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When recorded, return to:
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GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
COHNE RAPPAPORT & SEGAL
PO BOX 11008
SLC UT 84147-0008
BY: KCC, DEPUTY - WI 10 P.

SUPPLEMENTAL DECLARATION OF OLD MILL COURT CONDOMINIUMS

THIS SUPPLEMENT is made to the Declaration previously recorded by Trillium Development, LLC, a Utah limited liability company ("Declarant"), with respect to the Old Mill Court Condominiums (the "Project"). The original Declaration was recorded on August 30, 2001 as Entry No. 7989235 in the records of the Salt Lake County Recorder(the "Declaration").

RECITALS:

WHEREAS, the Declaration was previously recorded by Declarant affecting the property described on **Exhibit "A"** attached hereto (the "Property") and which is hereby incorporated by reference; and

WHEREAS, Declarant desires to amend and add to the prior Declaration for its own benefit and for the mutual benefit of all future owners and occupants of the Project,

NOW, THEREFORE, the Declarant supplements the Declaration as follows:

1. Except as modified herein, all of the Declaration shall remain in full force and effect. To the extent there is any conflict between that Declaration and this Supplement, this Supplement shall control.

2. Article 2.3, Interpretation of Declaration and Applicability of the Act is deleted and replaced by the following: "Interpretation of Declaration and Applicability of the Act. Declarant intends that the Condominium shall be governed by the Act. If the Act and this Declaration are inconsistent, the provisions of Article 15.18 shall control.

3. The following language is added as a separate paragraph at the conclusion of Article 3.1: "The buildings in the Condominium consist of 2 stories and are constructed principally of frame, with stucco materials."

4. A new Article 3.9 shall be added as follows: "3.9. The Condominiums shall not be expanded."

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5. Article 5.3 is amended by adding the following sentence after the first sentence of the paragraph labeled "Class B": "Notwithstanding the foregoing, the Declarant's voting rights shall not be weighted beyond 3 to 1 in the Declarant's favor (based on the total number of Units planned)."

6. Article 5.3 is further amended by adding a new subparagraph (d) after subparagraph (c) which reads: "seven (7) years from the date of recordation of this Declaration."

7. The last sentence of Article 5.4 is deleted and replaced with the following: "The Bylaws attached to the recorded Declaration have been adopted by the Declarant. An amendment to the Bylaws in the form attached hereto as **Exhibit "B,"** has also been adopted by the Declarant. The Bylaws may be further amended as provided in the Act or as set forth herein, provided however, that no amendment may be made to the Bylaws which impacts this Declaration except as may be approved by the required majority of the unit Owners and Lenders."

8. Article 5.12 is amended to include the proviso that prospective purchasers of units shall also have access to the documents set forth in the article.

9. Article 5.13 is amended by adding the following language to that which already exists: "In no event shall the Declarant, developer, or an affiliate of the Declarant have the right to enter into any management contract, employment contract or lease of recreational or parking areas or facilities, or any contract or lease, including franchises or licenses to which the Declarant is a party, which bind the Owners Association either directly or indirectly unless the Owners Association shall have a right of termination thereof which is exercisable without penalty at any time after the transfer of control upon not more than 90 days notice to the other party thereto. As used in this addition, the term 'affiliate of a Declarant' shall mean any person or entity which controls, is controlled by, or is under common control with, the Declarant."

10. In the last sentence of Article 6.3 regarding Regular Assessments, the last sentence is deleted and replaced with the following: "Subject to the restrictions in 13.4, the Owners shall have no right to ratify any budget, or amendment thereof, adopted by the Board."

11. Article 6.4 is amended by adding the following: "A working capital reserve fund shall be created for the initial months of the Project equal to at least two months' estimated common area charges for each Unit. At closing, each purchaser of a Unit from the Declarant will be required to pay into a reserve fund an amount equal to two monthly assessments."

12. The following sentence is added to Article 6.9: "The obligation to fund budget deficits is a lien against all of the land owned by the Declarant in the planned unit development."

13. The last sentence of Article 7.5 is deleted. The following language is added in its place: " In the case of foreclosure, the Owner shall pay a reasonable rental for the Unit, and the Plaintiff in the foreclosure action may require the appointment of a receiver to collect the rental without regard to the value of the mortgage security."

14. The following language is added to Article 8.1 of the Declaration: "The unit owners right of ingress and egress to and from his Unit shall be perpetual and appurtenant to the unit ownership."

15. The following shall be added to Article 9.4 of the Declaration: "The Association may restrict parking in the common areas so that only Unit owners or their guests may park in front of their Units."

16. The following shall be added to Article 9.13(a): "The Association may also prohibit rentals of Units."

17. A new subparagraph (g) is added to Article 9.13 to read:

Notwithstanding anything in this Article 9.13 to the contrary the Association shall not impose restrictions on the rental of Units which are in violation of 38 CFR 36.4350.

18. The first sentence in Article 9.16 is deleted and replaced with the following: "The use of each Unit is restricted to single family occupancy."

