

16793

Horn

1979 MAY -4 AM 11:22

UTAH COUNTY REC'D
PR. A.S. INO. \$35.00

AFTER RECORDING PLEASE RETURN TO:

L. REID IVINS
BURK & IVINS
Attorneys at Law
379 North University Avenue
Provo, Utah 84601

16793

DECLARATION OF CONDOMINIUM
OF THE
HEATHER PARK CONDOMINIUM PROJECT

THIS DECLARATION is made and executed this _____ day of _____, 1979, by HARRISON H. HORN doing business as HORN CONSTRUCTION COMPANY, (hereinafter referred to as "Declarant").

RECITALS

A. Declarant is the record owner of that certain Tract of real property more particularly described in Article II hereof.

B. Various improvements have been or will be made to the Tract so as to enable its use and operation as a Condominium Project. The construction of all such improvements has been or will be performed in accordance with the information contained in this Declaration and in the Record of Survey Map, proposed and certified by Phillip L. Hardy, Surveying Associates, Inc., Utah Registered Land Surveyors.

C. Declarant desires, by filing this Declaration and Survey Map, to submit said Tract and all improvements now or hereafter constructed thereon to the provisions of the Condominium Project to be known as the "Heather Park Condominium Project."

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

E. Within the tract of land described in Article II hereof, the Declarant intends to have and create certain common properties for the benefit of the owners of Condominium Units within the Project.

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

I. DEFINITIONS

When used in this Declaration, (including in that portion hereof entitled "Recitals") each of the following terms shall have the meaning indicated. Any term used herein which is defined by the Utah Condominium Ownership Act shall, to the extent permitted by the context hereof, have the meaning ascribed by the Act.

BOOK 1740 PAGE 733

1. Act shall mean and refer to the Utah Condominium Ownership Act, Title 57, Chapter 8, Utah Code Annotated, 1953, as amended.

2. Declaration shall mean and refer to this Declaration of Condominium of the Heather Park Condominium Project, as the same may hereafter be modified or amended.

3. Record of Survey Map, Survey Map, or Map shall mean and refer to the Record of Survey Map, filed herewith, entitled "Record of Survey Map of the Heather Park Condominium Project", executed and acknowledged by Declarant on the _____ day of _____, 1979, consisting of one (1) sheet and prepared and certified to by Phillip L. Hardy, a duly registered land surveyor, as the same may hereafter be modified or amended.

4. Management Committee or Committee shall mean and refer to the Management Committee of the Heather Park Condominium Project.

5. Common Areas and Facilities or 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, including the entirety of the Tract (but excluding individual Units).

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

(c) All Limited Common Areas and Facilities.

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

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

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

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

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

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

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

7. Unit shall mean and refer to one of the apartment spaces which is designated as a Unit on the Record of Survey Map and in Exhibit "A" attached hereto (and incorporated

herein by this reference). Unless a wall on the perimeter of a Unit separates and is common to two or more Units, such perimeter wall shall constitute a part of the Common Areas and Facilities. A wall on the perimeter of a Unit which separates such Unit from, and is common to, another Unit shall, from and including the surface such wall to its center, constitute a part of the Unit to which it relates. A Unit shall include any walls, partitions, floors, ceilings, and stairs which are wholly contained within its vertical and horizontal perimeters and the surfaces of any floors, ceilings, walls, or coverings which bound it. A Unit shall not include pipes, wires, conduits, or other utility lines running through it which are utilized for or which serve more than one Unit and, notwithstanding anything to the contrary contained herein, shall not include any load-bearing walls or floors comprising a part of the Building in which the Unit is contained.

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

9. Condominium Unit shall mean, refer to, and include a Unit together with its appurtenant undivided ownership interest in the Common Areas and Facilities.

10. Unit Owner or Owner shall mean and refer to the person who is the owner of record (in the office of the County Recorder of Utah County, State of Utah) of a fee or an undivided fee interest in a Condominium Unit. Notwithstanding any applicable theory relating to a mortgage, deed of trust, or like instrument, the term Unit Owner or Owner shall not mean or include a mortgagee or 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.

11. Building shall mean and refer to a structure containing Units.

12. Building Number shall mean and refer to the number, letter, or combination thereof (if any) which designates a Building in the attached Exhibit "A" and on the Record of Survey Map.

13. Size shall mean and constitute the area of the floor space within a Unit, in square feet, rounded to the nearest whole number ending in zero (e.g. 1020, 1180, 1510), and computed and determined on the basis of dimensions shown on the Survey Map. Notwithstanding the provisions of Section 7 of this Article I (defining the boundaries of a Unit) the measurements used in determining Size shall run from the interior surfaces of the walls surrounding the Unit concerned and each separate level, story, or floor contained within or making up the Unit shall be taken into account and shall augment the Size thereof. So long as it substantially complies with the provisions of this Section 13 and is not arbitrary, Declarant's determination of the Size of a Unit, as set forth in this Declaration or in any amendment or supplement hereto, shall be conclusive.

14. 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, any Management Agreement which may be entered into for operation of the Project, and such rules and regulations as the Management Committee may from time to time make and adopt.

15. Association of Unit Owners or Association shall mean and refer to all of the Owners taken as, or acting as, a group.

16. Mortgage shall mean and include both a first mortgage on any Condominium Unit and a first deed of trust on any Condominium Unit.

17. Mortgagee shall mean and include both a mortgagee under a first mortgage on any Condominium Unit and a beneficiary under a first deed of trust on any Condominium Unit.

18. Tract shall mean, refer to, and consist of the real property which Article II of this Declaration submits to the terms of the Act.

19. Condominium Project or Project shall mean and refer to the Heather Park Condominium Project.

20. Declarant shall mean and refer to HARRISON H. HORN, doing business as HORN CONSTRUCTION COMPANY, and/or any successor who, either by operation of law or through a voluntary conveyance, transfer, or assignment, comes to stand in the same relation to the Project as did its predecessor.

II. SUBMISSION

There is hereby submitted to the provisions of the Act, as the Tract comprising the Heather Park Condominium Project, the following described parcel of real property situated in Utah County, State of Utah.

