

MAR 3 1972
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Request of HOWARD C. BADGER.
Fee Paid JERADEAN MARTIN
Recorder, Salt Lake County, Utah
\$ 33.90 By Kelly Deputy
Ref. 457 E. 15' 50.
SLC 84111

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DECLARATION OF CONDOMINIUM
OF
SUGARHOUSE VILLA

THIS DECLARATION OF CONDOMINIUM, hereinafter called "Declaration", made on the date hereinafter set forth by HOWARD C. BADGER, ELEANOR A. BADGER, R. H. BADGER and EDITH B. SYLVESTER, hereinafter referred to as "Declarants", pursuant to the provisions of the Utah Condominium Ownership Act; WITNESSETH as follows:

WHEREAS, the Declarants are the owners of the following described real property situate in the County of Salt Lake, State of Utah, to-wit:

Beginning at a point on the North line of Lot 20, Block 1-A, 5 acre Plat "A", Big Field Survey, 33.0 feet N 89°51' E of the Northwest Corner of said Lot 20 and running thence N 89°51' E along said North line of Lot 20, 158.40 feet to the West line of a 15.0 foot right of way belonging to Salt Lake City, Utah; thence S 0°01' E along the West line of said right of way 102.04 feet; thence S 89°51' W, 158.40 feet; thence N 0°01' W 102.04 feet to the point of beginning.

WHEREAS, the aforesaid property consists of the land above described, together with a residential building and certain other improvements heretofore constructed upon said premises; and

WHEREAS, there is situate on the above described land a residential building and other improvements in accordance with the plans and drawings set forth in the Record of Survey Map filed concurrently herewith, consisting of one sheet, prepared and certified by Richard D. Lambert, Utah Registered Land Surveyor; and

WHEREAS, Declarants desire by filing this Declaration and the aforesaid Record of Survey Map to submit the above described real property and the said residential building and

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other improvements constructed thereon to the provisions of the Utah Condominium Ownership Act as a condominium project known as the SUGARHOUSE VILLA; and

WHEREAS, Declarants desire and intend to sell the fee title to the individual units contained in said condominium project, together with the undivided ownership interests in the Common Areas appurtenant thereto, to various purchasers, subject to the covenants, limitations and restrictions contained.

NOW, THEREFORE, for such purposes, the Declarants hereby make the following declarations:

1. Definitions. The terms used herein shall have the meaning stated in the Utah Condominium Ownership Act and as follows unless the context otherwise requires:

(a) "Act" shall mean and refer to the Utah Condominium Ownership Act as the same may be amended from time to time.

(b) "Common Areas" shall mean and refer to:

(1) The above described land;

(2) Those Common Areas specifically set forth on the above described land and designated as such in the Map.

(3) The part of the condominium project not specifically included in the respective units as hereinafter defined;

(4) All foundations, columns, girders, beams, supports, main walls, roof, exterior walkways, driveways, yards, gardens, fences, all installations of power, light and other utilities to the outlets, and in general all other apparatus, installations and other parts of the property necessary or convenient to the existence, maintenance and safety of the Common Areas, or normally in common use;

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(5) All Common Areas as defined in the Act, whether or not expressly listed herein;

(c) "Common Expenses" shall mean and refer to all items, things and sums described in the Act which are lawfully assessed against the Owners in accordance with the provisions of the Act, this Declaration, the By-Laws, such rules and regulations pertaining to the Project as the Management Committee may from time to time adopt, and such other determinations and agreements lawfully made and/or entered into by the Management Committee.

(d) "Condominium" shall mean the entire estate in the real property owned by any Owner, consisting of an undivided interest in the Common Areas and ownership of a separate interest in a Unit.

(e) "Declarants" shall mean Howard C. Badger, Eleanor A. Badger, R. H. Badger and Edith B. Sylvester.

(f) "Declaration" shall mean this instrument by which the Sugarhouse Villa is established as provided for under the Utah Condominium Ownership Act.

(g) "Limited Common Areas" shall mean and refer to:

(1) The six garages located to the rear of the Project which shall be rented to Owners to the exclusion of other Owners;

(2) Parking spaces currently existing or which may later be created by the Management Committee which shall be rented to Owners to the exclusion of other Owners;

(3) Storage lockers which are set aside and reserved for the use of the respective Units to which they are assigned to the exclusion of the other Units.

(h) "Management Committee" shall mean the governing persons or body of the Project as provided herein and in the By-Laws.

(i) "Manager" shall mean and refer to the person, persons or corporation selected by the Management Committee to manage the affairs of the Condominium Project.

(j) "Map" shall mean and refer to the Record of Survey Map of Sugarhouse Villa filed for record herewith by Declarants as Exhibit "A".

(k) "Owner" shall refer to the owner of a Unit and a proportionate share of the Common Areas of the Sugarhouse Villa.

