

Recorded at Request of ENVIRO WEST 450 So. 9th E. 84102
at 12:00 p.m. Fee Paid \$ 240⁰⁰ KATIE L. DIXON, Recorder, AUG 15 1978
Salt Lake County, Utah, By David Done Dept. Date _____

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SECONDED
AMENDED DECLARATION
OF COVENANTS, CONDITIONS, RESTRICTIONS AND BY-LAWS
FOR
SCANDIA VILLAGE CONDOMINIUMS, Phase One

This Amendment to Declarations of Covenants, Conditions and Restrictions, hereinafter called "Declaration", and the By-Laws which are attached hereto and made a part hereof are made and executed in Salt Lake County, Utah, this 2nd day of August, 1974, by SCANDIA VILLAGE, INC., a Utah corporation, authorized to do business in Utah, hereinafter called "Declarant", for itself, its successors, grantees and assigns, pursuant to the provisions of the Utah Condominium Ownership Act, Utah Code Annotated Section 57-8-1, et. seq., 1953 as amended, hereinafter referred to as "Condominium Ownership Act".

WITNESSETH

WHEREAS, pursuant to the Utah Condominium Ownership Act, the Declaration of Covenants, Conditions, Restrictions and By-Laws for Scandia Village Condominiums, was duly executed and acknowledged recorded by Scandia Village, Inc., as Declarant, on June 27, 1974, in the official records of Salt Lake County, Utah, as entry No.2632444, in Book 3620, Page 206; and

WHEREAS, concurrently with the Declaration of Covenants, Conditions, Restrictions and By-Laws was recorded the Record of Survey Map for Scandia Village Condominiums, as Entry No.2632443, in Book 74-6, Page 105; and

WHEREAS, prior to the date hereof, the Declarant has executed two trust deeds to Valley Mortgage Corporation both covering a portion of the property described in Appendix A; and

WHEREAS, the Declarant has obtained the acknowledgement and consent to this Amendment by Valley Mortgage Corporation, which acknowledgement and consent is attached hereto and by this reference made a part hereof,

NOW, THEREFORE, for the purpose of modifying and amending the aforesaid Declaration, Declarant and Valley Mortgage Corporation by executing the attached Consent and Acknowledgement, who together comprise all parties having an interest in the property described in Appendix A, hereby amend said Declaration in its entirety as follows:

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WITNESSETH

WHEREAS, Declarant is the owner of certain property located in Salt Lake County, Utah, and Valley Mortgage Corporation is the holder of certain liens against the same property, which property is more particularly described in Appendix A which is attached hereto and made a part hereof; and

WHEREAS, the aforesaid party consists of the land above described, together with certain residential buildings and certain other improvements heretofore or hereafter to be constructed upon said premises; and

WHEREAS, Declarant has constructed or will construct residential buildings and other improvements upon the aforesaid premises in accordance with the plans and drawings set forth in the Record of Survey Maps filed concurrently herewith, consisting of 3 sheets prepared and certified by E. Ross Syphus, No. 2170, a duly registered Utah Land Surveyor; and

WHEREAS, Declarant desires, by filing this Declaration and the aforesaid Record of Survey Map, to submit the above described real property and the said buildings and other improvements being constructed or to be constructed thereon to the provisions of the Utah Condominium Ownership Act as a condominium project known as Scandia Village Condominiums, Phase One; and

WHEREAS, Declarant desires and intends to sell the fee title to the individual units contained in said condominium project, together with an undivided ownership interest in the common areas and facilities appurtenant thereto, to various purchasers, subject to the covenants, conditions and restrictions herein reserved to be kept and observed; and

WHEREAS, Declarant desires and intends, by filing this Declaration and the Record of Survey Map, to submit the property to the provisions of the aforesaid act as a condominium property and to impose upon said property mutually beneficial restrictions under a general plan of improvement for the benefit of said property and the owner thereof; and

WHEREAS, the Declarant intends to develop the above condominium project in phases with the first phase consisting of 48 residential units and subsequent phases to be built on land described on Appendix D attached hereto consisting of no more than 168 additional units, and it is Declarant's intent to subject the additional property and units as so developed into the Scandia Village Condominium Project by the filing of an amendment to the Declaration, or filing such supplemental declarations as are necessary to accomplish that purpose;

NOW, THEREFORE, for such purposes, Declarant hereby makes the following Declaration containing covenants, conditions and restrictions, relating to this condominium project which pursuant to the provisions of Utah Code Annotated Section 57-8-10 (1953 as amended) shall be enforceable equitable servitudes, where reasonable, and shall run with the land;

1. Name of the condominium property. The name by which the condominium property shall be known is "Scandia Village Condominiums, Phase One."