BEGINNING AT A POINT on the east line of 400 West St., Provo, Utah, which point is North 99.68' from the southwest corner of Block 19, Plat A, Provo City Survey of Building Lots. Thence north along said street line 35.500' thence south 89°51'01" east 87.000', thence north 164.510' to a fence line, south 89°51'01" east along said fence line 113.190' to a fence line, thence south 00°08'45" east along said fence line 99.510' thence south 89°04'47" east 50.00' thence south 00°09'02" east 99.205' to a fence line thence north 89°59'35" west along said fence line 250.697' to point of beginning containing 0.705 acres.

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 reservations 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 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 Map or otherwise existing; an easement for each and every pipe, line, cable, wire, utility line, or similar facility which traverses or partially occupies the above described Tract at such time as construction of all Project improvements is complete; and all easements necessary for ingress to, egress from,

maintenance of, and replacement of all such pipes, lines, cables, wires, utility lines, and similar facilities.

RESERVING UNTO DECLARANT, however, such easements and rights of ingress and egress over, across, through, and under the above described Tract and any improvements (other than Buildings) now or hereafter constructed thereon as may be reasonably necessary for Declarant or for any assignee or successor of Declarant (in a manner which is reasonable and not inconsistent with the provisions of this Declaration): (i) To construct and complete each of the Buildings and all of the other improvements described in this Declaration or in the Survey Map recorded concurrently herewith, and to do all things reasonably necessary or proper in connection therewith; (ii) To improve portions of the Tract with such other scaping designed for the use and enjoyment of all the Owners as Declarant or as such assignee or successor may reasonably determine to be appropriate. If, pursuant to the foregoing reservations, the above described Tract 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 reservations hereby effected shall, unless sooner terminated in accordance with their terms, expire 20 years after the date on which this Declaration is filed for record in the office of the County Recorder of Utah County, Utah.

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 or will be located upon the Tract. The significant improvements contained in the Project include four (4) Buildings, asphalt parking area and driveways, concrete sidewalks or walkways, and concrete porches and/or patios. The location and configuration of the improvements referred to in the foregoing sentence are depicted on the Survey Map. The project also contains other improvements of a less significant nature, such as outdoor lighting, fencing, and landscaping, all of which are to be of the type and in the location reasonably determined to be appropriate by declarant. The survey Map shows the basements, the number of stories, and the number of Units which are contained in the four (4) buildings included in the Project. Said Buildings are composed of the following materials: wooden frame with load and non-load bearing concrete walls studded with wood; basement floors and walls of concrete; first floor of wooden joists; roof of wooden truss type; roof is covered with plywood and surfaced with composition shingles; interior walls surfaced with gypsum boards; and exterior surfaced with aluminum siding.

2. Description and Legal Status of Units. The Record of Survey Map shows the Unit Number of each Unit, its location, dimensions from which its size may be determined, and the Common Areas and Facilities to which it has immediate access. Each Unit shall be capable of being separately owned, encumbered, and conveyed.

3. Contents of Exhibit "A". Exhibit "A" to this Declaration furnishes the following information with respect to each Unit contained in the Project: (i) The Unit Number; (ii) The Size of the Unit; and (iii) The percentage of undivided ownership interest in the Common Areas which is appurtenant to the Unit.

4. Computation of Undivided Interests. The percentage of undivided ownership interest in the Common Areas and Facilities which, at any point in time, is appurtenant to a Unit shall be equal to the ratio between the Size of such Unit and the Aggregate Size of all Units included in the Project. The percentage of undivided ownership interest which is appurtenant to each Unit contained in the Project has been computed in the aforesaid manner and through use of the minor adjustments described at the end of this Section 4. Declarant shall have the right to make minor adjustments in some or all of the percentage interests which result from a strict application thereof for the purpose, but only for the purpose, of assuring that at all times the total undivided ownership interest respecting the Project equals 100.0000%.

5. Limited Common Areas. The Limited Common Areas and Facilities which are contained or to be contained in the Project consist of all patios, porches, and balconies attached or adjacent to a Building and which are labelled as Limited Common Areas on the Survey Map. The exclusive use of each patio, porch, or balcony is reserved to the Unit which it adjoins or with which it is associated.

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

Unit No. _____, Building No. _____ contained within the Heather Park Condominium Project as the same is identified in the Record of Survey Map recorded in Utah County, Utah as Entry No. _____ in Book _____ at Page _____ (as said Record of Survey Map may have heretofore been amended or supplemented) and in the Declaration of Condominium of the Heather Park Condominium Project recorded in Utah County, Utah as Entry No. _____ in Book _____ at Page _____ (as said Declaration may have heretofore been amended or supplemented). TOGETHER WITH the undivided ownership interest in said Project's Common Areas and Facilities which is appurtenant to said Unit.

Whether or not the description employed in any such instrument is in the above specified form, however, all provisions of this Declaration shall be binding upon and shall inure to the benefit of any party who acquires any interest in a Unit. Neither the percentage of undivided ownership interest in the Common Areas and Facilities nor the right of exclusive use of a limited Common Area and Facility shall be separated from the Unit to which it appertains; and, even though not specifically mentioned in the instrument of transfer, such percentage of undivided ownership interest and such right of exclusive use shall automatically accompany the transfer of the Unit to which they relate.

7. Permissible Usage and Restriction. All Units are intended to be used for single family residential housing and are restricted to such use. No Unit shall be used, occupied, or altered in violation of law, so as to detract from the appearance or value of any other Unit, so as to create a nuisance or interfere with the rights of any Unit

Owner, or in any way which would result in an increase in the cost of any insurance covering the Project as a whole. The Common Areas and Facilities shall be used only in a manner which is consistent with their community nature and with the use restrictions applicable to the Units. Automobiles and other vehicles may be parked only in the parking area provided and at no other location within the Project which impairs or tends to impair vehicular or pedestrian access within the Project or to and from its various parts. No leases, charges for use, rental agreements, licenses, or similar arrangements shall be employed or entered into with respect to any portion of the Common Areas and Facilities. No animals other than household pets (dogs and cats) in reasonable numbers shall be kept or allowed in any part of the Project. Whenever a pet is allowed to leave a Unit, it shall be on a leash or in a cage. Except for a Mortgagee in possession of a Condominium Unit by reason of a default in a Mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no Unit Owner may lease his unit for transient or hotel purposes. A Unit Owner may lease his Unit provided; (i) there is a lease agreement in writing; (ii) not less than the entire Unit is leased; (iii) terms of the lease agreement are made subject in all respects to the provisions of this Declaration; and (iv) failure of the lessee to comply with the provisions of this Declaration shall constitute a default under such lease agreement.

