

When Recorded Mail To:
RUSSELL W. MANGUM CO.
375 Atlantic Avenue
Long Beach, California 90802

Recorded SEP 13 1978 at JLM R.
Request of Russell W. Mangum Co.
KATIE L. DIXON, Recorder
Salt Lake County, Utah
\$ 103.00 By Patricia Brown Deputy
REF. _____

3167371

INDEX TO
DECLARATION OF ESTABLISHMENT
OF
BASIC PROTECTIVE RESTRICTIONS, LIMITATIONS, CONDITIONS,
COVENANTS, RESERVATIONS, LIENS AND CHARGES
FOR
CITYCREST CONDOMINIUM
A CONDOMINIUM PROJECT

<u>ARTICLE</u>	<u>SUBJECT</u>	<u>PAGE</u>
I	DEFINITION OF TERMS	4
II	DESCRIPTION OF LAND AND IMPROVEMENTS	5
III	MANAGEMENT AND OPERATION	6
IV	MAINTENANCE FUND: LIEN	12
V	INSURANCE	15
VI	DESTRUCTION OF IMPROVEMENTS	17
VII	CONDEMNATION	20
VIII	FURTHER CONDITIONS OF OWNERSHIP	21
IX	SUSPENSION OF THE RIGHT OF PARTITION	27
X	PROHIBITION AGAINST SEVERABILITY OF COMPONENT INTEREST IN CONDOMINIUM	27
XI	TERM OF DECLARATION: COMPLIANCE WITH RULE AGAINST PERPETUITIES AND RESTRAINTS ON ALIENATION	28
XII	PROTECTION OF LENDERS	29
XIII	GENERAL PROVISIONS	34
XIV	AMENDMENT	35
	SCHEDULE "A"	37

BOOK 4738 PAGE 912

DECLARATION OF ESTABLISHMENT

OF

BASIC PROTECTIVE RESTRICTIONS, LIMITATIONS, CONDITIONS,
COVENANTS, RESERVATIONS, LIENS AND CHARGES

FOR

CITYCREST CONDOMINIUM

A CONDOMINIUM PROJECT

This Declaration, made this ____ day of _____,
19___, by Russell W. Mangum and Brent C. Hill, hereinafter
referred to as "Declarant".

W I T N E S S E T H :

WHEREAS, Declarant is the owner of certain real property
located in the City of Salt Lake, County of Salt Lake, State
of Utah, and more particularly described as follows:

Commencing 49.53' west of the southwest corner of Lot 2,
Block 2, Plat I Salt Lake City Survey; thence N. 00° 02'
10" E. 167.40'*thence S. 89° 58' 01" E. 115.53' thence
S. 00° 02' 10" W. 167.40' N. 89° 58' 01" W. 115.53' to
the point of beginning.

* TO the north line of said Lot 2
Being a condominium apartment project located at 131 1st Avenue,
Salt Lake City, Utah and commonly known as CITYCREST CONDOMINIUM.

WHEREAS, it is the desire and intention of Declarant to
sell and convey interest in said real property to various
individuals, subject to certain Basic Protective Restrictions,
Limitations, Conditions, Covenants, Reservations, Liens and
Charges, as hereinafter set forth;

BOOK 4738 PAGE 913

NOW THEREFORE, the Declarant hereby declares that all of the property described above is and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved subject to the Protective Restrictions, Limitations, Conditions, Covenants, Reservations, Liens and Charges herein contained, all of which are declared and agreed to be in furtherance of a general plan and scheme for the subdivision, improvement and sale of condominiums, in accordance with the Utah Condominium Act; and are established and agreed upon for the purpose of enhancing and protecting the value, desirability, and attractiveness of the project, and every part thereof. Each and all of the Restrictions, Limitations, Conditions, Covenants, Reservations, Liens and Charges herein contained shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in the described property or any part thereof. The condominium project comprising the real property above described is intended to be made subject to each and all of the provisions of the Utah Condominium Act. The provisions of this Declaration shall be enforceable by any owner against any other owner or owners thereof, and against any other person, and shall also be enforceable by the Board, as hereinafter defined, or by the Manager, if any.

BOOK 4738 PAGE 914

ARTICLE I
DEFINITION OF TERMS

Whenever used in this Declaration, the following terms shall have the following meanings:

1. Declarant: Russell W. Mangum and Brent C. Hill, their successors and assigns.
2. Declaration: This Declaration as the same may be amended, changed or modified from time to time.
3. Unit: The elements of a condominium which are not owned in common with the owners of other condominiums in the project. The boundaries of P-1 through P-52 inclusive, which are parking stall units, are as shown and defined on said map and diagrammatic floor plan. The boundaries of unit 101, which is a building office unit, and units 301 through 306, 401 through 406, 501 through 506, 601 through 606, and 701 through 706, which are residential units, are as shown and defined on said plat map(s) and the diagrammatic floor plan. The unit includes both the portion of the building lying within said boundaries and the air space so encompassed. A unit may be either a residential, building office, or parking stall unit.
4. Common Area: The entire project, excepting all residential, building office, and parking stall units therein granted or reserved. Each unit when conveyed will receive an undivided interest in the common area as shown on the attached Schedule "A".
5. Condominium: An estate in real property consisting of an undivided interest in the common area, together with a separate interest in a unit, as hereinabove defined on said real property.