(l) "Project" shall mean the entire parcel of the above described real property to be divided into Condominiums, including all structures thereon.

(m) "Unit" shall mean the elements of a Condominium which are not owned in common with the Owners of other Condominiums in the Project as shown on the Map. The boundary lines of each Unit are the interior surfaces of its perimeter walls, bearing walls, lower level floors, upper level ceilings, windows and window frames, doors and door frames, and trim, and includes both the portions of the buildings so described and the air space so encompassed.

(n) To the extent applicable to the tenure hereof and not inconsistent herewith, definitions contained in the Act are incorporated herein by reference and shall have the same effect as if expressly set forth herein and made parts hereof.

2. Submission to Condominium Ownership. Declarants hereby submit the above described tract of land, buildings, and other improvements constructed thereon, together with all

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appurtenances thereto, to the provisions of the Act as a Condominium Project to be known as Sugarhouse Villa. This Declaration is submitted in accordance with the terms and provisions of the Act and shall be construed in accordance therewith.

3. Covenants to Run With the Land. This Declaration and the covenants, restrictions, limitations, conditions and uses therein provided, shall constitute covenants to run with the land and hereby submitted to the Project and shall be binding upon the Declarants, their successors and assigns, and upon all subsequent Owners of all or any part of the Condominium Project, and upon their grantees, successors, heirs, executors, administrators, devisees and assigns.

4. Description of Project. The Project consists of the above described land; one brick residential building which consists of a semi-basement floor, a first floor and a second floor; a block garage which is divided to provide six parking spaces; and the Common Areas and Limited Common Areas described above. The residential building is divided into eleven Units which are described by Unit number, location and number of rooms in Exhibit "A" and Exhibit "B" which are attached hereto and made a part of this Declaration by reference.

5. Plan of Condominium Ownership. To establish a plan of condominium ownership for the Condominium Project, the Project is hereby divided into eleven Units, each with a storage locker, which Units together with their appurtenant interests in the Common Areas, as hereinafter established, shall constitute separate freehold estates for all purposes provided by the Act. The Units are the elements of the Condominium which are not owned in common with the Owners of other Units.

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

Easements are reserved through the Project as may be required for utility services.

7. Garages and Parking Spaces. At least one garage space or one parking space shall be available for each Unit on a rental basis. The six garage spaces located near the rear of the Project shall be Limited Common Areas and shall be rented at a uniform rate to various Owners upon terms established by the Management Committee. There are also three parking spaces located near the rear of the Project which shall also be Limited Common Areas and shall be rented at a uniform rate to various Owners upon terms established by the Management Committee.

If, in the judgment of the Management Committee, additional parking spaces are required for Owners, the Management Committee may convert any or all of the Common Areas which is designated "Potential Future Parking" on the Map into parking spaces which will then become Limited Common Areas and shall be rented at a uniform rate to various Owners upon terms established by the Management Committee. If none or only some of this area is used for parking, the unused portion shall remain part of the Common Areas. In any event,

the Management Committee must make available at least one parking space for each Unit on a rental basis.

In the event all or some of the area designated as "Potential Future Parking" on the Map is used for parking, the Management Committee may, in its sole discretion, use all or any part of the three present parking spaces as access for the newly created parking spaces. Owners who were then renting any of those three spaces would be assured a like number of parking spaces in the new parking area.

Specific garage spaces and parking spaces are not transferable with each Condominium, and the Management Committee may, in its discretion, rent a vacated space either to the successor in interest of the previous Owner or to any other Owner.

All rents received by the Management Committee from the rental of garage spaces or parking spaces shall go toward reducing Common Expenses of the Project.

8. Ownership of Common Areas. The percentage of ownership in the Common Areas of the Condominium shall be for all purposes, including voting. The Common Expenses shall be allocated among the Owners in accordance therewith. The percentage of ownership in the Common Areas shall be as set forth in Exhibit "B" hereto attached.

In the event Unit numbers 4 and 5 or numbers 6 and 7 or numbers 10 and 11 come under common ownership, then all or part of the hallway adjacent to the two Units may, at the option of the common Owner, and at his expense, be closed off and/or incorporated into either or both of the Units without violation of or amendment to this Declaration or any other provision relating to the Common Areas.

9. Management. The business, property and affairs of the Sugarhouse Villa shall be managed by a Management Committee consisting of three Owners to be elected as provided in the By-Laws. Such Management Committee shall have all the powers, duties and responsibilities as are now or may hereafter be provided by the Act, this Declaration and/or any amendments subsequently filed thereto; provided, however, that the Management Committee may engage the services of a Manager and fix and pay a reasonable fee or compensation therefor. Notwithstanding anything herein to the contrary, the Declarants shall act as the Management Committee until the sale of the Units. Declarants will continue to act as the Management Committee for a period of up to three years from the date of the sale of the last Unit if the Owners of at least 51% of the Common Areas so desire. After the sale of the last Unit the Owners of 51% of the Common Areas may elect to terminate the Declarants as the Management Committee, whereupon the Owners will immediately elect a Management Committee as provided in the By-Laws.