2. Definitions. The terms used herein shall have the meaning stated in the Utah Condominium Ownership Act and as follows unless the context clearly indicates different meaning therefor;

a. "Declarant" shall mean Scandia Village, Inc., a Utah corporation authorized to do business in Utah, which has made and executed this Declaration ;

b. The term "The Act" shall mean and refer to the Utah Condominium Ownership Act, Utah Code Annotated, Section 57-8-1, et. seq. (1953 as amended).

c. The term "Condominium" shall mean and refer to the ownership of a single unit in this condominium project, together with an undivided interest in common areas and facilities of the property;

d. The term "Declaration" shall mean this instrument by which the Scandia Village Condominiums, Phase One, are established;

e. The term "Property" shall mean and include the land, the buildings, all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith;

f. The term "Condominium Project" shall mean and refer to the entire condominium project referred to in this Declaration;

g. The term "Map" shall mean and refer to the Record of Survey Map of Scandia Village Condominiums, Phase One, recorded herewith by Declarant in accordance with Utah Code Annotated Section 57-8-13 (1953 as amended);

h. The term "Unit" shall mean that part of the property owned in fee simple by unit owners by independent use and shall include the elements of the condominium property which are not owned in common with the owners of other units as shown on the Map.

i. The term "Unit Owner" shall mean the person or persons owning a unit in fee simple and an undivided interest in the fee simple estate of the common areas and facilities in the percentage specified and established in the Declaration;

j. The term "Unit Owners" shall mean and refer to the unit owners of the Scandia Village Condominiums, Phase One, and include the original purchasers and others who may subsequently become unit owners;

k. The term "Association of Unit Owners" shall mean and refer to all of the unit owners acting as a group in accordance with the Act, the Declaration, and By-Laws;

l. The Term "Unit Number" shall mean and refer to the number designating the unit in the Declaration and in the Record of Survey Map;

m. The terms "majority" or "majority of the unit owners" shall mean the owners of more than fifty percent in the aggregate in interest of the undivided ownership of the common areas and facilities;

n. The term "Management Committee" shall mean and refer to a committee composed of persons duly elected thereto by the association of unit owners, as provided by this Declaration, in accordance with the By-Laws hereto attached as Appendix C. Said committee is charged with and shall have the responsibility and authority to make and to enforce all of the reasonable rules and regulations covering the operation and maintenance of the property;

o. The term "Manager" shall mean and refer to the person, persons, or corporation selected by the management committee to manage the affairs of the condominium project;

p. The term "Common Areas and Facilities" shall mean and refer to:

1. The above-described land;
2. That portion of the condominium project not specifically included in the respective units as herein defined;
3. All foundations, columns, girders, beams, supports, main walls, roof, exterior walkways, 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 area, or normally in common use;
4. Those common areas and facilities specifically set forth and designated as such in the Map;
5. All common areas and facilities as defined in the Act, whether or not expressly listed herein except that portion of the condominium project included in the respective units.

q. The term "Limited Common Areas and Facilities" shall mean and refer to those common areas and facilities designated in the Declaration and the Map as reserved for use of a certain unit or units to the exclusion of other units.

r. The term "Common Expenses" shall mean and refer to all expenses of administration, maintenance, repair, or replacement of the common areas and facilities, to all items, things, and sums described in the Act which are lawfully assessed against the unit owners in accordance with the provisions of the Act, this Declaration, the By-Laws, such rules and regulations pertaining to the condominium project as the association of unit owners or the management committee may from time to time adopt, and such

determinations and agreements lawfully made and/or entered into by the management committee.

s. Those definitions contained in the Act, to the extent they are applicable to and not inconsistent herewith, shall be and are hereby incorporated herein by reference and shall have the same effect as is expressly set forth herein and made a part hereof.

3. Description of property.

a. Description of land. That tract or parcel of land in Salt Lake County, State of Utah, and more particularly described in Appendix A of this Declaration.

b. General description of buildings. The buildings constituting a part of this condominium project are 24 in number and are identified in relationship to each other in the Map.

There are two units in each building and the number of bedrooms which each contains is specified in Appendix B, which is attached hereto. All buildings will consist of wood frame structures and are two levels above ground and include a basement.

Each unit is designed for use as a single-family residence, and has the exclusive right to use and occupy a courtyard and patio which are attached to each unit. Each unit will have a garage, and the garage is a part of the unit.