8. Declarant's Sales Program. Notwithstanding the provisions of the foregoing Section 7, until the happening of the event described in the second Paragraph of this Section 8, Declarant shall have the following rights in furtherance of any sales, promotional, or other activities designed to accomplish or facilitate the sale of all Units owned or to be owned by Declarant:

(i) Declarant shall have the right to maintain two (2) or less sales offices and/or model apartments. Such offices and/or model apartments may be one or more Units (of any floor area and at any location) owned by Declarant and/or separate structures or facilities placed on the Tract for the purpose of aiding Declarant's sales efforts. If separate structures or facilities are so employed by Declarant, each shall be reasonably located given the layout of the Project.

(ii) Declarant shall have the right to maintain a reasonable number of promotional, advertising, and/or directional signs, banners, or similar devices at any place or places on the Tract, but any such device shall be of a size and location as is reasonable and customary.

Declarant shall have the right from time to time to locate or relocate any of its sales offices, model apartments, and/or signs, banners, or similar devices, but in connection with each such location or relocation shall observe the limitations imposed by the preceding portion of this Section. Within a reasonable period of time after the happening of the event described in the second Paragraph of this Section 8 Declarant shall have the right to remove from the project any signs, banners, or similar devices and any separate structure or facility which was placed on a portion of the Tract for the purpose of aiding Declarant's sales effort.

The event referred to in the first Paragraph of this Section 8 shall be the first to occur of the following:

(a) Declarant ceases to be a Unit Owner; or

(b) The expiration of seven (7) years after the date on which this Declaration is filed for record in the office of the County Recorded of Utah County, Utah.

9. Completion Obligation. Declarant hereby covenants in favor of each person who contracts with Declarant for the purchase of a Unit located or to be located on any portion of the Tract that no later than eighteen (18) months after the date on which such contract is entered into: (i) The Unit which such person has contracted to purchase, the Building within which such Unit is contained or is to be contained, and each Limited Common Area appurtenant to such Unit shall be fully constructed and ready for use or occupancy (as the case may be); and (ii) There shall be substantially completed and usable as part of the Common Areas all proposed or planned roadways, parking spaces, sidewalks, fences, outdoor lighting, landscaping, and utility lines and conduits necessary to enable full use and enjoyment of the Unit Concerned.

10. Condition and Maintenance of Units and Limited Common Areas. Each Unit shall be maintained by the Owner thereof so as not to detract from the appearance of the Project and so as not to affect adversely the value or use of any other Unit or portions of the Project. Each Unit Owner shall keep his appurtenant patio(s) and/or porch(es) in a clean and orderly condition, but shall not otherwise maintain the same. The Committee shall have no obligation regarding maintenance or care which is required to be accomplished by the Owners.

11. Encroachments. In the event that any portion of a Unit and/or Building (whether constructed by Declarant or reconstructed so as to substantially duplicate a Unit or Building originally constructed by Declarant) encroaches or comes to encroach on the Common Areas, Limited Common Areas, another Unit, and/or another Building, an easement for such encroachment and its maintenance, if necessary, is created hereby and shall exist so long as such encroachment exists.

12. Status and General Authority of Committee. The Condominium Project shall be managed, operated, and maintained by the Management Committee on behalf of the Unit Owners. The Committee shall, in connection with its exercise of any of the powers delineated in subparagraphs (a) through (i) below, constitute a legal entity capable of dealing in its Committee name. The Management Committee shall have, and is hereby granted, the following authority and powers (all of which are, however, subject to the provisions of Sections 20 and 41 of this Article III):

(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, reasonable utility and similar 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 Record of Survey Map which has been approved by the vote or consent necessary to authorize such amendment.

(c) The power to sue and be sued.

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

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

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

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

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

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

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

13. Manager. The Committee may carry out through a Project Manager any of its functions which are properly the subject of delegation. Any Manager so engaged shall be an independent contractor and not an agent or employee of the Committee, shall be responsible for managing the Project for the benefit of the Committee and the Unit Owners, and shall, to the extent permitted by law and the terms of the agreement with the Committee, be authorized to perform any of the functions or acts required or permitted to be performed by the Management Committee itself. Any agreement for professional management of the Project which may be entered into by the Management Committee or the Association shall call for a term not exceeding one year, but which may be renewable by agreement for successive one-year periods and shall provide that for cause such management agreement may be terminated by the Management Committee or by the Association upon not in excess of thirty (30) days written notice. It is anticipated that the Committee and Declarant will enter into a Management Agreement on a month-to-month basis to begin on or about the date this Declaration is filed for record.

14. Composition of Management Committee. The Committee shall be composed of three members. At the first regular Owners meeting two Committee members shall be elected for two-year terms and one member for a one-year term. At each annual Owners meeting thereafter any vacant seat on the Committee shall be filled with a member elected for a two-year term. Only Unit Owners and officers and agents for Owners other than individuals shall be eligible for Committee membership. At each annual meeting the percentage of undivided ownership interest appurtenant to a Unit may be voted in favor of as many candidates for Committee memberships as there are seats on the Committee to be filled; provided, however, that until the happening of the event described in the second Paragraph of this Section 14, Declarant alone shall be entitled to select two of the three Committee members. Notwithstanding the foregoing provisions, until the first annual meeting of the Owners the members of the Committee shall be the following persons and each shall hold the office(s) indicated opposite his name:

Harrison H. Horn	President
Barbara J. Horn	Vice President
James D. Gibbons	Secretary-Treasurer

Any Committee member who fails on three successive occasions to attend Committee meetings (whether regular or special) or (whether regular or special) held during any 12-month period shall automatically forfeit his seat. In the event a Committee seat which was filled by Declarant becomes vacant prior to the happening of the event described in the second Paragraph of this Section 14, whether by reason of forfeiture or due to another cause, Declarant shall select a replacement member to sit on the Committee for the balance of the term associated with the vacated seat. In all other cases of vacancy the remaining committee members shall elect a replacement to sit on the Committee until the expiration of the term for which the member being replaced was elected. Unless he forfeits or otherwise loses his seat as herein provided, a member shall serve on the Committee until his successor is elected and qualifies. Committee members shall be reimbursed for all expenses reasonably incurred in connection with Committee business. Committee members shall receive no salaries but the Committee may fix such compensation for any member as may be reasonable in light of any extra-ordinary Committee duties which that member is required to perform.