The Management Committee shall be responsible for the control, operation and management of the Project in accordance with the provisions of the Act, this Declaration, the By-Laws and such administrative, management and operational rules and regulations as it may adopt from time to time, as herein provided, and all agreements and determinations lawfully made and entered into by the Management Committee.

The Management Committee shall have the authority to provide such facilities, in addition to those for which provision has already been made, as it may deem to be in the best interest of the Owners and to effect the necessary amendment of documents and maps in connection therewith.

10. Change in Ownership. Whenever there is a change of ownership of a Unit and its appurtenant rights, for whatever reason, the Management Committee or the Manager may require as a condition to recognizing the new Owner or Owners as such, that the new Owner or Owners meet the following:

(a) Furnish evidence substantiating the new ownership;

(b) Sign an agreement accepting and agreeing to be bound by this Declaration, the By-Laws, and the rules and regulations and all amendments thereto.

11. Assessments. Every Owner shall pay his proportionate share on the Common Expenses. Payment thereof shall be in such amounts and at such times as the Management Committee determines in accordance with the Act, the Declaration or the By-Laws. There shall be a lien for nonpayment of Common Expenses as provided by the Act.

In assessing Owners or requiring them to pay for the building improvements following the execution of the Declaration, it is agreed that no assessment for a single improvement in the nature of capital expenditure exceeding the sum of \$2,000.00 in cost shall be made without the same having been first approved by a vote of Owners of seventy-five percent, or more, of the undivided interests in the Common Areas. The foregoing sentence shall not apply in connection with the replacement or reconstruction occasioned by fire or other casualty.

12. Destruction or Damage. In the event the Project is destroyed or damaged to the extent of seventy-five percent, or less, of the value thereof, the Management Committee shall be responsible for repairing, rebuilding, and/or restoring the same to the condition it was immediately prior to such

destruction or damage, and the Management Committee shall, in this connection be entitled to use the proceeds of any and all insurance policies which it may have had in force on said premises as of the date of such destruction or damage. In the event the Condominium Project is destroyed or damaged to the extent of more than seventy-five percent of the value thereof, the Owners shall, at a meeting duly called by the Management Committee for that purpose, determine whether or not said premises should be rebuilt, repaired, or disposed of. Unless Owners representing not less than eighty percent of the undivided interests in the Common Areas agree to the withdrawal of the Project from the provisions of the Act and to its subsequent disposal, the premises shall be repaired, rebuilt or restored to the same condition they were in immediately prior to said destruction or damage. In the event the cost of such repairing, rebuilding or restoring of the Project shall exceed the amount realized by the Management Committee from the proceeds of any insurance policy or policies as herein provided, the Owners shall contribute to such cost in relation to their percentage of undivided ownership in the Common Areas.

13. Taxes. It is understood that under the Utah Condominium Ownership Act each Unit, and its percentage of undivided interest in the Common Areas in the Project, is subject to separate assessment and taxation by each assessing unit and any special district for all types of taxes authorized by law, and that as a result thereof, no taxes will be assessed or payable against the Project as such. Each Owner will, accordingly, pay and discharge any and all taxes which may be assessed against him and his percentage of undivided interest in the Common Areas.

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14. Insurance. The Management Committee shall secure and maintain the following insurance coverage on the Project:

(a) Fire and Extended Coverage. The fire insurance, with extended coverage endorsement, for the full insurable replacement value of the Units and Common Areas, which said policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagees of each Unit, if any.

(b) Liability Coverage. A policy or policies insuring the Management Committee, the Owners and the Manager against any liability to the public or to the Owners, Common Areas and their invitees or tenants, incident to the ownership and/or use of the Project, and including the personal liability exposure of the Owners. Limits of liability under such insurance shall not be less than \$100,000.00/\$300,000.00 for bodily injury; and shall not be less than \$10,000.00 for property damage for each occurrence. Such limits and coverage shall be reviewed at least annually by the Management Committee and changed at its discretion. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross-liability endorsements wherein the rights of the named insured or insureds under the policy or policies shall not be prejudiced as in respect to his, her or their action against another named insured.

(c) Workmen's Compensation to the extent necessary to comply with any applicable laws.

(d) Insurance for such other risks of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other condominium projects similar in construction, design and use.

(e) Exclusive authority to adjust losses under policies hereafter in force in the Project shall be vested in the Management Committee or its authorized representatives.

(f) Each Owner may obtain additional insurance at his own expense; provided, however, that no Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Management Committee, in behalf of all the Owners, may realize under any insurance policy which the Management Committee may have in force on the Project at any particular time.