BOOK # 738
PAGE 915

6. Owner: The record owner, or owners, if more than one, of a condominium in the project, including Declarant, so long as any condominium(s) remain unsold.

7. Association: An unincorporated Association consisting of all owners of condominiums in the project, known as CITYCREST CONDOMINIUM OWNERS ASSOCIATION.

8. Organization Meeting: The first meeting of the owners referred to in Article III hereof.

9. By-Laws: The duly adopted By-Laws of the Association, as the same may be amended from time to time.

10. Board: The Board of Governors of the Association.

11. Manager: The managing agent, whether individual or corporate, retained by Declarant, or by the Board, on contract, and charged with the maintenance and upkeep of the project.

12. Lender: The beneficiary of the deed of trust or the mortgagee of a mortgage that may encumber any condominium unit within this project.

13. Project: The entire parcel of real property divided, or to be divided, into residential, building office, and parking stall unit condominiums, including all structures thereon.

ARTICLE II

DESCRIPTION OF LAND AND IMPROVEMENTS

(a) The hereinbefore described real property, designated on the plat map and diagrammatic floor plan, consists of a rectangular plot of land as described above herein. On said plot is constructed an eight story class "A" concrete building containing the units as described above and so designated herein and on the diagrammatic floor plan.

BOOK 4738 PAGE 916

ARTICLE III

MANAGEMENT AND OPERATION

(a) Said real property and improvements, to be known and designated as CITYCREST CONDOMINIUM shall be organized and operated as a condominium project. The grant deeds conveying condominiums therein to individual purchasers thereof shall expressly refer to and incorporate by reference this Declaration. The owners of the condominiums shall constitute an unincorporated Association, and an organization meeting of such owners shall be held within 45 days after the closing of the sale of the 51st percentile interest in said project, but in no event later than six (6) months after closing of the above said sales of units and undivided interests in the common area. At this meeting the control of the common areas shall be transferred to the newly established CITYCREST CONDOMINIUM OWNERS ASSOCIATION. Thereafter, annual meetings of such owners shall be held at a time as set forth in the By-Laws.

(b) At the organization meeting, and at each annual meeting, the owners shall elect a Board of Governors, consisting of not less than five members, all of whom shall be owners. The general powers and duties of the Board shall be as hereinafter set forth, but may be more particularly defined by such By-Laws and/or Regulations as may be adopted by the owners at the organization meeting or at any subsequent meeting of the owners; provided, however, that this Declaration may be amended directly or indirectly, but only in the manner hereinafter provided. At all meetings of members, each member shall be entitled to one vote for each residential unit owned in said property subject to the voting procedures established in the By-Laws.

(c) In general, the Board shall have authority to conduct all business affairs of common interest to all owners. The powers of the Board shall include, but shall not be limited to, authority to: enforce all applicable provisions of this Declaration, any duly established By-Laws, and any other duly adopted instruments for the management and control of this project; collect the monthly installments of maintenance charges, collect duly authorized special assessments, and make or authorize expenditures therefrom; contract for and pay for utilities, repairs, janitor, gardening, trash and garbage removal, legal and accounting service, or such other services and expenses as shall be reasonably required for the maintenance of the common area; purchase and pay for necessary supplies and personal property for the common area; pay any taxes or assessments which are, or could become, a lien against any commonly owned real or personal property; and levy monetary penalties and suspend voting and/or use privileges of members of the Owners Association, not to exceed thirty (30) days, for reason of breach of the Declaration, authorized Amendments and By-Laws. However, the Board must determine and set time for special owners meeting at which any disciplined member may then have a hearing of said breach.

(d) The Board shall have authority to contract with qualified persons or corporations for the professional handling of all or part of the services required for the maintenance of said project and/or the handling of the financial affairs thereof; provided, however, that any such contract shall not exceed one year, unless such contract period be ratified by vote of not less than fifty-one percent (51%) of the owners present and entitled to vote, excluding declarant's vote, either in person or by proxy, at any meeting of the owners, within thirty (30) days from the date of execution

BOOK 4738 PAGE 918

of said contract, or the same shall be void and of no effect. Furthermore, any such contract, regardless of duration, may be terminated for cause on thirty (30) days written notice. Said manager may further be authorized to file any notice and to take any legal action on behalf of the owners, which is within the power and authority of the Board.

