

2947158

Recorded ~~MAY 20 1977~~ 458 p. m.
Request of *Stringham & Jensen*
KATIE L. DIXON, Recorder
Salt Lake County, Utah
\$ 35.00 By *Patricia R. Brown* Deputy
Patricia Brown

REF. _____
ENABLING DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF REDWOOD II PLANNED UNIT DEVELOPMENT *200 Roman*
84103

THIS ENABLING DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made and executed this 18th day of May, 1977, by UTAH HOUSE DEVELOPMENT, INC., A Utah Corporation, hereinafter referred to as "DECLARANT,"

W I T N E S S E T H :

WHEREAS, Declarant is the sole owner of that certain parcel of real property (herein sometimes referred to as the "Subject Property") located in Salt Lake County, Utah, and more particularly described as:

Beginning at a point which is North 0° 01'25" West 350.00 feet and North 89°49'42" East 33.00 feet from the Southwest corner of the Northeast quarter of Section 22, T 2 S, R 1 W, S.L.B. & M. and running thence North 0° 01'25" West 120.00 feet; thence North 89° 49'42" East 156.74 feet; thence North 0° 01'25" West 123.50 feet; thence North 89° 49'42" East 33.05 feet; thence North 0° 01'25" West 50.00 feet; thence North 89°49'42" East 146.46 feet; thence South 32°32'46" East 78.74 feet; thence South 36°33'28" East 104.40 feet; thence South 31°32'00" East 191.64 feet; thence South 29° 49'17" East 75.16 feet; thence South 89°49'42" West 281.21 feet; thence North 0° 01'25" West 86.00 feet; thence South 89°49'42" West 297.00 feet to the point of beginning. (contains 2.715 acres)

WHEREAS, Declarant has constructed, or is in the process of constructing upon the Subject Property a Planned Unit Development, consisting of various improvements, all of such construction having been, or is to be, performed in accordance with the plans and specifications contained in the Official Subdivision Plat Maps of the Planned Unit Development; and

WHEREAS, Declarant desires, by filing this Declaration, to submit the Subject Property, and all improvements now or hereafter constructed thereon, to those certain covenants, conditions, restrictions, reservations, assessments, charges and liens as hereinafter set forth as a Planned Unit Development to be known as Redwood II Planned Unit Development; and

WHEREAS, Declarant has obtained the acknowledgment and consent to this Declaration by all record owners of said parcel of real property, as well as the consent of all parties possessing liens effecting any portion of the subject property,

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which, by their consents, attached hereto and by this reference made a part hereof, said third party owners and lien owners hereby join in the submission of this property; and

WHEREAS, Declarant intends to sell to various purchasers the fee title to the individual lots located within the said development, together with the undivided ownership interest in the common areas and facilities as specified herein, subject to the covenants, conditions, restrictions, reservations, assessments, charges and liens herein set forth;

NOW, THEREFORE, Declarant hereby declares that that certain parcel of real property described above, shall be held, sold and conveyed and occupied subject to the following easements, restrictions, covenants, conditions, assessments, charges and liens, which are for the purpose of protecting the value and desirability of the Subject Property; and which shall be construed as covenants of equitable servitude and shall run with the Subject Property and be binding on all parties having any right, title or interest in the Subject Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

A. Definitions

When used in this Declaration, including the recitals hereto, the following terms shall have the meaning indicated:

1. Declaration: This Enabling Declaration of Covenants, Conditions and Restrictions of Redwood II Planned Unit Development, and all amendments thereto.
2. Declarant: Utah House Development, Inc., a Utah Corporation, its successors-in-interest and specific assignees-in-interest to rights and obligations under this Declaration.
3. Project: The Redwood II Planned Unit Development.
4. Association: The unincorporated Homeowners Association of the Redwood II Planned Unit Development, which association is established and defined in this Declaration.
5. Management Committee: The governing body of the Planned Unit Development.

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6. Manager: The person designated by the Management Committee to manage the affairs of the Planned Unit Development.