All other details involving the respective descriptions and locations of the buildings and a statement of the number of stories, number of units and other like details are set forth in the Map which is simultaneously filed of record and incorporated herein by reference.

c. Description of units. Each unit shall consist of:

1. The space enclosed within the undecorated interior surface of its perimeter walls, floors and ceilings (being in appropriate cases the inner surface parallel to the roof plane, of the roof rafters, and the projections thereof) projected, where appropriate, to form a complete enclosure of space.

2. Any finishing material applied or affixed to the interior surfaces of the perimeter walls, floors, and ceilings, including without limitation, paint, lacquer, varnish, wallpaper, tile and paneling.

3. Nonsupporting interior walls.

4. Windows and doors in the perimeter walls, whether located within the bounds of a unit or not, but not including any space occupied thereby to the extent located outside the bounds of the units.

5. All utility pipes or lines or systems, and fixtures or appliances connected thereto, servicing a single unit (or connecting a single unit to a main or central utility to the point of disconnection from such main or central utility) whether located within the bounds of the unit or not, but not including any space occupied thereby to the extent located outside the bounds of the unit.

6. Units forming a part of the condominium property are more particularly described in the Map, which shows graphically all the particulars of the buildings; without limiting the generality of the foregoing, the unit designations, location, and number of bedrooms are set forth in Appendix B attached hereto.

7. Each unit has immediate access to the common areas and facilities. A garage is included as a part of each unit, and all of the provisions of this Declaration relative to a unit shall also apply to the garage area.

8. Every contract for the sale of a unit and every other instrument affecting title to a unit may describe that unit by its identifying number or symbol as designated in the Map with the appropriate reference to the Map and to the Declaration, as each shall appear on the records of the County Recorder of Salt Lake County, Utah, in substantially the following fashion:

Unit _____, in Building _____, as shown in the Record of Survey Map for Scandia Village Condominiums, Phase One, appearing in the records of the County Recorder of Salt Lake County, State of Utah, in Book _____, Page _____, of Plats _____, and as defined and described in the Declaration of Condominium for Scandia Village Condominiums, Phase One, appearing in such records in Book _____, Page _____, of Records.

Such description will be construed to describe the unit, together with the appurtenant undivided interest in the common areas and facilities and to incorporate all the rights incident to ownership of a unit and all the limitations on such ownership as described in this Declaration, including all appurtenant undivided interests and all rights and limitations arising as a result of any amendment to the project.

d. Description of common areas and facilities.

The common areas and facilities shall consist of all parts of the condominium property except the units. Without limiting the generality of the foregoing, the common areas and facilities shall include the following, whether located within the bounds of a unit or not:

1. All structural parts of the building, including, without limitation, foundations, columns, joists, beams, supports, supporting walls, floors, ceilings, and roofs.

2. Any utility pipe or line or system servicing more than a single unit, and all ducts, wires, conduits, and other accessories used therewith, but excluding any pipe or line or accessory connecting a single unit to a main or central pipe or line or system or to a pipe or line or system servicing more than a single unit.

3. All other parts of the condominium property necessary or convenient to its existence, maintenance, and safety, or normally in common use, or which have been designated as common areas and facilities in the Map.

4. The limited common areas and facilities hereinafter described.

5. All repairs and replacements of any of the foregoing.

e. Description of limited common areas and facilities. Each unit owner is hereby granted an irrevocable license to use and occupy the limited common areas and facilities, reserved exclusively for the use of his unit, which shall consist of all the common areas and facilities, including but not limited to a courtyard and patio which are intended for the exclusive service of the unit, the use and occupancy of which shall in each case be limited to such a unit.

4. Submission to condominium ownership. Declarant hereby submits the above-described property, tract of land, buildings, and other improvements constructed thereon or hereafter to be constructed together with all appurtenances thereto, to the provisions of the Act as a condominium project, and this Declaration is submitted in accordance with the terms and the provisions of the Act and shall be construed in accordance therewith.

5. Covenants to run with the land. This Declaration containing covenants, conditions, and restrictions relating to the project shall be enforceable equitable servitudes and shall run with the land, and this Declaration and servitudes shall be binding upon Declarant, its successors and assigns, and upon all owners or subsequent owners or subsequent owners of all or any part of this condominium project, and upon their grantees, mortgagees, successors, heirs, executors, administrators, devisees, and assigns.

6. Statement of purposes, use and restrictions.

a. Purposes. The purposes of the condominium property are to provide housing for the unit owners and their respective families, tenants, guests and servants in accordance with the provisions of the Utah Condominium Ownership Act.

b. Restrictions on use. The units and common areas and facilities shall be used and occupied as follows:

1. No part of the condominium property shall be used for other than housing and the related common purposes for which the condominium property was designed. Each unit shall be used and occupied as a resident for a single family and for no other purpose.