15. Payment of Expenses. Each Owner shall pay the Management Committee his allocated portion of the cash requirement deemed necessary by the Management Committee to manage and operate the Project upon the terms, at the times, and in the manner herein provided without any deduction on account of any set-off or claim which the Owner may have against the Management Committee, and if the Owner shall fail to pay any installment within one month of the time when the same becomes due, the Owner shall pay interest thereon at the rate of ten percent per annum from the date when such installment shall become due to the date of the payment thereof.

The cash requirements above referred to for each year, or portions of the year, are hereby defined and shall be deemed to be such aggregate sum as the Management Committee from time to time shall determine, in its judgment, is to be paid by all the Owners of the Project then in existence to enable the Management Committee to pay all estimated expenses and outlays of the Management Committee to the close of such year, growing out of or in connection with the maintenance and operation of such land, buildings and improvements, which sums may include, among other things, the cost of management, special assessments, fire, casualty and public liability insurance

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premiums, common lighting, landscaping and the care of grounds, repairs and renovations to Common Areas, snow removal, wages, water and charges, legal and accounting fees, management fees, 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 of other reserve or surplus fund, as well as all other costs and expenses relating to the Project. 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. It may include in the cash requirements for any year, any liabilities or items of expense which accrued or became 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 then accrued or thereafter to accrue although not payable in that year.

Each Owner shall pay a percentage of the aggregate amount of such Common Expenses for each year which is equal to his undivided interest in the Common Areas as set forth in Exhibit "B". Such sums shall be payable monthly in advance or in such payments or installments as the Management Committee may from time to time determine.

The Management Committee shall have discretionary powers to prescribe the manner of maintaining and operating 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 Management Committee within the bounds of the Act,

and this Declaration shall be final and conclusive as to the Owners, and any expenditures made by the Management Committee, within the bounds of the Act and this Declaration shall as against the Owners be deemed necessary and properly made for such purpose.

If an Owner shall at any time let or sublet the Unit and shall default for a period of one month in the payment of any assessments, the Management Committee may, at its option, so long as such default shall continue, demand and receive from any tenant or subtenant of the Owner occupying the Unit the rent due or becoming due to the extent necessary to pay the assessment against the Owner.

Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the Owner against whom they 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 shall be maintainable without foreclosing or waiving the lien securing the same. The amount of any assessment, whether regular or special, assessed to the Owner of any Condominium plus interest at ten percent per annum, and costs, including reasonable attorney's fees, shall be collectible from the Owner and shall become a lien upon such Condominium upon recordation of a notice of assessment as provided by the Act. The said lien for nonpayment of Common Expenses shall have priority over all other liens and encumbrances, recorded or unrecorded, except only:

(a) Tax and special assessment liens on the Condominium in favor of any assessing unit, and special district; and

(b) Encumbrances on the Owner's Condominium recorded prior to the date such notice is recorded which by

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law would be a lien prior to subsequently recorded encumbrances.

A certificate executed and acknowledged by a majority of the Management Committee stating the indebtedness secured by the lien upon any Condominium created hereunder, shall be conclusive upon the Management Committee and the Owner 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 Condominium upon request and upon payment of a reasonable fee. Unless the request for a certificate of indebtedness shall be complied with within ten 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 a Condominium may pay any unpaid Common Expenses payable with respect to such Condominium and upon such payment such encumbrancer shall have a lien on such Condominium for the amounts paid of the same rank as the lien of his encumbrance.

Upon payment of a delinquent assessment concerning which such 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 release of the lien thereof. Such lien for nonpayment of assessment may be enforced by the 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 the 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 or sale, the Owner shall be required to pay the costs and expenses of such proceedings, including reasonable attorney's fees.

In the event of foreclosure, the Owner shall be required to pay a reasonable rental for the Condominium and the plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Management Committee or Manager shall have the power to bid on the Condominium at foreclosure or other sale and hold, lease, mortgage and convey the Condominium.

16. Mortgage Protection. Notwithstanding all other provisions hereof:

(a) The liens created hereunder upon any Condominium 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 or a trust deed with first priority over other mortgages) upon such interest made in good faith and for value, provided that after the foreclosure of any such mortgage there may be a lien created pursuant to Paragraph 15 hereof on the interest of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such purchase as an Owner after the date of such foreclosure sale, which said lien, if any claimed, shall have the same effect and be enforced in the same manner as provided herein;

(b) 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;