7. Map: The official subdivision plat maps filed and recorded in the Official Records of the Salt Lake County Recorder.

8. Mortgage: Deed of Trust as well as mortgage.

9. Mortgagee: Beneficiary or holder under Deed of Trust as well as mortgagees.

10. Owner: Any person with an ownership interest in a lot, together with the undivided interest in the common areas as defined herein.

11. Lot: Lot shall mean and refer to each individual lot within the Project, as shown on the official subdivision plat map, which may or may not be improved and which may or may not include one-half of a duplex on each lot.

12. Person: Legal entity as well as natural person.

B. Submission. Declarant hereby submits the Subject Property, defined above to the provisions of this Declaration, and to the covenants, conditions, restrictions, reservations, assessment charges and liens hereunder.

C. Covenants, Conditions and Restrictions. The foregoing submission is made upon and under the following covenants, conditions and restrictions:

1. Name. The Declaration Project, as submitted to the provisions of this Declaration, shall be known as Redwood II Planned Unit Development.

2. Description of Lots. The Project consists of individual lots, each of which may or may not be improved and may or may not include one-half of a duplex, all improvements to be constructed of materials architecturally compatible with the other improvements on the project.

3. Designation of Lots. The lots herein, their locations, and approximate dimensions are indicated on the Map.

4. Common Areas and Facilities. The common areas and facilities of the Project shall be and are all of the streets, roadways, parking areas, playgrounds, and any and all other common

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areas and facilities designated as such on the Map.

5. Lots and Rights to Common Areas and Facilities Inseparable. The percentage of undivided interest in the common areas and facilities shall not be separated from the lot to which it appertains and, even though not specifically mentioned in the instrument of transfer, such percentage of undivided interest and such right of exclusive use shall automatically accompany the transfer of the lot to which they relate.

6. Voting - Common Expense - Ownership in Common Areas and Facilities. The percentage of undivided ownership in the common areas and facilities is set forth in the attached Exhibit "A," and shall be used for all purposes including voting and sharing of the common expenses in the proportionate value that each of the lots bears to the total value of the property within the Project.

7. Easements and Encroachments. In the event any portion of the Common Areas and Facilities or any fences or walls adjacent to a lot boundary, in the Project are partially or totally destroyed, and then rebuilt or improved, maintained, painted, or repaired, encroachments shall be permitted as may be necessary, desirable or convenient upon the lots, and easements for such encroachments and for the maintenance of same shall exist for such period of time as may be necessary, desirable or convenient. In addition, encroachments shall be permitted upon the lots and the common facilities as may be necessary, convenient or desirable for the installation within the Project for the installation, placing, removal, inspection and maintenance of utility lines and utility service facilities, and any emergency or necessary repairs which the lot owner has failed to perform; and easements for such encroachments shall exist for such period of time as may be necessary, convenient or desirable.

8. Amendments. In addition to the amendment procedure provided by Law and elsewhere in this Declaration, the lot owners shall have the right to amend this Declaration and/or the Map upon the approval and consent of 2/3 of the undivided interests in the Project and, until ten (10) years after date of recording

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of this Declaration, with the written consent of Declarant, which consents and approvals shall be by duly executed and recorded instruments.

9. Association of Property Owners. The property owners of the Project shall comprise an association for the administration and management of the Project on the terms and conditions specified in this Declaration.

10. By-Laws of Property Owners' Association. The procedure for administration and management of the Project shall be governed by the following By-Laws:

(a) Voting at Meeting of Lot Owners. At any meeting of owners, each owner shall be entitled to the number of votes in accordance with his ownership interest in the common areas and facilities as provided in Exhibit "A," and hereinabove. Any owner may attend and vote at such meeting in person or by agent duly appointed in writing signed by the owner and filed with the Management Committee. Where there is more than one record owner for any lot, any or all such owners may attend any meeting of the owners, but they must act unanimously in order to cast the votes to which they are entitled. The Management Committee may accept the votes cast by any one of the record owners of a lot, unless such votes are objected to by any of the other record owners of such lot, and any disagreement between such record owners shall be resolved among themselves; provided, however, that in the event the record owners are unable to resolve the disagreements among themselves and act unanimously, the Management Committee shall not accept the votes of such owners.