(e) The Board shall not have authority to act in the following matters, without the consent of not less than a majority of the owners excluding the Declarant's vote:

1. Levy special assessments for capital improvements and/or other purposes in excess of five percent (5%) of the annual budget for the Association in any fiscal year.
2. In any fiscal year, levy special assessments for the costs of any action or undertaking on behalf of the Association which in the aggregate exceed five percent (5%) of the budget for that fiscal year.
3. Increase or decrease the amount of the monthly maintenance charge more than twenty percent (20%) annually from the amount charged at the time of such adjustment.

(f) At all meetings, the presence in person or by proxy of fifty percent (50%) of the voting membership shall constitute a quorum. A majority of the members present and entitled to vote, either in person or by proxy, shall be sufficient for the passage of any motion or the adoption of any resolution except in connection with matters set forth elsewhere in this Declaration or the By-Laws where a specified voting requirement has been established.

(g) As of an accounting date, which shall be the last day of the month closest in time to six (6) months from the date of the owner's organization meeting, the Board shall cause to be prepared an operating statement and a balance sheet for the Association for an accounting period from the aforesaid date of first closing to the aforesaid accounting date. Such operating statement shall include a schedule of assessments received or receivable itemized as to unit per the attached Schedule "A" and by name of the person or entity assessed for each unit. A copy of such financial report shall be mailed to each condominium owner within sixty (60) days after the aforesaid accounting date.

BOOK 4738 PAGE 919

(h) The Board shall conduct its organization meeting immediately upon the adjournment of the organization of the owners, and shall at such time elect from among its members such officers as specified in the By-Laws. The powers and duties of such officers shall be as set forth therein. The annual meeting of the Board shall be held immediately upon adjournment of the annual meeting of the owners.

(i) The Board shall give written notice of the annual meeting or any special meeting, to each owner not less than ten (10) days, nor more than sixty (60) days prior to the date of such meeting by mailing such notice to the last known address of each owner. Any notice for a special meeting shall set forth time, place, and nature of the business to be conducted.

(j) A management body or agent selected prior to the first annual election after initial organization shall be employed to manage only until the first annual election, at which time the continuance of the same or the selection of another body or agent shall be determined by a majority vote by the owners.

(k) There shall be an annual independent examination or audit of the account or accounts of the management body and a copy of such financial report shall be mailed to each condominium owner within sixty (60) days after the end of the fiscal year, or thirty (30) days of completion of said examination or audit, whichever is sooner. Such report shall contain as a minimum a balance sheet as of the last day of the Association's fiscal year and an operating statement for said fiscal year.

(l) If the action of any governmental agency shall result in the expenditure of monies from the maintenance fund, the Board shall have the authority to increase the monthly assessments, without limitation, to provide for such expenditures. If the increased assessment exceeds \$2000 on an annual basis, the Board shall provide evidence of diligent conduct in complying with the governmental action.

(m) The owner, subdivider or agent shall be precluded from entering into any contract which would bind the Board of Governors or Owners Association for a period in excess of one (1) year, unless such contract be ratified by vote of not less than fifty-one percent (51%) of the Association membership, excluding declarant's vote, and unless reasonable cancellation provisions are included.

(n) At the discretion of the Declarant or the Board of Governors an Architectural Control Committee may be formed. The following delineates the procedure for establishing said Committee. Duties and responsibilities shall be as set forth in the By-Laws of this Association.

1. The committee for the control of structural and landscaping architecture and design (Architectural Control Committee) within the subdivision shall consist of not less than three (3) nor more than five (5) members.
2. The Declarant may appoint all of the original members of the Committee and all replacements until the first anniversary of the issuance of a public report for the subdivision. The Declarant may reserve to himself the power to appoint a majority of the members of the Committee until ninety percent (90%) of all the subdivision interests in the overall development have been sold or until the fifth (5th) anniversary of the issuance of the final public report for the first (or only) phase of the subdivision, whichever first occurs.
3. After one (1) year from the date of the sale of the first subdivision interest, the Board of Governors of the Association shall have the power to appoint one (1) member to the Architectural Control Committee until ninety percent (90%) of all of the subdivision interests in the overall development have been sold or until the fifth (5th) anniversary date of the issuance of the final public report for the first (or only) phase of the subdivision, whichever first occurs. Thereafter, the Board of Governors shall have

BOOK 1738 PAGE 921

the power to appoint all of the members of the Architectural Control Committee.

4. Members appointed to the Architectural Control Committee by the Board of Governors shall be from the membership of the Association. Members appointed to the Committee by the Declarant need not be members of the Association. Members shall serve for one (1) year terms. In the event a member is unable to fulfill his term, the appointing authority shall designate a replacement to complete the unexpired portion of the term of office.

(o) A pro forma operation statement (budget) for the Association shall be regularly prepared and adopted by the Board of Governors for each fiscal year and copies shall be distributed to each member of the Association not less than sixty (60) days before the beginning of the fiscal year. Such statement shall be accompanied by a statement of the monthly assessments for each unit necessary to produce the funds proposed to be expended by the budget.