19. The second to the last sentence in Article 10.2, Hazard Insurance, is deleted. In its place the following language is added: "Such master policy of property insurance shall include the fixtures of the Condominium, and shall be in a total amount of not less than 100% of the current replacement cost, exclusive of land, excavation, foundation, and other items normally excluded from such property policies."

20. The following is added to Article 10.7 (Insurance) of the Declaration:

"(g) The property insurance obtained by the Association shall include all of the fixtures to the extent they are part of the common elements of the condominium, building service equipment and supplies, and other common personal property belonging to the owners association. In addition, any fixtures, equipment or other property within the units which may be financed by a mortgage, regardless of whether such property is a part of the common elements, must be covered in the master policy of the Association.

(h) The Association's insurance must, at a minimum, insure against loss or damage by fire and other perils normally covered by the standard extended coverage endorsement, and all other perils which are customarily covered with respect to condominiums similar in construction, location and use, including all perils normally covered by the standard 'all risk' endorsement, where such is available. If the condominium contains a steam boiler, loss or damage resulting from steam boiler

equipment accidents in an amount not less than \$50,000.00 per accident per location shall be required.

(i) The Association's insurance shall include endorsements to insure against the increased cost of construction resulting from changes in building codes.

(j) The Association must have insurance against any legal liability arising out of lawsuits related to employment contracts of the Association."

21. The following language is added to Article 13.4 of the Declaration: "(xiv)the purposes to which any unit or the common elements are restricted; (xv) any election to terminate the condominium regime after substantial destruction of a substantial taking by condemnation of the condominium property; (xvi) any reallocation of interests in the common elements after a partial condemnation or partial destruction; (xvii) any changes to the insurance or fidelity bond requirements; (xviii) any changes to rights to use the common elements; (xix) and changes to the responsibility for maintenance and repair of the several portions of the condominium and/or the establishment of self-management by the Association if professional management has been required by any of the Lender's agencies or corporations.

As used in this Article 13.4, the term 'Lender, eligible holder, insurer or guarantor' shall mean a holder, insurer or guarantor of a first mortgage on a unit which has requested notice in accordance with the provisions of 13.1."

22. A new Article 13.7 is added to read as follows:

A majority of the mortgages who have provided notice to the Association of their interest and all rights under the Association documents may demand professional management and may demand an audit of the Association's financial records.

23. The first sentence of Article 16.2 is deleted and the following sentence is added in its place: "Except as elsewhere provide in this Declaration, Declarant may not unilaterally amend or modify this Declaration in the exercise of its rights set forth in the Declaration."

24. A new Article 16.7 is added to read as follows:

The following provisions shall apply to amendments and extraordinary actions. To the extent the provisions in this Article 16.7 are inconsistent with any other provisions of this Declaration, this Article 16.7 shall control.

(a) Material amendments or extraordinary actions must be approved by members entitled to cast at least 67 percent of the votes of members present, in person or by proxy, and voting at any meeting of the Association held in accordance with subparagraph d, below, such vote including at least a majority of the votes of all members present, in person or by proxy, and

voting at any meeting of the association other than the Declarant, or 67 percent of the total authorized votes of all members of the association, such vote including the vote of a majority of all of the members other than the Declarant. Notwithstanding the foregoing, the Declarant may reserve the right to make changes or revisions to comply with the requirements of HUD, Fannie Mae, Freddie Mae or VA.

(b) A material amendment includes adding, deleting or modifying any provision regarding the following:

- (1) Assessment basis or assessment liens;
- (2) Any method of imposing or determining any charges to be levied against individual unit owners;
- (3) Reserves for maintenance, repair or replacement of common area improvements;
- (4) Maintenance obligations;
- (5) Allocation of rights to use common areas;
- (6) Any scheme of regulation or enforcement of standards for maintenance, architectural design or exterior appearance of improvements on units;
- (7) reduction of insurance requirement;
- (8) Restoration or repair of common area improvements;
- (9) The addition, annexation or withdrawal of land to or from the project;
- (10) Voting rights;
- (11) Restrictions affecting leasing or sale of a unit; or
- (12) Any provision which is for the express benefit of mortgagees.

(c) An extraordinary action includes:

- (1) Merging or consolidating the association (other than with another nonprofit entity formed for purposes similar to the subject association);
- (2) Determining not to require professional management if that management has been required by the association documents, a majority of eligible mortgagees or a majority vote of the members;

(3) Expanding the association to include land not previously described as additional land which increases the overall land area of the project or number of units by more than 10 percent;

(4) Abandoning, partitioning, encumbering, mortgaging, conveying, selling or otherwise transferring or relocating the boundaries of common areas (except for (i) granting easements which are not inconsistent with or which do not interfere with the intended common area use; (ii) dedicating common area as required by a public authority; (iii) limited boundary-line adjustments made in accordance with the provisions of the declaration or (iv) transferring common area pursuant to a merger or consolidation with a nonprofit entity formed for purposes similar to the subject association);

(5) Using insurance proceeds for purposes other than construction or repair of the insured improvements; or

(6) Making capital expenditures (other than for repair or replacement of existing improvements) during any period of 12 consecutive months costing more than 20 percent of the annual operating budget.).