(b) Meetings of Lot Owners.

(i) A quorum for the transaction of business at an Owners' meeting shall consist of a majority of all the undivided ownership interest in the Project. In the event a quorum is not present at an Owners' meeting, whether regular or special, the meeting may be adjourned and rescheduled for a time no earlier than 48 hours, and no later than 30 days, after the

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time set for the original meeting. No notice of such rescheduled meeting shall be required. A quorum for the transaction of business at the rescheduled meeting shall be 25% of all the undivided ownership interest in the Project.

(ii) Annual Meeting of Lot Owners. The annual meeting of lot owners shall be held at the Project on the first Monday in June, or at such other time not more than thirty (30) days before or thirty (30) days after such date, as may be designated by written notice of the Management Committee delivered to the owners not less than ten (10) days prior to the date fixed for said meeting. At the annual meeting, elections shall be held to elect members of the Management Committee, financial reports shall be given and such other business conducted as may be properly presented.

(iii) Special Meetings of the Lot Owners. Special meetings of the lot owners may be called at any time by written notice signed by a majority of the Management Committee, or by the owners having one-third (1/3) of the total votes, delivered not less than fifteen (15) days prior to the date fixed for said meeting. Such meeting shall be held on the Project, and the notice thereof shall state the date, time and matters to be considered.

(c) Notices. Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered 24 hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed (1) to each such person at the address given by such person to the Management Committee or Manager for the purpose of service of such notice, or (2) to the address of the lot owned by such person, if no address has been given to the Management Committee or the Manager. Such address may be changed from time

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to time by notice in writing to the Management Committee or Manager.

(d) Management Committee.

(i) General. The business and property of this Project shall be managed by a Management Committee consisting of three (3) persons. These persons need not have an ownership interest in lots in the Project and shall be elected by the owners at an annual meeting of the owners; provided, however, Declarant shall have the option to act as or elect the Management Committee until the first annual meeting of members. Such Management Committee shall have all the powers, duties and responsibilities as are now or hereafter provided by law, this Declaration and any amendments subsequently filed thereto; provided, however, that the Management Committee may engage the services of a Manager, or management group, and fix and pay a reasonable fee or compensation therefor.

(ii) Operation and Maintenance. The Management Committee shall be responsible for the control, operation and management of the Project in accordance with this Declaration, and such administrative, management and operational rules and regulations as the Committee may adopt from time to time, as herein provided, and all agreements and determinations lawfully made and entered into by the Committee. The Committee shall, in this connection, provide for the proper and reasonable control, operation and management of the Project and of the maintenance and repair of the common areas and facilities appurtenant thereto and shall supervise access and activities within the project for installation, placing, removal and inspection of utility lines and utility service facilities.

(iii) Committee Vacancies. In a case of any vacancy in the Management Committee occasioned by death, resignation, removal or inability to act for a period exceeding ninety (90) days, the remaining members thereof

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may elect a successor to hold office until the next regular meeting of the owners.

(iv) Officers. The Management Committee shall appoint or elect from among its membership a Chairman, Vice-Chairman, and a Secretary-Treasurer, who shall hold office at the pleasure of the Committee. The Chairman of the Committee, or in his absence, the Vice-Chairman, shall preside at all meetings of the Committee and at all meetings of the lot owners. The Secretary-Treasurer shall take and keep minutes of all meetings. He shall perform such other services as the Committee may impose upon him and shall receive such compensation as the Committee may fix and/or approve. He shall have the custody and control of the funds of the Committee, subject to action of the Committee, and shall, when requested by the Chairman to do so, report the state of finances of the Committee at each annual meeting of the lot owners and at any meeting of the Committee. He shall perform such other services as the Committee may require of him and shall be bonded as required by the Management Committee.

(v) Regular Meeting. A regular meeting of the Committee shall be held after the adjournment of each annual lot owners' meeting, at a place which the Committee shall determine. Regular meetings other than the annual meeting shall be held at regular intervals and at such places and at such times as the Committee may from time to time by resolution provide. No special notice need be given of regular meetings of the Committee.