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

17. Maintenance of Units. Each Owner at his expense shall keep the interior of his Unit and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating and painting which may at any time be necessary to maintain the good appearance of his Unit. Except to the extent that the Management Committee is protected by insurance against such injury, the Owner shall repair all injury or damages to the building or buildings caused by the act, negligence or carelessness of the Owner or that of any lessee or sublessee or any member of the Owner's family or of the family of any lessee or sublessee or any agent, employee or guest of the Owner or his lessee or sublessee and all such repairs, redecorating and painting shall be of a quality and kind equal to the original work. In addition to decorating and keeping the interior of the Unit in good repair, the Owner shall be responsible for the maintenance or replacement of any plumbing fixtures, refrigerators, air conditioning and heating equipment, dishwashers, disposals, ranges, etc., that may be in or connected with the Unit. The Owner shall be entitled to the exclusive use and possession of the storage locker assigned to his Unit and shall be responsible for the maintenance and upkeep of same, provided however, that without the written permission of the Management Committee first had and obtained, the Owner shall not make or permit to be made any structural alteration, improvement or addition in or to the Unit and storage locker, or in or to the exterior of the building, and shall not paint or decorate any portion of the exterior of the building in which his Unit is located.

18. Use Restrictions. The use of the Condominium property shall be in accordance with the following provisions:

(a) Each of the Units shall be occupied only by a family, its servants and guests, as a private residence and for no other purpose. No Unit may be divided or subdivided into a smaller unit nor any portion thereof sold or otherwise transferred without first amending this Declaration to show the changes in the Units to be affected thereby.

(b) The Common Areas shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the Units.

(c) No use or practice shall be permitted on the Project which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist. No Owner shall permit any use of his Unit or of the Common Areas which will increase the rate of insurance upon the Project. No immoral, improper, offensive or unlawful use shall be made of the Condominium or any part thereof.

(d) Until the Declarants have completed and sold all of the Units, neither the Owners nor the Management Committee shall interfere with the completion of the contemplated improvements and sale of the Units. The Declarants may make such use of the unsold Units and Common Areas as may facilitate such completion and sale, including but not limited to the maintenance of a sales office, the showing of the property, and the display of signs.

19. Right of Entry. The Management Committee and its duly authorized agents shall have the right to enter any and

all of the Units in case of an emergency originating in or threatening such Unit or any other part of the Project, whether or not the Owner or occupant thereof is present at the time. The Management Committee and its duly authorized agents shall also have the right to enter into any and all of said Units at all reasonable times as required for the purpose of making necessary repairs upon the Common Areas of the Project for the purpose of performing emergency installations, alterations, or repairs to the mechanical or electrical devices or installations located therein or thereon; provided, however, such emergency installations, alterations or repairs are necessary to prevent damage or threatened damage to other Units in the Project; and provided further, that the Owner affected by such entry shall first be notified thereof if available and if time permits.

20. Administrative Rules and Regulations. The Management Committee shall have the power to adopt and establish by resolution, such building management and operational rules as it may deem necessary for the maintenance, operation, management and control of the Project, and the Management Committee may, from time to time, by resolution, alter, amend and repeal such rules. When a copy of any amendment or alteration or provision for repeal of any rule or rules has been furnished to the Owners, such amendment, alteration and provision shall be deemed to be a part of such rules. 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 Owners and/or occupants of each Condominium.

21. Obligation to Comply Herewith. Each Owner, tenant or occupant of a Unit shall comply with the provisions of the Act, this Declaration, the By-Laws and the rules and regulations, all agreements and determinations lawfully made an/or entered into by the Management Committee or the Owners, when acting in accordance with their authority, and any failure to comply with any of the provisions thereof, shall be grounds for an action by the Management Committee to recover any loss or damage resulting therefrom or for injunctive relief.

22. Indemnification of Management Committee. Each member of the Management Committee shall be indemnified and held harmless by the Owners against all costs, expenses and liabilities whatsoever, including, without limitation, attorney's fees reasonably incurred by him in connection with any proceeding to which he may become involved by reason of his being or having been a member of the said Management Committee.

23. Amendment. Owners shall have the right to amend this Declaration and/or the Map upon the approval and consent of Owners representing not less than two-thirds (2/3) of the undivided interests in the Common Areas which approval and consent shall be by duly recorded instruments. Declarants shall be considered the Owners of each Condominium prior to its initial sale and as such may vote for that Condominium for all purposes until it is initially sold.

24. Transfer or Lease of Units. The Owner, or Owners, of any Unit who desires to sell his Condominium, or to enter into any agreement for the occupancy of his Condominium by another person or persons, shall give the Management Committee ten (10) days' advance written notice thereof, which notice shall state the name and address of the proposed purchaser