2. There shall be no obstruction of the common areas and facilities, nor shall anything be stored in the common areas and facilities without the prior written consent of the management committee except as is otherwise provided herein.

3. Nothing shall be done or kept in any unit or in the common areas and facilities which will increase the rates of insurance on the buildings or contents thereof beyond that customarily applicable for residential use, without the prior written consent of the management committee. No unit owner shall permit anything to be done or kept in his unit or in the common areas and facilities which will result in the cancellation of insurance on any building, or the contents thereof, or which would be in violation of any law or regulation of any governmental authority. No waste shall be committed in the common areas and facilities.

4. No unit owner shall cause or permit anything (including without limitation, a sign, awning, canopy, shutter, storm door, screen door, radio or television antenna) to hang, displayed or otherwise affixed to or placed on the exterior walls or

roof or any part thereof, or the outside of windows or doors, without the prior written consent of the management committee.

5. No animals or birds of any kind shall be raised, bred or kept in any unit or in the common areas or facilities, except that dogs, cats and other household pets may be kept in units, subject to the rules adopted by the association of unit owners provided that they are not kept, bred, or maintained for any commercial purpose; and provided further that any such pet causing or creating a nuisance or disturbance shall be permanently removed from the condominium property upon ten (10) days written notice from the management committee.

6. No noxious or offensive activity shall be carried on in any unit or in the common areas of facilities, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other unit owners or occupants.

7. Nothing shall be done in any unit or in, on or to the common areas and facilities which will impair the structural integrity of the buildings or any part thereof of which would structurally change the buildings or any part thereof except as is otherwise provided herein.

8. No clothes, sheets, blankets, laundry of any kind, or other articles shall be hung out or exposed on any part of the common areas and facilities, except in a courtyard or patio in such manner as not to be visible except from the unit for which such courtyard or patio is reserved. The common areas and facilities shall be kept free and clear of all rubbish, debris, and other unsightly materials.

9. Except in a unit or courtyard or patio in such manner as not to be visible except from the unit for which such courtyard or patio is reserved, or (subject to rules) in other areas specifically designed and intended for such purposes, there shall be no playing, lounging or parking or placing of baby carriages, playpens, bicycles, wagons, toys, vehicles, benches, or chairs in or on any part of the common areas and facilities.

10. No industry, business, trade, occupation, or profession of any kind, whether for commercial, religious, educational, charitable, or other purposes shall be conducted, maintained, or permitted on any part of the condominium property except such as may be permitted by the management committee and subject to the rules, nor shall any "For Sale" or "For Rent" signs or other window displays or advertising be maintained or permitted by any unit owners on any part of the condominium property or in any unit therein, except that:

a. The Declarant may perform or cause to be performed such work as is incident to the completion of the development of the condominium property, or to the sale or lease of units owned by the Declarant.

b. The Declarant or its agent may place "For Sale" or "For Rent" signs on any unsold or unoccupied units and may place such other signs on the condominium property as may be required to facilitate the sale or lease of unsold units.

c. The association of unit owners or the management committee or its agent or representative may place "For Sale" or "For Rent" signs on any unit or on the condominium property for the purpose of facilitating the disposal of units by any unit owner, mortgagee or the association of unit owners; and

d. A unit owner with respect to a unit and the association of unit owners or management committee or its agent or representative with respect to the common areas and facilities may perform or cause to be performed any maintenance, repair or remodeling work, or other work, required or permitted by this Declaration.

7. Ownership and use.

a. Ownership of a unit. Except with respect to any of the common areas and facilities located within the bounds of a unit, each unit owner shall be entitled to the exclusive ownership and possession of his unit and to be ownership of an undivided interest in the common areas and facilities in the percentage expressed in Appendix D hereof.

b. Prohibition against subdivision of unit. No unit owner shall, by deed, plat or otherwise, subdivide or in any manner cause his unit to be separated into tracts or parcels smaller than the whole unit as shown on the Map.

c. Ownership of common areas and facilities. The common areas and facilities shall be owned by the unit owners as tenants in common, and ownership thereof shall remain undivided. No action for partition of any part of the common areas and facilities shall be maintainable, except as specifically provided in the Utah Condominium Ownership Act, nor may any unit owner otherwise waive or release any rights in the common areas and facilities.

d. Use of common areas and facilities. Except with respect to limited common areas, each unit owner may use the common areas and facilities in accordance with the purposes for which they are intended, but subject to this Declaration and the By-Laws which right of use shall be appurtenant to and run with his unit.

e. Interest in common areas and facilities. The percentage of interest in the common areas and facilities of each unit has been determined by the Declarant on the basis of value in accordance with the Utah Condominium Ownership Act which percentage are contained in Appendix B hereof, and which may be altered by the Declarant if and when subsequent phases are recorded.

f. Use and Maintenance of limited common areas and facilities. A unit owner's use and occupancy of the limited common areas and facilities reserved for his unit shall be subject to and in accordance with this Declaration and the By-Laws. Each unit owner shall maintain the limited common areas and facilities, the use of which is reserved for his unit.