(vi) Special Meetings. Special meetings shall be held whenever called by the Chairman, Vice-Chairman or by a majority of the Committee. Either written or oral notice of such special meeting shall be given not less than 24 hours in advance of said meeting; provided, however, that by unanimous consent of the Committee,

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special meetings may be held without call or notice at any time or place.

(vii) Quorum - Management Committee. A quorum for the transaction of business at any meeting of the Committee shall consist of a majority of the Committee then in office.

(viii) Special Committees. The Management Committee by resolution, may designate one or more special committees, each committee to consist of two (2) or more persons who have ownership in lots, which, to the extent provided in said resolution, shall have and exercise the powers in said resolution set forth. Such special committees shall keep regular minutes of their proceedings and report the same to the Management Committee when required. The Chairman of the Management Committee may appoint persons to fill vacancies on each of said special committees occasioned by death, resignation, removal or inability to act for any extended period of time.

(ix) Additional Facilities. The Management Committee shall have the authority to provide additional facilities and improvements to the Project, in addition to those for which provisions have already been made, as it may deem to be in the interest of the members, without the owners' consent, provided that such additional facilities and improvements shall not cost in excess of the aggregate of \$500.00 per year and shall not require amendments of this Declaration and the Map in connection herewith. Additional facilities and improvements costing in excess of the aggregate of \$500.00 per year shall require the approval and consent of 2/3 of the undivided interest of the Project, and any amendments to this Declaration and/or the Map in connection therewith shall be amended in accordance with the amendment procedures provided for herein.

(x) Administrative Rules and Regulations. The Committee shall have the power to adopt and establish

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by resolution such management and operational rules as the Committee may deem necessary, desirable and convenient for the maintenance, operation, management and control of the Project, and the Committee may, from time to time by resolution, alter, amend and repeal such rules. Lot owners 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 lot owners and/or occupants of the Project.

11. Limitation of Use of Lots and Common Areas. The lots and common areas shall be occupied and used as follows:

(a) No owner shall occupy or use his lot, or any improvements thereon, or permit the same or any part thereof to be occupied or used for any purpose other than for residential purposes for the owner and the owner's family or the owner's lessees or guests. No commercial or business activities of any nature shall be engaged in or conducted on the lots or in the common areas, except that the owners may lease their lots for residential purposes.

(b) Except for portions of the Project expressly designated on the Map, there shall be no obstruction of the common areas and nothing shall be stored in the common areas without prior consent of the Management Committee.

(c) No building, fence, wall, swimming pool, or other structure, shall be commenced, erected, altered, or placed on any portion of the Project, without the prior written approval of the Management Committee. All buildings, alterations and additions on the Subject Property shall be made in a workmanlike manner and shall be architecturally compatible with the rest of the Project.

(d) Easements shall exist on all lots and other portions of the Project for drainage facilities and for installation, maintenance, placing, removal, inspection, painting, repair

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and improvement of fences, utilities and common areas and facilities, and for necessary or emergency repairs; and such easements shall exist whether or not they are specified on the recorded Map, and in accordance with Paragraph C(7), above.

(e) No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot or in the common areas, except that dogs, cats and other household pets may be kept provided that they are not kept, bred, or maintained for any commercial purpose, and provided that they do not become an annoyance or nuisance, for any reason, to any owner or resident of a lot. Such animals as are permitted shall be strictly controlled and kept pursuant to Salt Lake County ordinances and regulations, and rules and regulations of the Management Committee.

(f) No noxious or offensive activity shall be carried on on any lot or in the common areas, nor shall anything be done therein which may be or become an annoyance or nuisance to the other owners.

(g) Nothing shall be altered or constructed in or removed from the common areas, except upon the written consent of the Management Committee.

(h) The Management Committee is authorized to adopt rules for the use of the common areas, which rules shall be in writing and furnished to the owners.

(i) Except in areas designated on the Map or by the Management Committee, no lot or portion of the common areas shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste, nor shall any rubbish, trash, papers, junk or debris be burned within the Project. All trash, rubbish, garbage or other waste within the boundaries of the Project shall be kept only in sanitary containers. Each unit shall be kept free of trash, and refuse by the owner of such unit. No person shall allow any unsightly, unsafe or dangerous conditions to exist on or in any unit.