(p) To effect the annexation of other real property to the existing subdivision and to grant use rights or easements over the common area, the vote or written assent of not less than sixty-six and two-thirds percent (66-2/3%) of the total votes residing in Association members, other than the subdivider, shall be required, unless the proposed annexation, use right, or easement is in conformance with a plan of phased or staged development which is set forth in detail in the governing instruments for the first phase of the subdivision.

BOOK 4738
PAGE 922

ARTICLE IV

MAINTENANCE FUND: LIEN

(a) Each owner shall be obligated to pay to the Board or a designated member thereof, or to the manager, on a monthly basis, an annual maintenance charge in monthly installments as shown on the attached Schedule "A" or such greater or lesser amount and/or in such a manner as shall be established as herein provided by action of the Board or the owners present in person or proxy at a duly constituted meeting and entitled to vote. Each owner shall be obligated to pay in like manner all special assessments levied against his unit. Disposition of special assessments as to account shall be made at the time of levying and such assessments shall be subject to the same collection procedures specified for regular monthly maintenance charges. Said maintenance charges shall be paid, in advance on the first day of each month, or on such earlier date as shall be determined by the owners. Maintenance charges so collected shall be properly deposited in a commercial bank account in a bank to be selected by the Board or Manager, which account shall be clearly designated as the CITYCREST CONDOMINIUM Maintenance Fund Account. The records of such account shall reflect the distribution of funds upon deposit into a minimum of two (2) separate funds - Current Maintenance and Reserve for Replacement. The Board, or Manager, as the case may be, shall have control of said account, and shall be responsible to the owners for the maintenance of accurate records thereof at all times and shall be responsible for apportioning the monthly maintenance assessments to either of the above funds so as to maintain an adequate balance in the Reserve for Replacement Fund to insure replacement of the common elements of the project. No withdrawal shall be made from said account except to pay the charges and expenses for the common benefit of all owners set forth in Article III of the Declaration; provided, however, that any expense not so included which is determined by affirmative vote of not less

than seventy-five percent (75%) of the owners present and entitled to vote, excluding Declarant's vote, at a duly constituted meeting to be a proper charge against said maintenance fund may be paid from said account.

(b) The maintenance charge which each owner is obligated to pay shall be a debt of each owner at the time that each monthly installment becomes due. In the event of default by any owner in the payment of any such installment, such amounts as may be in default, together with interest thereon at the rate of seven percent (7%) per annum, and all costs which may be incurred by the Board or manager in the collection of such charges, including reasonable attorney's fees, shall be and become a lien upon his entire interest in the project, upon the recording of a notice of assessment in the Salt Lake City Recorder's Office. The notice of assessment shall not be filed for record unless and until the Board, or a person designated by them, shall have delivered to said defaulting owner, not less than fifteen (15) days prior to the recordation of such notice of assessment, a written notice of default and a demand upon the defaulting owner to cure same within said fifteen (15) day period, and failure of the defaulting owner to comply. Said lien shall expire and be null and void unless the Board files for record a notice of default as hereinafter provided.

(c) Not less than ten (10) days nor more than thirty (30) days from the filing of said notice of assessment, the Board shall file for record a notice of default and thereafter may cause the entire interest in the project of said defaulting owner to be sold in the same manner as a sale under the power contained in deeds of trust, as provided by the laws of the State of Utah, or through judicial foreclosure. The sale must be held, or legal action to enforce the lien must be instituted, within one hundred fifty (150) days of the recording of the notice of default, or said lien shall be deemed void and of no effect. If any

action is filed by the Board to enforce the provisions of this Article, the judgment rendered against the defaulting owner shall include all costs and expense, and reasonable attorney's fees necessarily incurred in prosecuting such action. If any such default is cured prior to sale, or prior to filing a judicial foreclosure, the Board shall cause to be recorded a certificate setting forth the satisfaction of such claim and release of such lien, upon payment of actual expenses incurred and reasonable attorney's fees, not to exceed \$200.00 by such defaulting owner.

(d) In addition to the right to such lien, the remaining owners, or any one of them, or any member of the Board, acting on behalf of all the owners, shall be entitled to bring legal action for damages against any owner who shall breach, or who shall be in default of, any of the provisions, herein contained, including, but not limited to, the covenant to pay said maintenance charge, to enjoin any violation of this Declaration or of the Management agreement, By-Laws and/or Regulation, or to prosecute any other appropriate legal or equitable action that may be necessary or expedient on the premises. Any judgment rendered against any such owner shall include reasonable attorney's fees to be fixed by the court.

(e) Each owner does hereby waive, to the extent of any liens created pursuant to this Article, the benefit of any homestead or exemption laws of the State of Utah in effect at the time an installment is due or lien imposed.