8. Agent for service of process. The name and address of the person in Salt Lake County, State of Utah, appointed as the first agent to receive service of process in matters pertaining to the property as provided under the Utah Condominium Ownership Act is:

Larry V. Lunt
345 South State Street, Suite #200
Salt Lake City, Utah 84111

The agent may be changed from time to time by filing appropriate instruments.

9. Percentage of ownership and voting rights. The percentage of ownership in the common areas and facilities of the condominium shall be for all purposes, including voting. The common expenses shall be allocated among the unit owners in accordance therewith. The percentage of ownership in the common areas and facilities shall be as set forth in Appendix B, provided however, that Declarant shall have the right authority to alter such percentage if and when the supplemental Declarations and the Record of Survey Maps for the subsequent phases are recorded, it being the intent that the aggregate percentage of ownership in the common areas and facilities of all phases shall equal one hundred (100) percent. For that purpose, Declarant does hereby irrevocably reserve the right, power and authority to amend or supplement this Declaration, upon said instruments creating subsequent phases being recorded. Upon such amendment being made and recorded, the percentage of ownership in the common areas and facilities shall be finally fixed.

10. Easements.

a. The management committee may hereafter grant easements for utility purposes for the benefit of the condominium property, including the right to install, lay, maintain, repair, and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment, and electrical conduits and wires over, under, along, on and through any portion of the common areas and facilities.

b. An easement in favor of each unit owner is hereby established to permit such owner to attach draperies, pictures, mirrors, and like decorations and furnishing to the interior surfaces of the perimeter and interior walls and ceilings.

c. Each unit shall be subject to such easement as may be necessary for the installation, maintenance, repair, or replacement of any common areas and facilities located within the boundaries of such unit.

d. In the event that, by reason of the construction, reconstruction, settlement or shifting of any buildings, any part of the common areas and facilities encroaches or shall hereafter encroach upon any part of the common areas and facilities or any other unit, valid easements for such encroachment and the maintenance of such encroachment are hereby established and shall exist for the benefit of such unit and the common areas and facilities, as the case may be, so long as all or any part of the building containing any such unit shall remain standing; provided, however, that in no event shall a valid easement for any encroachment be created in favor of any unit owner or in favor of the unit owners as owners of the common areas and facilities if such encroachment occurred as to the willful conduct of such unit owner or owners.

11. Management. The business, property, and affairs of Scandia Village Condominiums, Phase One, shall be managed by a management committee consisting of five (5) members who are unit owners in the project 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 By-Laws and/or any amendments subsequently filed therein, and shall be responsible for the operation and maintenance of the common areas and facilities; provided, however, that the management committee may engage the services of an professional manager and fix and pay a reasonable fee or compensation therefor. Notwithstanding anything herein contained to the contrary, Declarant alone shall be entitled to select three management committee members as set forth in the By-Laws until the completion and sale of all units in all phases of the project, or until two years from the date of recording the final phase of the project, whichever shall first occur.

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 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 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 unit owners and to effect the necessary amendment of documents and maps in connection therewith.

The management committee shall be known by such names or designation as it, or the unit owners, at any meeting may assign.

12. Sale or lease of a unit. A unit owner intending to make a bona fide sale or lease of a unit or any interest therein shall give to the management committee notice of such intention together with the name and address of the intended purchaser or lessee and such other information concerning the intended purchaser or lessee as the management committee may reasonably require.

Whenever there is a change of ownership of a residential unit and its appurtenant rights, for whatever reason, the management committee or the manager may require as condition to recognizing the new unit owner or owners as such, that the new unit owner or owners furnish evidence substantiating the new ownership.

13. Assessments. Every unit owner shall pay his proportionate share of 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 and the By-Laws. There shall be a lien for nonpayment of common expenses as provided by Utah Code Annotated, Section 57-8-20 (1953 as amended).