The event referred to in the first Paragraph of this Section 14 shall be the first to occur of the following:

(a) Units to which an aggregate of at least three-fourths (75%) of the undivided ownership interest in the Common Areas then appertain have been conveyed by Declarant; or

(b) The expiration of six (6) years after the date on which this Declarant is filed for record in the office of the County Recorded of Utah County, Utah.

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

members. The officers of the Committee, and their respective powers and functions, shall be as follows:

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

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

(c) Secretary. The Secretary shall keep minutes of meetings of the Committee and of the Unit Owners and shall keep all records which are required or made necessary by the Act, this Declaration, or the Committee.

(d) Treasurer. The Treasurer shall have custody and control of the funds available to the Committee. Upon request of the Committee he shall furnish it with a bond, in the amount specified by the Committee, conditioned upon the faithful performance of his duties. The offices of Secretary and Treasurer or of Vice-President and Treasurer may be held by the same Committee member.

16. Committee Meetings. A regular meeting of the Committee shall be held immediately after the adjournment of each annual Owners meeting. Other regular meetings shall be held at periodic intervals at such time and place as the Committee may provide. No notice need be given of regular Committee meetings. Special Committee meetings shall be held whenever called by the President or by any two members of the Committee. Reasonable effort shall be made to give either oral or written notice of a special meeting to each Committee member at least 24 hours before the time fixed for the meeting. Adequate notice of a special meeting shall be deemed to have been given to a member if such effort is made, even though the member concerned does not actually receive notice. The propriety of holding any meeting which is grounds of inadequate notice. A quorum for the transaction of business at any Committee meeting shall consist of a majority of all the members then in office.

17. Owners' Meetings. The annual meeting of the Unit Owners shall be held at 7:00 p.m. on the first Tuesday in October, 1979, and on the first Tuesday in October of each succeeding year. Whenever such day is a legal holiday, the meeting shall occur on the first business day thereafter. The place of meeting shall be at a location in Utah County, Utah specified in the notice of meeting. At least ten but not more than 30 days before the date of the annual meeting a written notice thereof shall be personally delivered or mailed postage prepaid to each person who appears as an Owner, at the latest address for such person appearing, in the records of the Committee at the time of delivery or mailing. Such notice shall state the time, place, and general purpose of the meeting.

Special meetings of the Owners may be called by the President, by any two members of the Committee, or by Unit

Owners cumulatively holding at least one-fourth of the undivided ownership interest in their Project. At least two but not more than 30 days before the date set for a special meeting written notice thereof shall be given in the manner described in the immediately preceding Paragraph.

No notice of any Owners meeting shall be required if a waiver of such notice is signed by all of the Owners. Whenever all the Owners meet in person or by proxy such meeting may not be challenged on grounds of inadequate notice. The presence of Owners entitled to cast a majority of all the undivided ownership interest in the Project shall constitute a quorum for the transaction of business at any Owners meeting. In the event a quorum is not present at any Owners meeting, whether regular or special, the meeting may be adjourned and rescheduled for a time no earlier than 48 hours, and no later than 30 days, after the time set for the original meeting. No notice of such rescheduled meeting shall be required. The presence of Owners shall entitled to cast 25% of all the undivided ownership interest in the Project shall constitute a quorum at the rescheduled meeting. Notwithstanding the foregoing provisions of this Paragraph, however, in any case in which the Act or this Declaration requires the affirmative vote of at least a specified percentage of the Project's undivided ownership interest for authorization or approval of a matter, the presence of Owners entitled to cast such percentage shall be necessary to constitute a quorum at any meeting (whether original or rescheduled) at which action on such matter is taken.

18. Voting -- Multiple Ownership. The vote attributable to and exercisable in connection with a Unit shall be the percentage of undivided ownership interest which is then apurtenant thereto. In the event there is more than one Owner of a particular Unit, the vote relating to such Unit shall be exercised as such Owners may determine among themselves. A vote cast at any meeting by any of such Owners shall be conclusively presumed to be the vote attributable to the Unit concerned unless an objection is immediately made by another Owner of the same Unit. In the event such an objection is made, the vote involved shall not be counted for any purpose whatsoever other than to determine whether a quorum exists.

19. Ownership List. The Committee shall maintain up-to-date records showing the name of each person who is an Owner, the address of such person, and the Unit which is owned by him. In the event of any transfer of a fee or undivided fee interest in a Unit either the transferor or the transferee shall furnish the Committee with evidence establishing that the transfer has occurred and that the Deed or other instrument accomplishing the transfer is of record in the office of the County Recorder of Utah County, Utah. The Committee may for all purposes act and rely on the information concerning Owners and Unit ownership which is thus acquired by it or, at its option, the Committee may act and rely on current ownership information respecting any Unit or Units which is obtained from the office of the County Recorder of Utah County, Utah. The address of an Owner shall be deemed to be the address of the Unit owned by such person unless the Committee is otherwise advised.

20. Limitation on Improvements by Association. Until occurrence of the event described in the second Paragraph of Section 8 of this Article III, neither the Association nor the Management Committee shall, without the written

consent of Declarant, make any improvements to or alteration in any of the Common Areas and Facilities other than such repairs, replacements, or similar matters as may be necessary to properly maintain the Common Areas as originally created or constructed by Declarant.

21. Capital Improvements. Additions or capital improvements to the Project which cost not more than \$1,000.00 may be authorized by the Management Committee alone. Additions or capital improvements the cost of which will exceed such amount must, prior to being constructed or accomplished, be authorized by at least a majority of the undivided ownership interest in the Project. Any addition or capital improvement which would materially alter the nature of the Project must, regardless of its cost and prior to being constructed or accomplished, be authorized by at least 65% of the Project's undivided ownership interest. All provisions of this Section 21 are subject to the limitations imposed by the foregoing Section 20.

22. Operation and Maintenance. The Management Committee shall, as a portion of the Common Expenses, pay for, or provide for the payment of, all utility services furnished to the Project which are not separately metered and billed to individual Units by the utility or other party furnishing such service. Except as otherwise provided in the balance of this Section 22 or in Section 10 of this Article III, the Committee shall provide for such maintenance and operation of the Common and Limited Common Areas and Facilities as may be reasonably necessary to make them appropriately usable in conjunction with the Units and keep them clean, functional, attractive, and generally in good condition and repair.