or occupant, as the case may be, and a signed copy of the offer setting forth the terms and conditions upon which said proposed purchaser or occupant agrees to purchase or occupy said Condominium. The Management Committee shall have the right, exerciseable at any time within ten (10) days after its receipt of such notice and copy of offer to purchase or enter into an agreement for the occupancy of said Condominium upon the same terms and conditions as those specified in the signed offer; provided, however, that in the event the Management Committee enters into an agreement hereunder for the occupancy of any Condominium, it shall have the right to sublet said Condominium to any person or persons reasonably suitable to the Management Committee. In the event the Management Committee determines that it desires to purchase or enter into an agreement respecting the occupancy of a Condominium as above provided, but concludes that the price or rental specified in the signed offer is unreasonable, the Management Committee shall give the Owner or Owners of said Condominium written notice thereof within seven (7) days after its receipt of notice and signed offer of the proposed sale or occupancy arrangement. The notice thus given by the Management Committee shall state that it has elected or thereby elects to purchase said Condominium, or enter into an agreement for the occupancy of the same, and shall state further that the Management Committee believes the price or rental specified in the notice given to it is unreasonable. The Management Committee shall thereafter be obligated to purchase said Unit, or enter into an agreement for the occupancy of same, as the case may be, at a price or rental to be determined by a group of three M. A. I. appraisers to be selected as follows: The Management Committee shall select one appraiser, the Owner or Owners concerned shall select one appraiser and

the two appraisers thus selected shall select the third appraiser. In the event all three appraisers cannot agree on a price or rental to be paid, as the case may be, the decision of any two of the three shall be binding.

The Management Committee, upon written request of any prospective seller, buyer, lessor, tenant or mortgagee, shall furnish a duly acknowledged certificate of compliance with, or a waiver of, the provisions of the next preceding paragraph. Such certificate shall be conclusive evidence of the facts stated therein.

25. Agent for Service of Process. Howard C. Badger shall serve as agent for service of process until all Units have been sold and until the Management Committee has designated another such agent and such change has been duly recorded with the Salt Lake County Recorder. Service may be made on Howard C. Badger at 457 East First South Street, Salt Lake City, Utah.

26. Severability. The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections hereof shall not affect the remaining portions of this instrument or any part thereof, all of which are inserted conditionally on their being held valid in law and in the event that one or more of the phrases, sentences, clauses, paragraphs or sections contained therein should be invalid or should operate to render this agreement invalid, this instrument shall be construed as if such invalid phrase or phrases, sentence or sentences, clause or clauses, paragraph or paragraphs, section or sections had not been inserted.

27. Gender. The singular, wherever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals,

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men or women, shall in all cases be assumed as though in each case fully expressed.

28. Waivers. No provision contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.

29. Topical Headings. The topical headings of the paragraphs contained in this Declaration are for convenience only and do not define, limit or construe the contents of the paragraphs or of this Declaration.

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

IN WITNESS WHEREOF, the undersigned, being the Declarants herein, have hereunto set their hands and seals this 2nd day of March, 1972.

Howard C. Badger
Howard C. Badger

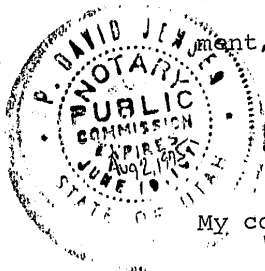
Eleanor A. Badger
Eleanor A. Badger

R. H. Badger
R. H. Badger

Edith B. Sylvester
Edith B. Sylvester

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

On this 2nd day of March, 1972, personally appeared before me, HOWARD C. BADGER, ELEANOR A. BADGER, R. H. BADGER and EDITH B. SYLVESTER, the signers of the foregoing instrument, who duly acknowledged to me that they executed the same.



My commission expires:
August 2, 1975

P. David Jensen
Notary Public, Residing at
Salt Lake City, Utah

EXHIBIT "B"

<u>UNIT NO.</u>	<u>FLOOR LOCATION</u>	<u>NO. OF ROOMS</u>	<u>% OWNERSHIP OF COMMON AREAS</u>
1	Semi-basement	3 and Bath	9.0909
2	First	" " "	"
3	First	" " "	"
4	Second	" " "	"
5	Second	" " "	"
6	Semi-basement	" " "	"
7	Semi-basement	" " "	"
8	First	" " "	"
9	First	" " "	"
10	Second	" " "	"
11	Second	" " "	"

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BY-LAWS OF
SUGARHOUSE VILLA CONDOMINIUM

I.

IDENTITY

These are the By-Laws of the Sugarhouse Villa Condominium.

II.

APPLICATION

All present or future Owners, tenants, or any other persons who might use the facilities of the Sugarhouse Villa Condominium in any manner are subject to the regulations set forth in these By-Laws. The mere acquisition or rental of any of the Units or the mere act of occupancy or use of any of said Units or the Common Areas will signify that these By-Laws are accepted, ratified and will be complied with by said persons.

III.

ADMINISTRATION

1. Place of Meetings. Meetings of the Owners shall be held in such place within the State of Utah as the Management Committee may specify in the notice, except as herein otherwise specified.