In assessing unit owners or requiring them to pay for the building improvements and other improvements of the common areas and facilities following the execution of the Declaration, it is agreed that no assessment for a single improvement in the nature of the capital expenditure exceeding the sum of \$2,500.00 in cost, shall be made without the same having been first voted on and approved by owners of 2/3 or more of the undivided interests in the common areas and facilities. The foregoing sentence shall not apply in connection with the replacement of reconstruction occasioned by fire or other casualty.

14. Destruction or damage. In the event of damage to or destruction of part or all of the improvements in the condominium project, the following procedures shall apply:

a. If proceeds of the insurance maintained by the management committee are alone sufficient to repair or reconstruct the damaged or destroyed improvement, such repair or reconstruction shall be carried out.

b. If less than 75% of the project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the committee are not alone sufficient to accomplish repair or reconstruction, restoration shall be carried out and all the unit owners shall be assessed for any deficiency on the basis of their respective percentage of undivided interest in the common areas and facilities.

c. If 75% or more of the project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the management committee are not alone sufficient to accomplish restoration, and if the unit owners within 100 days after the destruction or damage by a vote of at least 75% elect to repair or reconstruct the affected improvements, restoration shall be accomplished in the manner directed under subparagraph b above.

d. If 75% or more of the project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the committee are insufficient to accomplish restoration, and if the unit owners do not, within 100 days after the destruction or damage and by vote of at least 75% elect to repair or reconstruct the affected improvements, the management committee shall promptly record with the Salt Lake County Recorder a notice setting forth such facts. Upon the recording of such notice, the provisions of subsections (1) through (4) of Section 57-8-31, Utah Code Annotated (1953), shall apply and shall govern the rights of all parties having an interest in the project or any of the units. Any reconstruction or repair which is required is to be carried out by this Paragraph 14 shall be accomplished at the instance and direction of the management committee. Any determination which is required to be made by this Paragraph 14 regarding the extent of damage to or destruction of project improvements shall be made as follows: The management committee shall select three MAI appraisers; each appraiser shall independently arrive at a figure representing the percentage of project improvements which have been destroyed or substantially damaged the percentage which governs the application of the provisions of this Paragraph 14 shall be the average of the two closest appraisal figures.

15. Taxes. It is understood that under Utah Code Annotated Section 57-8-27 (1953 as amended) each unit, and its percentage of undivided interest in the common areas and facilities in the project are subject to separate assessments and taxation by each assessing unit and the 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 unit 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 and the facilities.

16. Insurance. The management committee shall secure and maintain the following insurance coverage on the condominium project:

a. Fire and extended coverage. A policy or policies of fire insurance, with extended coverage endorsement, for the full insurable replacement value of the buildings, units and common areas and facilities, which said policy or policies shall provide for a separate loss payable in favor of the mortgagees of each unit, if any.

b. Liability coverage. A policy or policies insuring the management committee, the manager and their agents and employees, the unit owners and their lessees, tenants, or occupants against any liability to the public or to the unit owners, incident to the ownership and/or use of the condominium project, and including the personal liability exposure of the unit 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 \$50,000.00 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 endorsement wherein the rights of named insured 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 unit owner may obtain additional insurance at his own expense; provided, however, that no unit 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 unit owners, may realize under any insurance policy which the management committee may have in force on the project at any particular time.

17. Payment of expenses. Each unit owner shall pay the management committee his allocated portion of the cash requirement deemed necessary by the management committee to manage and operate

the condominium project, including the recreational facilities thereof, 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 unit 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 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 condominium 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, improvements, recreational areas and facilities, which sum may include among other things, the cost of management, special assessments, fire, casualty and public liability insurance premiums, common lighting, landscaping and the care of grounds, repairs and renovations to common areas and facilities, social center, recreational facilities, 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 the previous period, the creation of a reasonable contingency or other necessary reserve or surplus fund, as well as all other costs and expenses relating to the condominium 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 although not payable in that year.

That portion payable by the unit owner in and for each year or for a portion of a year shall be a sum within the limits and on the conditions hereinabove provided bearing to the aggregate amount of such cash requirements for such year, or portion of year, determined as aforesaid, the same ratio as the unit owner owns on undivided interest in the common areas and facilities, and 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.

The management committee shall have discretionary powers to prescribe the manner of maintaining and operating the condominium 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 owner be deemed necessary and properly made for such purposes.

If the 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 and payment of such rent to the management committee shall be sufficient payment and discharge of such tenant or subtenant and the owner to the extent of the amount so paid.