(j) No excavation for stone, gravel or earth shall be made on the Subject Property unless such excavation is made in connection with the erection of a building, structure, landscaping or other improvement thereon.

(k) No vehicles shall be parked overnight on any of the streets or roadways in the Project or on any common areas in the Project, except such vehicles, and upon such portions of the Project, specifically designated for this purpose on the Map or by the Management Committee. In addition, no boats, campers, large trucks, motorhomes, or similar large items shall be parked or stored on any lot except in accordance with rules and regulations adopted by the Management Committee.

12. Insurance. The Management Committee shall obtain and maintain, at all times, a policy or policies insuring the Management Committee, the lot owners and the manager against any liability to the public or to the owners of lots and common areas, and their invitees or tenants, incident to the ownership and/or use of the common areas of the Project, issued by such insurance companies and with such limits of liability as determined by the Management Committee. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross-liability endorsement wherein the rights of named insureds under the policy or policies shall not be prejudiced as in respect to his, her or their action against another named insured.

In addition, the Management Committee may obtain insurance for such other risks of a similar or dissimilar nature as are or shall hereafter customarily be covered with respect to common areas or other projects similar in construction, design and use.

13. Payment of Expenses. (a) Each lot owner shall pay to the Management Committee his portion of the costs and expenses required and deemed necessary, and upon the terms of payment determined, by the Management Committee in connection with water and sewer services, if applicable, to the lots in the Project and costs and expenses deemed necessary to manage, maintain and operate the common areas and facilities of the Project,

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and may include among other things the cost of management, taxes, special assessments, fire, casualty and public liability insurance premiums, common lighting, landscaping and the care of grounds, repairs, and renovations of common areas and facilities, recreational areas and facilities, if any, garbage collection, road maintenance and repairs, snow removal, wages, water and charges, legal and accounting fees, sewer charges, cost of operating all gas fired equipment and the cost of electricity, expenses and liabilities incurred by the Management Committee under or by reason of this Declaration, the payment of any deficit remaining from a previous period, the creation of a reasonable contingency or other reserve or surplus fund, as well as all other costs and expenses of any nature relating to this Project. Such payments shall be made upon the terms, at the time and in the manner provided without deduction of any off-sets or claims which the owner may have against the Committee, and if any owner shall fail to pay any installment within one (1) month from the time when the same becomes due, the owner shall pay interest thereon at the rate of 1% per month from the date when such installment shall become due to the payment of the payment thereof, and all costs and expenses, including reasonable attorney's fees, incurred by the Management Committee in collecting such unpaid assessments, whether or not formal legal proceedings have been commenced.

(b) The Management Committee may, from time to time, up to the close of the year for which such cash requirements have been so filed or determined, increase or diminish the amount previously fixed or determined for such year. The assessment may include a pro-rata reallocation among the lots of any unpaid assessments on a lot which are not assessable against a lot owner, as more fully specified in Paragraph C(14), below. The Committee may include in the cash requirements for any year, any liabilities or items of expense which accrued or become payable in the previous year or which might have been included in the cash requirements for a previous year, but were not included therein, and also any sums which the Management Committee may deem necessary or prudent to provide a reserve against liabilities or expenses

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then accrued or thereafter to accrue although not payable in that year. In any year in which there is an excess of assessments received over amounts actually used for the purposes described in this Declaration such excess may, upon written consent of all of the members, be applied against and reduce the subsequent year's assessment or be refunded to the members. The preceding sentence shall automatically be repealed upon the revocation of Rev. Rul. 70-604, 1970-2, CB 9 promulgated by the Internal Revenue Service or upon a court of competent appellate jurisdiction declaring such Rev. Rul. invalid or upon amendment of the Internal Revenue Code or the Treasury Regulations thereunder obviating the requirement of a membership vote to apply such excess to the subsequent year's assessment or to refund same in order that such excess be excluded from gross income of the Association.