2. Annual Meetings. The first annual meeting of the Owners shall be held on the second Tuesday of January, 1973. Thereafter, the annual meeting shall be held on such day of each succeeding year; provided, however, that whenever such

date falls on a legal holiday, the meeting shall be held on the next succeeding business day, and further provided that the Management Committee may by resolution fix the date of the annual meeting on such date or at such other place as the Management Committee may deem appropriate.

3. Special Meetings. Special meetings of the Owners may be called at any time by written notice signed by a majority of the Management Committee, or by Owners having thirty percent of the total votes, delivered not less than ten days prior to the date fixed for said meeting. Such meeting shall be held on the Project or such other place as the Management Committee may specify and the notice thereof shall state the date, time and matters to be considered.

4. Notices. Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is by mail, it shall be deemed to have been delivered twenty-four hours after a copy of the same has been deposited in the United States Mail, postage prepaid, addressed to each Owner at the address given by such person to the Management Committee or the Manager for the purpose of service of such notice or to the Unit of such person if no address has been given. Such address may be changed from time to time by notice in writing to the Management Committee or Manager.

5. Quorum. At any meeting of the Owners, the Owners of more than fifty percent in the aggregate in interest of the undivided ownership of Common Areas shall constitute a quorum for any and all purposes, except where by express provisions a greater vote is required, in which event a quorum shall be the number required for such vote. In the absence of a quorum the Chairman of the meeting may adjourn the meeting from time to time, without notice other than by announcement at the meeting,

until holders of the amount of interest requisite to constitute a quorum shall attend. At any such adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the meeting as originally notified.

6. Voting. When a quorum, as provided in the Utah Condominium Ownership Act is present at any meeting, the vote of Owners representing at least fifty-one (51%) percent, or more, of the undivided ownership of Common Areas, present in person or represented by proxy, shall decide any question of business brought before such meeting, including the election of the Management Committee, unless the question is one upon which, by express provision of the statutes, or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. All votes may be cast either in person or by proxy. All proxies shall be in writing, and in the case of proxies for the annual meeting, they shall be delivered to the Secretary at least five days prior to said annual meeting. Proxies for special Owners' Meetings must be of record with the Secretary at least two days prior to said special meeting.

The Declarants shall be considered the Owners of each Condominium prior to its initial sale and as such may vote for that Condominium for all purposes until it is initially sold.

7. Waivers of Notice. Any Owner may at any time waive any notice required to be given under these By-Laws, or by statute or otherwise. The presence of an Owner in person at any meeting of the Owners shall be deemed such waiver.

IV.

MANAGEMENT COMMITTEE

1. Purpose and Powers. The business, property and affairs of the Project shall be managed and governed by its

Management Committee, hereinafter referred to as the "Management Committee" or "The Committee," consisting of three members, provided, however, that the Declarants shall act as the Management Committee until the sale of all Units. Declarants may act as the Management Committee for up to three years after the sale of the last Unit under the conditions set forth in the Declaration. The Management Committee may enter into such management agreement or agreements with a third person or persons or corporations as it may deem advisable.

2. Election and Vacancy. Subject to the provisions of the next preceding paragraph, at the first special meeting of the Owners called for that and any other purposes, an election of the Management Committee shall be held for the election of three members which shall constitute the initial Management Committee. The term of the members of the Management Committee shall be until the next annual meeting of the Owners, or until their successors are duly elected. Their successors shall be elected at the next annual meeting of the Owners. A new Management Committee shall be elected by the Owners at each regular annual meeting thereafter and shall hold office for a term of one year and until a successor shall be elected.

3. Vacancies. Vacancies on the Management Committee caused by any reason whatsoever shall be filled by vote of a majority of the remaining members thereof even though they may consist of less than a quorum and each person so elected shall be a member of the Management Committee until his successor is elected by the Owners at the next annual meeting.

4. Regular Meetings. A regular annual meeting of the Management Committee shall be held immediately after the adjournment of each annual Owners' Meeting. Regular meetings, other than the annual meeting, shall or may be held at regular intervals at such places and at such times as either the President or the Management Committee may from time to time designate.

5. Special Meetings. Special Meetings of the Management Committee shall be held whenever called by the President, the Secretary or by all three members. By unanimous consent of the Management Committee, special meetings may be held without call or notice at any time or place.

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

7. Compensation. Members of the Management Committee, as such, shall not receive any stated salary or compensation; provided that nothing herein contained shall be construed to preclude any member of the Management Committee from serving the Project in any other capacity and receiving compensation therefor.

8. Waiver of Notice. Before or at any meeting of the Management Committee, any member thereof, may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Management Committee at any meeting thereof shall be a waiver of notice by him of the time and place thereof.

9. Adjournments. The Management Committee may adjourn any meeting from day to day or for such other time as may be prudent or necessary, provided that no meeting may be adjourned for longer than thirty days.

10. Fidelity Bonds. The Management Committee may require that all officers and employees of the Management Committee handling or responsible for funds have adequate fidelity bonds. The premium on such fidelity bonds shall be paid by the Management Committee.