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 of 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 plus interest at ten percent per annum, and costs, including reasonable attorney's fees, shall become a lien upon such unit 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 unit in favor of any assessment unit and special district, and

b. Encumbrances on the owner's interest in the unit (and common areas and facilities) recorded prior to the date such notice is recorded which by 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 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 encumbrances or prospective encumbrances of a condominium upon request at a reasonable fee not to exceed ten 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 making of such request shall be subordinate to the lien held by the person making the request. Any encumbrances holding a lien on a condominium may pay any unpaid common expenses payable with respect to 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 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 an foreclosure or sale, the unit owner shall be required to pay the costs and expenses of such proceedings including reasonable attorney's fees.

In the event of foreclosure, the unit 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 in the condominium at foreclosure or other sale and to hold, lease, mortgage and convey the condominium.

18. 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 17 hereof on the interest of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such purchaser 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.

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.

19. Maintenance of units. Each unit owner at his own 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 unit owner shall repair all injury or damages to the unit, or condominium project, caused by the act, negligence or carelessness of the unit owner or that of any lessee or sublessee or any member of the unit owner's family or of the family of any lessee or sublessee or any agent, employee or guest of the owner of 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 unit owner shall be responsible for the maintenance or replacement of any plumbing, fixtures, refrigeration, air conditioning and heating equipment, dishwashers, disposals, ranges, etc., that may be in or connected with the unit. Without the written permission of the management committee first had and obtained, the unit owners shall not make or permit to be made any structural alteration, improvement, or addition in or to the unit, patios, courtyards, and garages, 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.

20. 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 unit owner or occupant thereof is present at the time. The 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 and facilities of the project for the purpose of performing emergency installation, 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 unit in the project; and provided further, that the unit owner affected by such entry shall first be notified thereof if available and if time permits.

21. 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. The 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 unit owners, such amendment, alteration and provision shall be taken to be part of such rules. Unit owners shall at all times obey such rules and see that they are faithfully observed by those persons over whom they have or may execute control and supervision, it being understood that such rules shall apply and be binding upon all unit owners and/or occupants of the condominium.

22. Obligation to comply herewith. Each unit 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, and all agreements and determinations lawfully made and/or entered into by the management committee or the unit owners; when acting in accordance with their authority. 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 injunctive relief.

23. Indemnification of management committee. Each member of the management committee shall be indemnified and held harmless by the unit 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 said committee. Provided however, a member of the management committee shall not be indemnified for acts of gross negligence or willful misconduct.

24. Expansion of the condominium project.

a. Additional property. The Declarant anticipates that the condominium project may be expanded to include certain real property owned by Declarant which contains approximately 14.04 acres and is described on Appendix D attached hereto.

b. Reservation of right to expand. Declarant hereby reserves the right to expand the condominium project to include additional units of the same general type as the units in the present pro-

ject (Phase One). Such units shall be constructed on the real property referred to above. The total number of units which may be constructed on said additional property shall not exceed 168 units, and the entire project, including Phase One and all subsequent phases shall not exceed a total of 216 units.

c. Supplemental declaration and supplemental maps. Such expansion may be accomplished by the filing for record by Declarant in the office of the County Recorder of Salt Lake County, Utah, no later than five (5) years from the date this Declaration is recorded in said office, a supplement or supplements to this Declaration containing a legal description of the site or sites for new units, together with a supplemental Map or Maps containing the same information with respect to the initial units. The expansion may be accomplished in phases by successive supplements or in one supplemental expansion.

d. Expansion of definitions. In the event of such expansion the definitions used in this Declaration automatically shall be expanded to encompass and refer to the project as so expanded. E.g., "real property", shall mean the real property described in Appendix A hereof plus any additional real property added to the project by a supplemental Declaration or by supplemental Declarations, and reference to this Declaration shall mean this Declaration as so supplemented. All conveyances of units after such expansion shall be effective to transfer rights in the project, as expanded, by use of the form of description set forth in paragraph 3.c.8. hereof, with additional references to the supplemental declarations and the supplementals Maps. The recordation in the office of the Salt Lake County Recorder, Salt Lake City, Utah, or a supplemental Map incident to any expansion shall operate automatically to grant, transfer and convey pro tanto to then owners of units in the project as it exists before such expansion the respective undivided interests in the new common areas added to the project as a result of such expansion, and to reduce pro tanto their percentage of interest in the original condominium property as it then exists. All phases will be assigned values on the same basis, so that substantially identical units in all phases will be awarded substantially identical interests in the common area. Such recordation shall also operate to vest in any then mortgagee of any unit in the project as it exists such interest so acquired by the owner of the unit encumbering the new common areas added to the project as a result of such expansion, and to conform the percentage interests of unit owners and mortgagees to the interests set forth in the supplemental Declaration.