23. Payment of Expenses. On or before the date of each annual meeting of Owners, the Committee shall prepare a budget which sets forth an itemization of the Common Expenses which are anticipated for the 12-month period commencing with the following June 1. Such budget shall take into account any deficit or surplus realized during the current fiscal year and such sums as may be necessary to fund an appropriate reserve to cover major repair or replacement of portions of the Common Areas and Facilities. The total of such expenses shall be apportioned among all the Units on the basis of their respective appurtenant percentages of undivided ownership interest (subject, however, to the provision which appears at the end of this Paragraph). Prior to the tenth (10th) day of each month during the fiscal year covered by the budget each Unit Owner shall pay to the Committee as his share of the Common Expenses one-twelfth of the amount so apportioned to his Unit. If the aggregate of monthly payments attributable to all of the Units is too large or too small as a result of unanticipated income or expenses, or if the monthly payments attributable to a particular Unit or Units are too large or too small as a result of a Unit's being occupied for the first time or title thereto no longer being vested in Declarant (as hereinafter provided), the Committee may from time to time effect an equitable change in the amount of said payments. The dates and manner of payment shall be determined by the Committee. The foregoing method of assessing the Common Expenses to the Units may be altered by the Committee so long as the method it adopts is consistent with good accounting practice and requires that the portion of Common Expenses borne by each Unit during a 12-month period be determined on the basis of its appurtenant undivided ownership interest as it may from time to time

be adjusted in accordance with this Declaration; provided, however, that the share of Common Expenses required to be borne by a Unit shall be ten percent (10%) of the amount otherwise applicable until both of the following have occurred: (i) Title to such Unit is no longer vested in Declarant or such Unit is occupied for the first time for residential purposes following recordation of this Declaration, whichever first occurs; and (ii) That portion of the Building containing such Unit has been fully constructed and completed.

Each time legal title to a Unit passes from one person to another (excluding from Declarant to a purchaser), within thirty (30) days after the effective date of such title transaction the new Unit Owner shall pay to the Committee, in addition to any other required amounts the sum of \$25.00. The provisions of the following Section 24 shall apply to the collection of such sum. The sums received by the Committee pursuant to this Paragraph shall be held by it as a contingency reserve and shall be used at such times and for such purposes as the Committee may determine.

24. Remedies for Nonpayment. Should any Unit Owner fail to pay when due his share of the Common Expenses, the delinquent payment shall bear interest at the rate of 18% per annum and the Committee may enforce any remedy provided in the Act or otherwise available for collection of delinquent Common Expense assessments. Regardless of the terms of any agreement to the contrary, liability for the payment of Common Expense assessment shall be joint and several, and any remedy for the collection of such assessments may be enforced against any Owner of the Unit concerned or against the Unit itself. Any relief obtained, whether or not through foreclosure proceedings, shall include the Committee's costs and expenses and a reasonable attorney's fee. In the event of foreclosure, after institution of the action the Committee shall, without regard to the value of the Unit or the extent of the Owner's equity therein, be entitled to the appointment of a receiver to collect any income or rentals which may be produced by the Unit concerned.

25. Management Committee Liability. No member of the Management Committee shall be liable to the Unit Owners for any mistake of judgment, for negligence, or on other grounds, except for such member's own individual and willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each member of the Management Committee from and against all liability to third parties arising out of any contract made by the Management Committee on behalf of the Owners, unless such contract was made in bad faith or contrary to the provisions of the Act or this Declaration. The liability of any Unit Owner arising out of any contract made by the Management Committee or out of the indemnification provision set forth in the foregoing portion of this Section 25 shall be limited to the total liability concerned multiplied by such Owner's undivided ownership interest in the Common Areas.

26. Hazard Insurance. The Management Committee or Association of Unit Owners shall at all times maintain in force hazard insurance meeting the following requirements:

(i) A multi-peril type policy covering the entire Condominium Project (both Units and Common Areas and Facilities) shall be maintained. Such policy shall provide coverage against loss or damage by fire and other hazards covered by the standard extended coverage endorsement and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, water damage, and such other risks as customarily

are covered with respect to condominium projects similar to the Project in construction, location, and use. As a minimum, such policy shall provide coverage on a replacement cost basis in an amount not less than that necessary to comply with any co-insurance percentage specified in the policy, but not less than one hundred percent (100%) of the full insurable value (based upon replacement cost). Such policy shall include an "Agreed Amount Endorsement" or its equivalent, if available, or an "Inflation Guard Endorsement," and, if necessary or appropriate, a "Demolition and Contingent Liability from Operation of Building Laws Endorsement" or its equivalent, an "Increased Cost of Construction Endorsement" or its equivalent, and an "Earthquake Damage Endorsement" or its equivalent.

(ii) If a steam boiler is or comes to be contained in the Project, there shall be maintained boiler explosion insurance and a broad form policy of repair and replacement boiler and machinery insurance, evidenced by the standard form of boiler and machinery policy. Said insurance shall, as a minimum, provide coverage in the amount of Fifty Thousand Dollars (\$50,000.00) per accident per location.

(iii) If the Project is or comes to be situated in a locale identified by the Secretary of Housing and Urban Development as an area having special flood hazards and the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, as amended, a "blanket" policy of flood insurance on the Condominium Project shall be obtained and maintained. The minimum amount of coverage afforded by such policy shall be the lesser of the maximum limit of coverage available under said Act or the aggregate of the unpaid principal balances of the Mortgages affecting the individual Units. Such policy shall be in the form of the standard policy issued by members of the National Flood Insurers Association or in the form of a policy which meets the criteria established by the Flood Insurance Administration.

(iv) The named insured under each policy required to be maintained by the foregoing items (i), (ii), and (iii) shall be in the form and substance essentially as follows: "Association of the Heather Park Condominium Project, or its authorized representative, for the use and benefit of the individual Owners." [Said Owners shall be designated by name, if required.]

(v) Each such policy shall include the standard mortgagee clause (without contribution) which either shall be endorsed to provide that any proceeds shall be paid to the Association of Unit Owners for the use and benefit of Mortgagees as their interests may appear or shall be otherwise endorsed to fully protect the interests of Mortgagees. In addition, the mortgagee clause shall provide that the insurance carrier shall notify each Mortgagee at least thirty (30) days in advance of the effective date of any reduction in or cancellation of the policy.