(d) Meetings of the membership to approve a material amendment or extraordinary action shall require: (i) at least 25 days advance notice to all members; (ii) the notice must state the purpose of the meeting and contains a summary of any material amendments or extraordinary actions proposed; (iii) the notice must contain a copy of the proxy that can be cast in lieu of attendance at the meeting; and (iv) the quorum shall be as set forth elsewhere in this Declaration but in no event less than 20 percent of the total number of votes.

(e) any material amendment which changes the rights of any specific class of members must also be approved by members entitled to cast at least 51% of the votes of all members of such class present, in person or by proxy, and voting at any meeting of the Association held in accordance with subparagraph d above, or at least 51% of the total authorized votes of all members of such class.

(f) The following material amendments and extraordinary actions must be approved by members entitled to cast at least 67 percent of the total authorized votes of all members of the association, including at least a majority of the total authorized votes entitled to be cast by members other than the Declarant:

(1) Termination of the Declaration or other termination of the planned unit development;

(2) Dissolution of the association except pursuant to a consolidation or merger; and

EXHIBIT A

The land referred to in this document is in the STATE OF UTAH, county of SALT LAKE, and is described as follows:

Unit Nos. 100 through 137, inclusive, contained within the OLD MILL COURT CONDOMINIUMS, as the same is identified in the Record of Survey Map recorded in Salt Lake County, Utah, as Entry No. 7989234, in Book 2001P, at Page 248, and in the Declaration of Condominiums Old Mill Court recorded in Salt Lake County, Utah, on August 30, 2001, as Entry No. 7989235, in Book 8494 at Pages 7590-7632, TOGETHER WITH: (a) The undivided ownership interest in said Condominium Project's Common Areas and Facilities which is appurtenant to said Units, (the referenced Declaration of Condominium providing for periodic alteration both in the magnitude of said undivided ownership interests and in the composition of the Common Areas and Facilities to which said interests relate); (b) The exclusive right to use and enjoy each of the Limited Common Areas which are appurtenant to said Units, and (c) The non-exclusive right to use and enjoy the Common Areas and Facilities included in said Condominium Project in accordance with the aforesaid Declaration and Survey Map (as said Declaration and Map may hereafter be amended or supplemented) and the Utah Condominium Ownership Act.

Parcel # 1619276016.

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EXHIBIT "B"
AMENDMENT TO BYLAWS
OF
OLD MILL COURT CONDOMINIUM ASSOCIATION,
a Nonprofit corporation

The Bylaws of Old Mill Court Condominium Association (the "Association") are hereby amended as follows:

1. The name of the Association, which was incorrectly set forth in the Bylaws as "Old Mill Court Homeowners' Association," is corrected to read "Old Mill Court Condominium Association," in order to be consistent with the Articles of Incorporation for the Association which were filed on September 27, 2001, and the Declaration of Condominiums of Old Mill Court (the "Declaration"), recorded on August 30, 2001, as Entry No. 7989235 in the records of the Salt Lake County Recorder.
2. Article III, Section 3 is amended by adding the following to the end of such section:

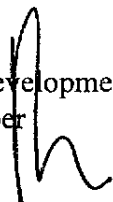
Notwithstanding the foregoing, for a special meeting to approve an extraordinary action or material amendment, no less than twenty-five (25) days notice shall be give of such special meeting.
3. Article V, Section 1, shall have the following language inserted after the word "Duties": References to "committee members" in these Bylaws shall be to the Directors described in Article 5.4 of the Declaration. References to the Management Committee shall be to the Board of Directors created in the Declaration. The committee members in their first meeting of each calendar year after the election of new members shall elect from their own membership the following officers who shall have the following duties:..."
4. Article XIV, Section 1. Amendment. of the Bylaws is deleted and the following provision shall take its place: "Section 1. Amendment. These bylaws may be amended at a regular or special meeting of the members by a vote of sixty-seven (67) percent or more of the members eligible to vote, in person or proxy. Prior to any such meeting, members must receive timely written notice of the meeting and of the proposed amendments to be considered at such meeting. Any change which requires lender approval as provided in the Declaration, including Article 13.4 thereof, shall not become effective until and unless approved by the requisite vote of Lenders or holders of those loans as defined in the Declaration."
5. Article XIV, Section 2. Control. in the Bylaws is deleted and is not replaced.

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6. Article XV, Section 2 is amended in the following respects: the second sentence is deleted. In its place, the following language is added: "Limits of liability and coverage shall be not less than those provided for in the Declaration."

DATED this 27 day of September, 2001.

Trillium Development, L.L.C.,
Sole Member

By: 
Benjamin Logue, Manager

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

On the 27th day of September, 2001, personally appeared before me Benjamin Logue, who being by me duly sworn did say that he is the Manager of Trillium Development, LLC, a Utah limited liability company, and that the within and the forgoing instrument was signed on behalf of said limited liability company by its authority and said Benjamin Logue duly acknowledged to me that said limited liability company executed the same.



Miriam Harper
Notary Public
Residing at: Salt Lake City, Utah
My Commission Expires: 8/16/2003