(f) Upon the date of the organization meeting of the Citycrest Condominium Owners Association, the maintenance fund account shall be established, and all owners shall be obligated to pay into said account as hereinbefore provided, as well as the Declarant, who shall be obligated to pay for such unsold unit. Commencement of assessment payments on all units shall begin on the 1st of the month following the closing of the first escrow.

(g) The prorations for any duly authorized assessments shall be computed upon each unit(s) undivided interest as shown on the attached Schedule "A", and collected in a manner specified at the time of the levying of such assessment(s) whether they be regular or special.

ARTICLE V

INSURANCE

(a) Public liability and property insurance shall be purchased by the Board as promptly as possible following its election, and shall be maintained in force at all times, the premium thereon to be paid out of the maintenance fund. The insurance shall be carried in reputable companies authorized to do business in Utah. The minimum amounts of coverage shall be \$100,000.00 for personal injury to any one person; \$300,000.00 for any one occurrence, and \$50,000.00 property damage. The policy shall name all owners as insured, including Declarant, during such time as they shall remain the owners of one or more condominium units. The manager, if any, shall also be named insured on such policy during such time as his agency shall continue. The policy shall insure against injury or damage occurring both in the common area and within the individual units. The policy shall include contractual liability coverage to cover the liability of any owner hereunder to indemnify any other owner, or any other person for injury or damage arising out of negligence. The insurance shall also contain a cross-liability endorsement to cover negligent injury by one owner to another.

(b) A master or blanket fire insurance policy shall be purchased by the Board as promptly as possible following its election, and shall thereafter be maintained in force at all times, the premium thereon to be paid out of the maintenance fund.

Said insurance shall be carried in reputable companies qualified to do business in the State of Utah, and shall insure against loss from fire and any other hazards therein covered, for the full insurable value of all of the improvements within the project. Such policy shall contain extended coverage and replacement cost endorsements. It shall also contain vandalism and malicious mischief coverage, special form endorsement, stipulated amount clause and determinable cash adjustment clause or similar clause to permit cash settlement covering full value of the improvements in the event of partial destruction and decision not to rebuild. The policy shall be in such amounts as shall be determined from time to time by the Board. The policy shall name as insured all of the owners and Declarant, so long as Declarant is the owner of any of the condominiums in the project.

(c) If available, underlying coverage for individual condominium units shall be written as a part of, or in conjunction with, said master policy, where necessary to protect individual lenders. If such coverage is not available, each owner shall purchase at his expense, and maintain, such fire and hazard insurance coverage as may be required by his individual lender. Any such underlying insurance shall contain such other endorsements as may be a part of the master policy. Such insurance shall also contain a loss payable endorsement to the trustee designated under the provisions of paragraph (d) below.

(d) All insurance proceeds, except on losses under \$1,500.00 under Paragraphs (b) and (c) of this Article shall be paid to the trustee as designated by the Board to be held for the benefit of the owners, mortgagees and others, as their respective interest shall appear, and be paid out in accordance with Article VI. The Board is authorized to enter into such agreement with such trustee, on behalf of the owners, and consistent with those provisions, relating to the trustee's powers, duties, and compensation, as the Board may approve. On any such loss involving \$1,500.00 or less, the proceeds shall be paid directly to the Board.

(e) The Board may purchase and maintain in force at all times demolition insurance in adequate amounts to cover demolition in the event of destruction and decision not to rebuild. The

premium therefor shall be paid out of the maintenance fund.

Such policy, if purchased, shall contain a determinable demolition clause, or similar clause, to allow for coverage of the cost of demolition in the event of destruction and decision not to rebuild. The Board shall also purchase and maintain workmen's compensation insurance to the extent that the same shall be required by law for employees of the owners. The Board may also purchase and maintain fidelity bonds, insurance on commonly owned personal property, and such other insurance as it deems necessary, the premiums thereon to be paid out of the maintenance fund.

(f) An owner may carry such personal liability and property damage insurance respecting his individual unit as he may desire; however, any such policy shall include a waiver of subrogation clause.

(g) Flood Hazard Insurance in the maximum amount available shall be purchased by the Board in the event that the area in which the project is located is designated by the Office of Housing and Urban Development as an area having special flood hazards, and shall be maintained in force at all times, the premium thereon to be paid out of the maintenance fund. The policy shall name as insured all of the owners and Declarant, so long as Declarant is the owner of any condominiums in the project.

(h) Notwithstanding any other provisions herein, the Owners Association shall continuously maintain in effect such casualty, flood and liability insurance and a fidelity bond meeting the insurance and fidelity bond requirements for condominium projects established by Federal National Mortgage Association and Government National Mortgage Association, so long as either is a mortgagee or owner of a condominium within the project, except to the extent such coverage is not available or has been waived in writing by Federal National Mortgage Association or Government National Mortgage Association.