(vi) Each such policy shall provide that, notwithstanding any provisions thereof which gives the carrier the right to elect to restore damage in lieu of making a cash settlement, such option shall not be exercisable without the prior written approval of the Association or if such option is in conflict with any requirement of law.

27. Fidelity Insurance. The Management Committee or Association shall have the option to maintain in force fidelity coverage against dishonest acts on the part of managers (and employees of managers), trustees, employees, officers, Committee members, or volunteers responsible for handling funds belonging to or administered by the Management Committee or Association of Unit Owners. If obtained, the fidelity bond or insurance shall name the Association as the obligee or insured and shall be written in an amount determined by the Committee to be appropriate. An appropriate endorsement to the policy may be secured to cover persons who serve without compensation if the policy would not otherwise cover volunteers.

28. Liability Insurance. Each Unit Owner, at his own expense, may maintain in force liability insurance covering his Unit. The Management Committee or Association of Unit Owners shall at all times maintain in force a comprehensive policy of public liability insurance covering all of the Common Areas and Facilities. Such insurance shall include a "Severability of Interest Endorsement" or its equivalent which shall preclude the insurer from denying the claim of a Unit Owner because of negligent acts of other Owners, the Management Committee or the Association of Unit Owners. The coverage afforded by such public liability insurance shall include protection against water damage liability, liability for non-owned and hired automobile, liability for property of others, and such other risks as customarily are covered with respect to condominium projects similar to the Project in construction, location, and use. The limits of liability under such insurance shall not be less than \$1,000,000.00 for all claims for personal injury and/or property damage arising out of a single occurrence.

29. General Requirements Concerning Insurance. Each insurance policy maintained by the Management Committee or Association of Unit Owners pursuant to the foregoing Sections 26, 27 and 28 shall be written by an insurance carrier which is licensed to transact business in the State of Utah and which has a financial rating by Best's Insurance Reports of BBB+ or better. No such policy shall be maintained where: (i) under the terms of the carrier's charter, bylaws, or policy, contributions may be required from, or assessments may be made against, a Unit Owner, a Mortgagee, the Management Committee, the Association of Unit Owners, a Unit, the Common Areas, or the Project; (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, policy holders, or members; (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent the party entitled from collecting insurance proceeds; or (iv) the policy provides that the insurance thereunder shall be brought into contribution with insurance purchased by the individual Unit Owners or their Mortgagees. Each such policy shall provide that: (a) coverage shall not be prejudiced by any act or negligence of the Unit Owners when such act or negligence is not within the control of the Association of Unit Owners or the Management Committee; (b) coverage shall not be prejudiced by any failure by the Association

or Committee to comply with any warranty or condition with regard to any portion of the Project over which the Association and Committee have no control; (c) coverage may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days prior written notice to any and all insureds named therein, including any Mortgagee named as an insured; and (d) the insurer waives any rights or subrogation it might have as to any and all claims against the Association, the Management Committee, any Unit Owner, and/or their respective agents, employees, or tenants, and any defense it might have based upon co-insurance or upon invalidity arising from acts of the insured. If due to changed circumstances, excessive cost, or any other reason, any of the insurance coverage required to be obtained and maintained under this Section 29 and/or Sections 26, 27 and 28 hereof cannot reasonably be secured, with respect to such coverage the Association or the Committee shall obtain and maintain such substitute, different, or other coverage as may be reasonable and prudent under the circumstances as they then exist.

30. Destruction, Condemnation, and Obsolescence.

The provisions of this Section 30 and of the following Sections 31 through 34 shall apply with respect to the destruction, condemnation, or obsolescence or the Project. As used in such Sections each of the following terms shall have the meaning indicated:

(a) Destruction. "Substantial Destruction" shall exist whenever, as a result of any damage or destruction to the Project or any part thereof, the excess of Estimated Costs of Restoration over Available Funds is fifty percent (50%) or more of the estimated Restored Value of the Project. "Partial Destruction" shall mean any other damage or destruction to the Project or any part thereof.

(b) Condemnation. "Substantial Condemnation" shall exist whenever a complete taking of the Project or a taking of part of the Project has occurred under eminent domain or by grant or conveyance in lieu of condemnation, and the excess of the Estimated Costs of Restoration over Available Funds is fifty percent (50%) or more of the estimated Restored Value of the Project. "Partial Condemnation" shall mean any other such taking by eminent domain or grant or conveyance in lieu thereof.

(c) Obsolescence. "Substantial Obsolescence" shall exist whenever the Project or any part thereof has reached such a state of obsolescence or disrepair that the excess of Estimated Costs of Restoration over Available Funds is fifty percent (50%) or more of the estimated Restored Value of the Project. "Partial Obsolescence" shall mean any state of obsolescence or disrepair which does not constitute Substantial Obsolescence.

(d) Restoration. "Restoration", in the case of any damage or destruction, shall mean restoration of the Project to a condition the same or substantially the same as the condition in which it existed prior to the damage or destruction concerned; in the case of condemnation, shall mean restoration of the remaining portion of the Project to an attractive, sound, and desir-

able condition; and, in the case of obsolescence, shall mean restoration of the Project to an attractive, sound, and desirable condition.

(e) Restored Value. "Restored Value" shall mean the value of the Project after Restoration.

(f) Estimated Costs of Restoration. "Estimated Costs of Restoration" shall mean the estimated costs of Restoration.

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

31. Determination by Committee. Upon the occurrence of any damage or destruction to the Project or any part thereof, or upon a complete or partial taking of the Project under eminent domain or by grant or conveyance in lieu thereof, the Committee shall make a determination as to whether the excess of Estimated Costs of Restoration over Available Funds is fifty percent (50%) or more of the estimated Restored Value of the Project. In addition, the Committee shall, from time to time, review the condition of the Project to determine whether Substantial Obsolescence exists. In making such determinations the Committee may retain and rely upon one or more qualified appraisers or other professionals.