V.

OFFICERS

1. Designation and Election. The principal officers of the Management Committee shall be a President, a Secretary

and a Treasurer, all of whom shall be elected by and from the Management Committee. Such election or appointment shall regularly take place at the first meeting of the Management Committee immediately following the annual meeting of the Owners; provided, however, that elections of officers may be held at any other meeting of the Management Committee.

2. Other Officers. The Management Committee may appoint such other officers, in addition to the officers hereinabove expressly named, as they shall deem necessary, who shall have authority to perform such duties as may be prescribed from time to time by the Management Committee.

3. Removal of Officers and Agents. All officers and agents shall be subject to removal, with or without cause, at any time by the affirmative vote of the majority of the then members of the Management Committee.

4. President. The President shall be the chief executive of the Management Committee, and shall exercise general supervision over its property and affairs. He shall sign on behalf of the Project all conveyances, mortgages and contracts of material importance to its business, and shall do and perform all acts and things which the Management Committee may require of him. He shall preside at all meetings of the Owners and the Management Committee. He shall have all of the general powers and duties which are normally vested in the office of the president of a corporation, including but not limited to, the power to appoint committees from among the members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Project.

5. Secretary. The Secretary shall keep the minutes of all meetings of the Management Committee and of the Owners; he shall have charge of the books and papers as the Management Committee may direct; and he shall in general, perform all the duties incident to the office of Secretary.

6. Treasurer. The Treasurer shall have the responsibility for the funds and securities of the Management Committee and shall be responsible for keeping full and accurate accounts of all receipts of all disbursements in books belonging to the Management Committee. He shall be responsible for the deposit of all monies and all other valuable effects in the name, and to the credit of, the Management Committee in such depositories as may be from time to time designated by the Management Committee.

7. Compensation. No compensation shall be paid to the officers for their services as officers. No remuneration shall be paid to an officer for services performed by him for the Management Committee in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Management Committee before the services are undertaken.

VI.

ACCOUNTING

1. Books and Accounts. The books and accounts of the Management Committee shall be kept under the direction of the Treasurer and in accordance with the reasonable standards of accounting procedures.

2. Report. At the close of each accounting year, the books and records of the Management Committee shall be reviewed by a person or firm approved by the Owners. Report of such review shall be prepared and submitted to the Owners at or before the annual meeting of the Owners. Provided, however, that a certified audit by a certified public accountant approved by the Owners shall be made if at least seventy-five percent of the Owners of an undivided interest in the Common Areas determine so to do.

3. Inspection of Books. Financial reports, such as are required to be furnished, shall be available at the principal office of the Management Committee for inspection at reasonable times by any Owner.

VII.

BUILDING RULES

The Management Committee shall have the power to adopt and establish, by resolution, such building, management and operational rules and regulations as it may deem necessary for the maintenance, operation, management and control of the Sugarhouse Villa Condominium Project, and the Management Committee may from time to time, by resolution, alter, amend and repeal such rules and regulations. Owners shall at all times obey such rules and regulations and use their best efforts to see that they are faithfully observed by their lessees and the persons over whom they have or may exercise control or supervision, it being clearly understood that such rules and regulations shall apply and be binding upon all Owners of the Project. Provisions of the Utah Condominium Ownership Act pertaining to rules and regulations are incorporated herein by reference and shall be deemed a part hereof.

VIII

CHILDREN

No Unit shall be owned or occupied by, sold, leased or rented to any person or persons who shall be or who shall have residing with them in the Unit any child under the age of sixteen years old. No Owner shall cause or permit any person under the age of sixteen years old to reside in any Unit.

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IX

PETS

No pet of any kind shall be allowed in any Unit without the express written consent of the Management Committee. Said consent may be revoked at any time with or without cause by the Management Committee.

X

AMENDMENT OF THE BY-LAWS

These By-Laws may be altered, amended or repealed at any regular meeting of the Owners or at any special meeting of the Owners at which a quorum is present or represented by a vote of Owners, representing at least two-thirds (2/3) of the ownership in the Common Areas, having voting power and acting in person or represented by proxy. Provided, that as a condition to any such alteration, amendment or repeal, written notice of the proposed operation, amendment or repeal shall be given to all Owners, at least ten days in advance in the case of a regular meeting and in the written notice transmitted in the case of a special meeting.

XI

OPERATION AND MAINTENANCE OF CONDOMINIUM PROJECT

The Management Committee shall be responsible for the maintenance, control, operation and management of the Project in accordance with the provisions of the Utah Condominium Ownership Act, the Declaration under which the Condominium Project was established and these By-Laws and such other rules and regulations as the Sugarhouse Villa Condominium Owners may adopt from time to time as herein provided, and all agreements and determinations lawfully made and entered into by the Owners.