ARTICLE VI

DESTRUCTION OF IMPROVEMENTS

(a) In the event of a total or partial destruction of the improvements in the condominium project, and if the available proceeds of the insurance carried pursuant to Article V of this Declaration are sufficient to cover not less than eighty-five percent (85%) of the cost of repair or reconstruction thereof, the same shall be promptly repaired and rebuilt unless, within

ninety (90) days from the date of such destruction, seventy-five percent (75%) or more of the owners present and entitled to vote, in person or by proxy, at a duly constituted meeting, determine that such reconstruction shall not take place. If reconstruction is to take place, the Board shall be required to execute, acknowledge and file and record, not later than one hundred twenty (120) days from the date of said destruction, a certificate declaring the intention of the owners to rebuild.

(b) If the proceeds of such insurance are less than eighty-five percent (85%) of the costs of reconstruction, such reconstruction may nevertheless take place if, within ninety (90) days from the date of said destruction, a majority of the owners elect to rebuild. The vote under the above circumstances shall be required and must be taken. In the event of an election to rebuild, the Board shall file for record a certificate as provided in Article VI (a) thereof.

(c) If the owners determine to rebuild, either pursuant to (a) or (b) above, each owner shall be obligated to contribute such funds as shall be necessary to pay his proportionate equitable share of the cost of reconstruction, of his unit(s), and his proportionate share of the common area over and above the insurance proceeds; the proportionate share of each owner's interest in the common area shall be the same as shown on the attached Schedule "A", and shall be a debt of such owner which may be enforced under the Lien provisions contained in Article IV hereof.

(d) If the owners determine to rebuild, the Board shall obtain bids from at least two (2) reputable contractors, and shall award reconstruction work to the lowest bidder, subject to prior written approval by the Trustee(s) referred to in Article V hereof. The Board shall have authority, after first notifying

said Trustee in writing, to enter into a written agreement with said contractor for such reconstruction, and the insurance proceeds held by said Trustee shall be disbursed to said contractor according to the terms of the agreement. It shall be the obligation of the Board to take all steps necessary to assure the commencement and completion of such reconstruction at the earliest possible date.

(e) If the vote of the owners shall be insufficient to authorize rebuilding either pursuant to Paragraphs (a) or (b) above:

1. ANY insurance proceeds available for such rebuilding shall be distributed among the owners and the individual lenders by the Trustee named in Article V hereof. The proportionate interest of each owner in said proceeds, in relation to the other owners, shall be the same as his proportionate ownership in the common area as shown in Schedule "A" and his proportionate equitable share of the reconstruction cost of his unit(s).

2. THE BOARD shall have the duty, within one hundred twenty (120) days of the date of such loss, to execute, acknowledge and record a certificate setting forth the determination of the owners not to rebuild, and shall promptly cause to be prepared and recorded documents, as may be necessary to show the conversion of the project to the status of unimproved land, or to show the elimination of one or more of the units as a result of such destruction.

(f) Upon recordation of said certificate, the right of any owner to partition his condominium through legal action shall forthwith revive.

(g) In the event of a dispute among the owners respecting the provisions of this Article, any owner may cause the same to be referred to arbitration in accordance with the then prevailing rules of the American Arbitration Association. In the event of arbitration, notice thereof shall be given to the members of the Board and all other owners as promptly as possible after the reference to arbitration is made, giving all owners an opportunity to appear in such arbitration proceedings. The decision of such arbitration in this matter shall be final and conclusive upon all of the owners. The arbitrator may include in his decision an award for costs and/or attorney's fees against any one or more parties to the arbitration.

ARTICLE VII

CONDEMNATION

(a) In the event that an action for condemnation is proposed or commenced by any governmental body having the right of eminent domain, the following provisions shall apply:

1. If such action, or proposed action, is for the condemnation of the entire project, upon the unanimous consent of all the owners, the project may be sold to such government body prior to judgement and the proceeds of such sale shall be distributed to the owners and their lenders, as their respective interest shall appear, based upon each owner's interest in the common area. Lacking such unanimous consent, the compensation for the taking shall be distributed in like manner, unless said judgement shall, by its terms, apportion such compensation among the individual condominium owners.

2. If such action, or proposed action, is for the condemnation of only a portion of the project, part of the compensation for the taking shall be distributed to the owners and their lenders whose condominiums are taken, in an equitable

BOOK 4738
PAGE 931

manner as to their improved real property within their residential, building office, and parking stall units, and an equitable share of such total proceeds from said condemnation shall likewise be distributed to all of the unit owners representing the loss of common area within the project in the same manner as provided in subparagraph 1 above; provided, however, that upon the vote of at least seventy-five percent (75%) of the owners whose units are not taken, the remainder of the project may be partitioned.

3. In the event that less than seventy-five percent (75%) of the owners whose units are not taken vote affirmatively to partition as provided hereinabove, the remainder of the project shall continue to be operated as a condominium project and a City and/or County approved subdivision tract map shall be prepared and recorded, showing the elimination of the units and portions of the project which are taken.