32. Restoration of Project. Restoration of the Project shall be undertaken by the Committee promptly without a vote of the Owners in the event of Partial Destruction, Partial Condemnation, or Partial Obsolescence, but shall be undertaken in the event of Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence only with the consent of Owners collectively holding at least seventy-five percent (75%) of the Mortgagees (based upon one vote for each Mortgage). Within thirty (30) days after the Committee has determined that Substantial Destruction, Substantial Condemnation or Substantial Obsolescence exists, it shall send to each Owner and Mortgagee a written description of the destruction, condemnation, or state of obsolescence involved, shall take appropriate steps to ascertain the preferences of the Mortgagees concerning Restoration, and shall, with or without a meeting of the Owners (but in any event in accordance with the applicable provisions of this Declaration), take appropriate steps to determine the preferences of the Owners regarding Restoration. In the event insurance proceeds, condemnation awards, or payments in lieu of condemnation actually received by the Committee or Association exceed the cost of Restoration when Restoration is undertaken, the excess shall be paid and distributed to the Owners in proportion to their respective undivided interest in the Common Areas. Payment to any Owner whose Condominium Unit is the subject of a Mortgage shall be made jointly to such Owner and the interested Mortgagee. In the event the cost of Restoration exceeds Available Funds, all of the Units shall be assessed for the deficiency on the basis of their respective percentages of

undivided ownership interest in the Common Areas.

33. Sale of Project. The Project shall be sold in the event of Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence unless the consents required by Section 32 hereof have been obtained within six (6) months after the Committee sends the written description contemplated by said Section 32. In the event of such sale, condominium ownership under this Declaration and the Survey Map shall terminate and the proceeds of sale and any Available Funds shall be distributed by the Committee to the Owners in proportion to their respective undivided interest in the Common Areas. Payment to any Owner whose Condominium Unit is then the subject of a Mortgage shall be made jointly to such Owner and the interested Mortgagee.

34. Authority of Committee to Restore or Sell. The Committee, as attorney-in-fact for each Owner, shall have and is hereby granted full power and authority to restore or to sell the Project and each Condominium Unit therein whenever Restoration or sale, as the case may be, is undertaken as hereinabove provided. Such authority shall include the right and power to enter into any contracts, deeds, or other instruments which may be necessary or appropriate for Restoration or sale, as the case may be.

35. Consent in Lieu of Vote. In any case in which the Act or this Declaration requires the vote of a stated percentage of the Project's undivided ownership interest for authorization or approval of an act or 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 stated percentage of undivided ownership interest. The following additional provisions shall govern any application of this Section 35.

(a) All necessary consents must be obtained prior to the expiration of ninety (90) days after the first consent is given by any Owner.

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

(c) Unless the consent of all Owners having an interest in the same Unit are secured, the consent of none of such Owners shall be effective.

36. Mortgagee Protection. From and after the time a Mortgagee makes written request to the Management Committee or the Association of Unit Owners therefor, the Committee or the Association shall notify such Mortgagee in writing in the event that the Owner of the Condominium Unit encumbered by the Mortgagee held by such Mortgagee neglects for a period of thirty (30) days to cure any failure on his part to perform any of his obligations under this Declaration.

The lien or claim against a Condominium Unit for unpaid assessments or charges levied by the Management Committee or by the Association of Unit Owners pursuant to this Declaration or the Act shall be subordinate to the Mortgage affecting such Condominium Unit, and the Mortgagee thereunder which comes into possession of or which obtains title to the Condominium Unit shall take the same free of such

BOOK 1740 PAGE 751

lien or claim for unpaid assessments or charges, but only to the extent of assessments or charges which accrue prior to foreclosure of the Mortgage, exercise of power of sale available thereunder, or deed or assignment in lieu of foreclosure (except for claims for a pro rata reallocation thereof to all Condominium Units including the Condominium Unit in which the Mortgagee is interested). No assessment charge, lien, or claim which is described in the preceding sentence as being subordinate to a Mortgage or as not to burden a Mortgagee which comes into possession or which obtains title shall be collected or enforced by either the Management Committee of the Association from or against a Mortgagee, a successor in title to a Mortgagee, or the Condominium Unit affected or previously affected by the Mortgage concerned to the extent any such collection or enforcement would prejudice the interests of the Mortgagee or successor in title to the Mortgagee interested in such Unit.

Unless all of the Mortgagees of the individual condominium Units have given their prior written approval; neither the Management Committee nor the Association of Unit Owners shall be entitled, by act, omission, or otherwise:

(a) To abandon or terminate the Condominium Project or to abandon or terminate the arrangement which is established by this Declaration and the Record of Survey Map (except as provided in Sections 30 through 34 of this Article in the event of Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence);

(b) To partition or subdivide any Unit;

(c) To abandon, partition, subdivide, encumber, sell, or transfer all or any part of the Common Areas and Facilities (except for the granting of easements for utilities and similar purposes consistent with the intended use of the Common Areas, except as provided in Sections 30 through 34 of this Article in the event of Substantial Destruction, Substantial Condemnation, or Substantial Obsolescence);

(d) To use hazard insurance proceeds resulting from damage to any part of the Condominium Project (whether to Units or to the Common Areas) for purposes other than the repair, replacement, or reconstruction of such improvements, except as provided in Sections 30 through 34 of this Article in the event of Substantial Destruction;

(e) To change the pro rata interests or obligations of any Unit which apply 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 Common Areas and Facilities;

(f) To alter the provisions of Section 13 of this Article III in such a way as to diminish the protections afforded to the Owners regarding the duration or terminability of agreements for managerial services; or

(g) To alter the provisions of Sections 26 through 29 of this Article II in such a way as to diminish the insurance protection required to be afforded to the parties designed to be protected thereby, or to fail to maintain the insurance coverage described therein.

Any Mortgagee shall, upon request, be entitled to: (i) at its expense and upon reasonable notice, inspect the books and records of the Management Committee of the Association or of the Condominium Project during reasonable business hours; (ii) receive an annual audited financial statement of the Condominium Project within ninety (90) days following the end of any fiscal year of such Project and such annual or other operating reports of writings summarizing or reflecting the financial position or history of the Condominium Project as may be prepared for distribution to or use by the Committee, the Association or the Unit Owners; and (iii) written notice of all meetings of the Unit Owners to which it may designate a representative to attend.

To the extent the same is reasonably possible and practical and is not inconsistent with the significant interests of the Association of Unit Owners, the Management Committee and the Association shall establish an adequate reserve to cover the cost of reasonably predictable and necessary major repairs and replacements of the Common Areas and Facilities and shall cause such reserve to be funded by regular monthly or other periodic assessments against the Units rather than by special assessment.

