner may obtain additional insurance at his own expense, so long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Committee. Any Unit Owner who acquires such additional insurance shall supply the Committee with a copy of his policy within thirty (30) days after he acquires such insurance."

IN WITNESS WHEREOF, this AMENDMENT TO DECLARATION OF CONDOMINIUM OF MOUNTAIN MEADOWS MULTIPLE UNIT CONDOMINIUMS was executed this 24th day of October, 1994.

ASSOCIATION OF UNIT OWNERS
OF MOUNTAIN MEADOWS MULTIPLE
UNIT CONDOMINIUMS BY THE
MANAGEMENT COMMITTEE

By: Robert Bevan
Robert Bevan
Chairman/President

STATE OF UTAH)
):SS.
COUNTY OF WEBER)

The foregoing instrument was acknowledged before me this 24th day of October, 1994 by ROBERT BEVAN, Chairman and President of the Management Committee of the Owners Association of Mountain Meadows Multiple Unit Condominiums.



Sharon Tracy
NOTARY PUBLIC