4. Nothing herein contained shall prevent the rebuilding of the units which are taken or other parts of the common area, provided all remaining owners unanimously agree to do so, and to contribute their proportionate shares. In such event, the Board shall proceed as set forth in Article VI hereof, insofar as the same may be applicable, and shall cause to be prepared and recorded such previously City and/or County approved subdivision maps and other documents as may be necessary to show the project as rebuilt.

ARTICLE VIII

FURTHER CONDITIONS OF OWNERSHIP

(a) The units 301 through 306, 401 through 406, 501 through 506, 601 through 606, and 701 through 706, in the project shall be used exclusively for single family residence purposes.

(b) The owners of units shall maintain the interiors thereof in good repair and in sanitary condition, and shall

BOOK 4738 PAGE 932

have the exclusive right to paint and paper, and otherwise decorate the interiors of said units according to their own tastes, so long as no substantial alteration of any permanent installation or structure within said unit shall be involved.

(c) No radio or television receiving or transmitting antenna or external apparatus shall be installed on the roof of any structure in the project, or any part of the common area without prior written approval of the Board.

(d) No owner shall permit or suffer anything to be done or kept upon said project which will increase the rate of insurance thereon, or which will obstruct or interfere with the rights of other owners, nor annoy them by unreasonable noises or otherwise; nor shall any owner commit or permit any nuisance on the premises, or commit or suffer any immoral or illegal act to be committed thereon. Each owner shall comply with all applicable ordinances, statutes, and fire regulations, and with the requirements of the local and/or State Board of Health with respect to the occupancy and use of said project. Any increase in fire insurance premium caused by violation of this provision shall be a debt to the owner causing the same, and upon authorization by not less than seventy-five percent (75%) of the owners, the Board shall specially assess said owner for the amount thereof, together with costs and reasonable attorney's fees.

(e) Each owner shall be liable to the Board for any damage to the commonly used areas or to any of the equipment or improvements thereon which may be sustained by reason of the negligence or willful misconduct of said owner or of his family members, relatives, guests, or invitees, both minor and adult, to the extent that any such damage shall not be covered by insurance.

In the case of joint ownership of a condominium, the liability of such owners shall be joint and several. Any expense incurred by the Board in repairing such damage, together with costs and attorney's fees, shall be a debt of the owner causing same, and the Board may specially assess said owner for the amount thereof, subject to the requirements of Paragraph (d) hereof.

(f) In the event of personal injury or property damage sustained by any person while physically within the unit of any owner, and in the further event that any other owner shall be sued, or a claim made against him or her for said injury or damage, the owner or owners of the unit in which said injury or damage occurs shall, to the extent such claim is not covered by insurance, fully indemnify and hold harmless any such other owners against whom such claim shall be made, and shall further defend any such other owners at their own expense in the event of litigation of such claim; provided, however, that such protection shall not extend to any owner whose own negligence may have caused or contributed to the cause of any such injury or damage.

(g) It shall be the responsibility of the Board to maintain all parts of the common area in good condition and repair at all times, and provide for the regular removal of all rubbish, trash and garbage.

(h) No owner or his agents or employees shall construct any fence, hedge, wall, or other obstruction upon any part of the common area, or plant any trees or shrubs thereon, without the prior approval of the Board.

(i) The Board shall have the authority to designate one or more qualified repairmen or other persons to enter upon and

BOOK 4738
PAGE 934

within any individual unit, in the presence of the owner thereof or otherwise, for the purpose of making emergency repairs thereto, or for necessary maintenance or repairs to portions of the common area, or further to abate any nuisance being conducted or maintained in said unit, in order to protect the property rights and best interest of the remaining owners.

(j) No owner may exempt herself or himself from liability for his specified contribution to said maintenance fund by any waiver of the use or enjoyment of said common area, or by the abandonment of his unit.

(k) No owner shall execute or file for record any instrument which imposes a restriction upon the sale, leasing or occupancy of his condominium on the basis of race, color, creed, age, or sex.

(l) The books and records of the Board, and the books and records of any agent thereof pertaining to the maintenance fund, may be inspected and/or audited by any owner, or his duly authorized representative. If an audit is desired by a majority of the owners, it shall be at the expense of the maintenance fund. Otherwise, any such inspection or audit shall be made at the expense of the owner desiring same.

(m) If any owner shall permit any lien to be filed on any part of said project for labor and/or materials furnished at the request of such owner, such owner shall, upon written demand by the Board, cause the same to be promptly removed, and if he fails to do so, the Board, or the manager, shall have the option, but not the obligation, to take such action as may be necessary to remove same. In such event, all costs and expenses incurred, including reasonable attorney's fees, shall be a debt of such owner, and shall be specially assessed against him by the Board, subject to the requirements of Paragraph (d) hereof.

(n) No member of the Board, or officer of the Association, shall be liable for or on account of any damages resulting from any acts performed, or for the failure to perform any acts, while in the furtherance of his duty, as a member of the Board, or as an officer, unless such act or omission involved an illegal act, willful misconduct, or gross negligence on the part of such member.