(c) The pro-rata portion payable by the owner in and for each year or portion of year shall be that ratio, a sum within limits and on conditions hereinabove provided, calculated by multiplying to the aggregate amount of such cash requirements for such year or portion of year, by the owner's percentage of undivided interest in the common areas and facilities. All such assessments, together with any additional sums accruing under this Declaration, shall be payable monthly in advance, or in such payments and installments as shall be required by the Management Committee, and at such times as shall be provided by the Management Committee.

(d) It is the express intention of this Declaration, and this Declaration shall be so construed, that the entire pro-rata assessments payable to the Management Committee herein shall be made only with respect to all lots upon which improvements have been made to the extent so as to allow occupancy of such units. Accordingly, notwithstanding any other provision of this Declaration, the Management Committee shall have discretionary powers to assess amounts less than the entire pro-rata assessments specified above with respect to any lot on which habitable improvements have not been completed on such lot.

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(e) The Management Committee shall have discretionary powers to prescribe the manner of maintaining the operation of the Project, and to determine the cash requirements of the Management Committee to be paid as aforesaid by the owners under this Declaration. Every such reasonable determination by the Committee within the bounds of this Declaration, shall be final and conclusive as to the owners, and any expenditures made by the Committee within the bounds of this Declaration shall be deemed, as against the owners, necessary and properly made for such purpose.

(f) If any owner shall, at any time, let or sublet any lot and shall default for a period of one (1) month in payment of any management assessments, the Management Committee may, at its option, so long as such default shall continue, demand and receive from any tenant or subtenant of such owner occupying the lot, the rent due or becoming due up to the amount of such assessment due, together with all penalties provided herein. Such payment of rent to the Committee shall be sufficient payment and discharge of such tenant or subtenant as between such tenant or subtenant and such owner to the extent of the amount so paid.

(g) Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the owner against whom the same are assessed at the time the assessment is made, and shall be collectible as such. Suit to recover a money judgment for unpaid common expenses may be maintained without foreclosing or waiving the lien securing the same. The amount of assessment, whether regular or special, assessed to the owner of any lot, plus interest at 1% per month and costs, including reasonable attorney's fees, shall become a lien upon such lot upon recordation of notice of assessment. Said lien for non-payment of common expenses shall have priority over all other liens and encumbrances, recorded or unrecorded, except only:

(i) Tax and special assessment liens on the lot in favor of any assessment authority, or special district, and

(ii) Encumbrances on the owner's lot and such owner's interest in the common areas recorded prior to the date

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such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

(h) A certificate executed and acknowledged by a majority of the Management Committee stating the indebtedness secured by the lien upon any lot in the Project hereunder shall be conclusive upon the Management Committee and the owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any owner or any encumbrancer or prospective encumbrancer of a lot upon request at a reasonable fee, not to exceed Ten and no/100 (\$10.00) Dollars. Unless the request for a certificate of indebtedness shall be complied with within ten (10) days, all unpaid common expenses which become due prior to the date of the making of such request shall be subordinate to the lien held by the person making the request. Any encumbrancer holding a lien on the lot may pay any unpaid common expenses payable with respect to such lot and upon such payment such encumbrancer shall have a lien on such lot for the amounts paid of the same ranks as the lien of his encumbrance.

(i) Upon payment of a delinquent assessment concerning which such a certificate has been so recorded, or other satisfaction thereof the Management Committee shall cause to be recorded, in the same manner as the certificate of indebtedness, a further certificate stating the satisfaction and the release of the lien thereof. Such lien for non-payment of assessment may be enforced by sale by the Management Committee or by a bank or trust company or title insurance company authorized by the Management Committee, such sale to be conducted in accordance with the provisions of law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any manner permitted by law. In any foreclosure of sale, the owner shall be required to pay the costs and expenses of such proceedings and reasonable attorneys' fees.