e. Declaration operative on new units. The new units shall be subject to all the terms and conditions of this Declaration and of a supplemental Declaration, and the units therein shall be subject to condominium ownership with all the incidents pertaining thereto as specified herein, upon filing the supplemental Map and supplemental Declaration in the said office of the Salt Lake County Recorder.

f. Right of Declarant to adjust percentages of common areas. Each deed of a unit shall be deemed to irrevocably reserve to

Declarant the power to appoint to unit owners, from time to time, the percentages in the common areas set forth in supplemental or amended Declarations. A power coupled with an interest is hereby granted to Declarant and/or Blaine Harris, as attorney in fact to shift percentages of the common areas and facilities in accordance with supplemental or amended Declarations recorded pursuant hereto and each deed of a unit in the project shall be deemed as granted of such power of said attorney in fact. Various provisions of this Declaration and deeds and mortgages of the units may contain clauses designed to accomplish a shifting of the common areas. None of said provisions shall invalidate the other, but each shall be deemed supplementary to the other toward the end that a valid shifting of the common areas and facilities can be accomplished. The maximum interest in the common areas of unit owner in this project shall be as indicated in Appendix B to the Declaration of Covenants, Conditions, Restrictions and By-Laws for Scandia Village Condominium, Phase One. Furthermore, all unit owners in this project shall have a minimum interest in the common areas of at least .3500 percent after all phases of this project have been filed.

25. Miscellaneous provisions. Notwithstanding anything to the contrary, herein contained, it is hereby declared, certified, and agreed as follows:

a. Mortgagees' right of notification of default. Any holder of a mortgage is entitled to written notification from the management committee of any default by the mortgagor of such unit in the performance of such mortgagor's obligations under the Declaration which is not cured within thirty days.

b. Priority of mortgages over certain assessments. Any holder of a mortgage which comes into possession of a unit pursuant to the remedies provided in the mortgage, foreclosure of mortgage, or deed (or assignment) in lieu of foreclosure, shall take the property free of any claims for unpaid assessments of charges against the mortgaged unit which accrue prior to the time such holder comes into possession of the unit (except for claims for a pro rate share of such assessments or charges resulting from a pro rate reallocation of such assessments or charges to all units including the mortgaged unit).

c. Certain prohibitions imposed on unit owners. Unless all holders of first mortgage liens on individual units have given their prior written approval, the unit owners shall not:

1. Change the pro rate interest or obligations of any unit for purposes of levying assessments and changes and determining shares of common areas and proceeds of the project, except as provided in Paragraph 24 of this Declaration.

2. Partition or subdivide any unit or the common area of the project.

3. By act or omission, seek to abandon the condominium status of the project, except as provided by statute in case of substantial loss to the units and common areas of the project.

d. The fireplace in each unit shall, at all times, be equipped with a gas log or fireplace hearth.

26. Amendment. In addition to the amendment provisions provided in Paragraph 24 above, the unit owners shall have the right to amend this Declaration and/or the Map upon the approval and consent of unit owners representing not less than two-thirds (2/3) of the undivided interests in the common areas and facilities. Any amendment shall be accomplished by the recordation of an instrument wherein the management committee certifies that the unit owners representing at least two-thirds (2/3) of the undivided interests in the common areas and facilities have approved and consented to any such amendment.

27. Severability. The invalidity of any one or more phrases, sentences, clauses, paragraphs, or sections hereof shall not affect the remaining portion 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 has been inserted.

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

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

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

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 5th day of June, 1978.

SCANDIA VILLAGE CONDOMINIUM, INC.

By Tom Bills
TOM BILLS, President

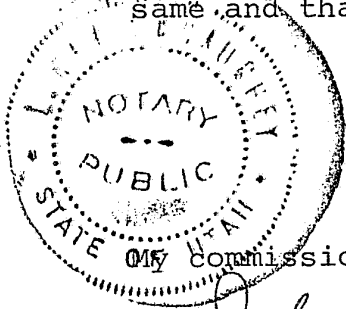
ATTEST:

[Signature]
Secretary

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

On this ^{13th day Aug} ~~5th day~~ of ~~June~~, 1978, personally appeared before
L. RAY McCAUGHEY who, being by me

duly sworn, did say that they are the president and secretary
respectively of Scandia Village Condominiums, Inc., a Utah
corporation, and that the within and foregoing instrument was
signed by them on behalf of said corporation by authority of
a resolution of its Board of Directors, and the said
duly acknowledged to me that said corporation executed the
same and that the seal affixed is the seal of the corporation.



L. Ray McCaughey
Notary Public
Residing at 8176 Nordic Circle

My commission expires:

July 29, 1979