From and after the time a Mortgagee makes written request to the Management Committee of the Association of Unit Owners therefor, the Committee or the Association shall notify such Mortgagee in writing in the event that there occurs any damage to or loss to, or taking or anticipated condemnation of: (i) The Common Areas involving an amount in excess of, or reasonably estimated to be in excess of, Ten Thousand Dollars (\$10,000.00); or (ii) Any Unit involving an amount in excess of, or reasonably estimated to be in excess of, One Thousand Dollars (\$1,000.00). Said notice shall be given within ten (10) days after the Management Committee or said Association learns of such damage, loss, taking, or anticipated condemnation.

In the event another provision or clause of this Declaration deals with the same subject matter as is dealt with in any provision or clause of this Section 36, the provision or clause which results in the greatest protection and security for a Mortgagee shall control the rights, obligations, or limits of authority, as the case may be, applicable to the Management Committee and Association or Unit Owners with respect to the subject concerned.

No amendment of this Section 36 which has the effect of diminishing the rights, protection, or security afforded to Mortgagees shall be accomplished or effective unless all of the Mortgagees of the individual Units have given their prior written approval to such amendment. Any amendment to this Section 36 shall be accomplished by an instrument executed by the Management Committee and filed for record in the office of the Utah County Recorder. In any such instrument an officer of the Management Committee shall certify that any prior written approval of Mortgagees required by this Section 36 as a condition to amendment has been obtained.

37. Amendment. Except as provided in and/or subject to the terms of items (a) and (b) below, the vote of at least 65% of the undivided ownership interest in the Common Areas and Facilities shall be required to amend this Declaration or the Record of Survey Map. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Management Committee. In such instrument the Committee shall certify that the vote required by this Section for amendment has occurred. The foregoing right of amendment shall, however, be subject to the following:

(a) Any amendment to the foregoing Section 36 ("Mortgagee Protection") shall be subject to the matters treated by the last Paragraph of said Section.

(b) Until the happening of the event described in the second Paragraph of Section 8 of this Article III, no amendment to the Survey Map or to any provision of this Declaration which has or may have the effect of diminishing or impairing any right, power, authority, privilege, protection, or control accorded to Declarant (in its capacity as Declarant) herein shall be accomplished or effective unless the instrument through which such amendment is purported to be accomplished is consented to in writing by Declarant.

38. Declarant's Rights Assignable. All of the rights of Declarant under this Declaration, or the rights of Declarant hereunder respecting any given portion of the Additional Land, may be assigned or transferred either by operation of law or through a voluntary conveyance, transfer, or assignment.

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

40. Covenants to Run with Land. This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of Declarant, all other signatories hereto, all parties who hereafter acquire any interest in a Unit or in the Project, and their respective grantees, transferees, heirs, devisees, personal representatives, successors, and assigns. Each Owner or occupant of a Unit shall comply with, and all interests in all Condominium Units shall be subject to, the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments, supplements, amendments, and determinations contemplated by this Declaration. By acquiring any interest in a Unit or in the Project, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

41. Remedies. The failure of any Unit Owner to comply with any of the provisions of this Declaration shall give rise to a cause of action in the Association and any approved Unit Owner for the recovery of damages or for injunctive relief or both.

42. Agent for Service of Process. Harrison H. Horn, whose address is 2828 Marrcrest West, Provo, Utah, is the person to receive service of process in the cases authorized by the Act. The Management Committee shall, however, have the right to appoint a successor or substitute process agent. Such successor or substitute agent and his address shall be specified by an appropriate instrument filed in the office of the County Recorder of Utah County, State of Utah.

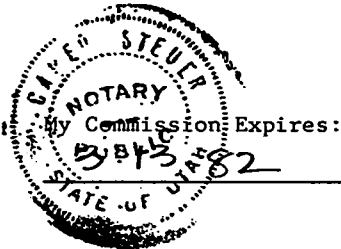
43. Effective Date. This Declaration, any amendment or supplement hereto, and any amendment or supplement to the Survey Map shall take effect upon its being filed for record in the office of the County Recorder of Utah County, State of Utah.

EXECUTED by Declarant on this 25th day of April, 1979.

By Harrison H. Horn
Harrison H. Horn, dba
Horn Construction Company

STATE OF UTAH)
 :
COUNTY OF UTAH)

On this 25th day of April, 1979, personally appeared before me, HARRISON H. HORN, dba HORN CONSTRUCTION COMPANY, whose name is subscribed to the foregoing Declaration, and acknowledged to me that he executed the same.



Cameo Steuer
Notary Public
Residing at: Orem, Utah

CITY APPROVAL

On this _____ day of _____, 1979, the undersigned Community Development Director of Provo City, acting on behalf of said City and pursuant to authority granted by Section 24.74.080 of the ordinances of said City, hereby gives final approval to the Heather Park Condominium Project, to the foregoing Declaration of Condominium, and to those attributes of said Condominium Project which are mentioned in Section 57-8-35(3) of the Utah Condominium Ownership Act (as amended and expanded by Laws of Utah 1975,

Chapter 173, Sections 1 through 20).

PROVO CITY

By _____
JERRY M. HOWELL,
Community Development Dir.

STATE OF UTAH)
 : ss
COUNTY OF UTAH)

On this _____ day of _____, 1979, personally appeared before me JERRY M. HOWELL, known to me to be the Community Development Director of PROVO CITY, a body politic of the State of Utah, who duly acknowledged to me that he executed the foregoing Approval on behalf of said City pursuant to the Authority granted in Section 24.74.080 of the Ordinance of said City.

Notary Public

Residing at: _____

My Commission Expires:

EXHIBIT "A"
TO
DECLARATION OF CONDOMINIUM
OF THE HEATHER PARK CONDOMINIUM PROJECT

<u>Building</u>	<u>Unit No.</u>	<u>Size</u>	<u>Percentage Ownership</u>
A	1	1156 sq. ft.	6.25%
A	2	1156 sq. ft.	6.25%
A	3	1156 sq. ft.	6.25%
A	4	1156 sq. ft.	6.25%
B	1	1156 sq. ft.	6.25%
B	2	1156 sq. ft.	6.25%
B	3	1156 sq. ft.	6.25%
B	4	1156 sq. ft.	6.25%
C	1	1156 sq. ft.	6.25%
C	2	1156 sq. ft.	6.25%
C	3	1156 sq. ft.	6.25%
C	4	1156 sq. ft.	6.25%
D	1	1156 sq. ft.	6.25%
D	2	1156 sq. ft.	6.25%
D	3	1156 sq. ft.	6.25%
D	4	1156 sq. ft.	6.25%