(j) In case of foreclosure, the owner shall be required to pay a reasonable rental for the lot from the date a foreclosure action is filed with the Court having jurisdiction over the matter, and the Plaintiff in the Foreclosure action shall be entitled to the appointment of a receiver, at the time such action is filed, to collect the rental without regard to the value of the mortgaged security. In any foreclosure of sale, the owner shall also be required to pay the costs and expenses of such proceedings and reasonable attorney's fees. The Management Committee or Manager shall have the power to bid in the lot at foreclosure or other sale and to hold, lease, mortgage and convey the lot.

14. Mortgage Protection. Notwithstanding all other provisions hereof:

(a) The liens created hereunder upon any lot shall be subject and subordinate to, and shall not affect the rights of, the holder of the indebtedness secured by any recorded first mortgage (meaning a mortgage with first priority over other mortgages) upon such interest made in good faith and for value; provided, that each holder of a first mortgage lien on a lot who comes into possession of the lot by virtue of foreclosure of the mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, will take the lot free of any claims for unpaid assessments and charges against the lot which accrue prior to the time such holder comes into possession of the lot, except for claims for a pro-rata share of such assessments or charges resulting from a pro-rata reallocation of such assessments or charges to all Project lots including the mortgaged lot.

(b) The Management Committee shall give a written notification to a holder of a recorded first mortgage on any lot within the Project, of any default by the mortgagor of such lot in the performance of the mortgagor's obligations created under this Declaration and the Map in connection herewith, which Default is not cured within thirty (30) days.

(c) Unless all holders of first mortgage liens on individual lots have given their prior written approval, the Association of Owners of the Project or the Management Committee or Manager shall not be entitled to:

(i) Change the prorata interest or obligations of any lot for purposes of levying assessments and changes in determining shares of the common elements and proceeds of the Project, except as otherwise provided in paragraph 13, above.

(ii) Partition or subdivide any lot or the common elements of the Project; nor

(iii) By act or omission seek to abandon the status of the Project as a planned unit development except as may be provided by Statute or ordinance in case of substantial loss to the lots and common elements of the Project.

(d) No amendment to this paragraph shall affect the rights of the holder of any such mortgage recorded prior to recordation of such amendment who does not join in the execution thereof.

(e) By subordination agreement executed by a majority of the Management Committee, the benefits of (a), (b), (c) and (d) above may be extended to mortgages not otherwise entitled thereto.

15. Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a planned unit development. Failure to enforce any provision hereof shall not constitute a waiver of the rights to enforce said provision or any other provision hereof.

16. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial

invalidity or unenforceability of any one provision or portion thereof shall not effect the validity of enforceability of any other provision hereof.

17. Counterparts. This Declaration may be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

18. Effective Date. This Declaration shall take effect upon recording.

ATTEST:

UTAH HOUSE DEVELOPMENT, INC.
A Utah Corporation

BY: [Signature]

BY: [Signature]

ITS: [Signature]

ITS: PRESIDENT

STATE OF UTAH)

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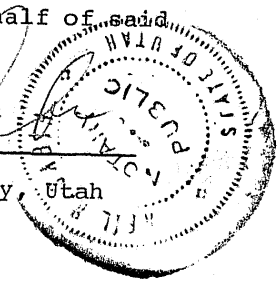
: ss.

COUNTY OF SALT LAKE)

On the 15th day of May, 1976, personally appeared before me Vern C. Hardman, Jr., the signer of the above and foregoing instrument who duly acknowledged to me that he is the President of UTAH HOUSE DEVELOPMENT, INC., and that the above and foregoing instrument was signed in behalf of said Corporation.

[Signature]
NOTARY PUBLIC

Residing In Salt Lake City, Utah



My Commission Expires:

10/9/78

EXHIBIT "A"

<u>LOT</u>	<u>% OF COMMON AREAS AND FACILITIES</u>
Lot 1	.0416667
Lot 2	.0416667
Lot 3	.0416667
Lot 4	.0416667
Lot 5	.0416667
Lot 6	.0416667
Lot 7	.0416667
Lot 8	.0416667
Lot 9	.0416667
Lot 10	.0416667
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Lot 20	.0416667
Lot 21	.0416667
Lot 22	.0416667
Lot 23	.0416667
Lot 24	<u>.0416667</u>
	100 %