(o) No owner(s) shall execute or file for record any instrument which imposes a restriction upon placing of "For Sale, Lease, or Rent" signs upon any unit in this project, as long as such signs are of a customary and reasonable size and nature.

(p) Any owner shall be absolutely liable to each and all remaining owners, their families, guests and invitees, for any damage to person or property caused by any pets brought upon or kept upon said premises by any owner or by members of his family, guests or invitees.

(q) Any special assessment levied pursuant to Paragraphs (d), (e), and (m), of this Article above shall constitute a lien on the entire interest in the project of each owner so assessed, and the provisions of Article IV relative to the enforcement of liens shall apply thereto.

(r) In the event that a manager shall be employed by the owners, all of the powers and duties of the Board set forth in this Article, and elsewhere in this Declaration, in connection with the management and operation of the project, shall be deemed to be delegated to such manager upon execution of a valid written agreement between the owners or the Board and such agent, unless otherwise therein provided.

(s) In the event that the owners should decide to abolish the general plan and scheme of the condominium project, the Board shall, prior to the sale of said real property or any part thereof,

cause to be prepared and recorded such documents as may be necessary to show the conversion of the project to acreage, or to a new subdivision tract.

(t) Upon recordation of the first unit sale the Declarant shall have the right for three years or until the recordation of the sale of the last project unit, whichever occurs first, but not the obligation to exercise such right, to use some portion of the common area for sales purposes. The Declarant shall provide for reasonable use by the members of the Owners Association of those portions of the common area not in use for sales purposes. Such use shall be established through the Owners Association and shall define a daily schedule as well as delineate the areas open to use by the association members. At the discretion of the Declarant, the Declarant shall relinquish right of aforesaid use to the Owners Association and may refurbish that portion of the common area used for sales purposes. The Declarant shall remove any signs, flags, billboards, or other promotional items upon transfer of the title of the last unit owned by him to a purchaser or at the end of three years whichever occurs first, unless at the end of three years a majority of the association members, excluding Declarant, grant approval for such use on an annual basis.

(u) Any owner(s), their families, guests and invitees, shall have the right of reasonable pedestrian traffic through any parking stall unit for the purpose of reaching any adjacent common area.

(v) Unit 101, the building office unit, shall be used only to provide services as required and customary for the thirty (30) residential units and no exterior sign shall be allowed to be painted or constructed upon any portion of the building.

BKOK4738
PAGE 937

ARTICLE IX

SUSPENSION OF THE RIGHT OF PARTITION

(a) The right of partition of the common areas is hereby suspended pursuant to the laws of the State of Utah.

(b) The project may be partitioned and sold as a whole pursuant to the provisions of the laws of the State of Utah, upon a showing of the occurrences of any of the events therein provided. Additionally, partition by sale set forth in Paragraph (f) of Article VI, or Subparagraph (a) (2) of Article VII, shall have been met. Nothing herein contained shall prevent the partition or division of interest between joint or common owners of one condominium.

ARTICLE X

PROHIBITION AGAINST SEVERABILITY OF COMPONENT

INTEREST IN CONDOMINIUM

(a) No owner shall be entitled to sever his interest in any residential, building office, or parking stall units from his related undivided interest in the common area for any purpose, and no component interest may be severally sold, conveyed, encumbered, hypothecated or otherwise dealt with, and any violation or attempted violation of this provision shall be void and of no effect; provided, however, that nothing herein contained shall prevent the owner of a parking stall unit from conveying the same separately to another owner of a residential unit in this project provided further that no such conveyance may be made without the prior written consent of the lender with respect to the unit to be conveyed. The suspension of the right of severability shall in no event last beyond the period set forth in Article XI of this Declaration. It is intended hereby to restrict severability in accordance with the provisions of the laws of the State of Utah.

BOOK 1738
PAGE 938

(b) Subsequent to the initial sales of the condominiums, any conveyance of a residential or building office unit, or of the component interest in the common area, by the owner of any residential or building office condominium, shall be presumed to convey the entire residential or building office condominium, including the entire parking stall unit, if any owned by him, provided, however, that nothing herein contained shall be construed to preclude the owner of any condominium from creating a co-tenancy in the ownership of a condominium with any other person or persons.

(c) At the time of initial sales of the condominiums the Declarant shall convey at least one parking stall unit with each residential or building office unit in the deed conveying the condominium. No parking stall unit may be sold to or retained in ownership by a person not an owner of a residential or building office unit in the condominium, and each owner of a parking stall unit shall use the same for the exclusive purpose of parking a motor vehicle and not for storage or other purposes, except in lockers therein provided. No parking stall unit(s) may be rented or leased to any person(s) who are not residential or building office unit occupants of said project. Within three years from the date of the close of the sale of the first residential or building office unit in this project, or upon the recorded sale of all residential and building office units, whichever occurs first, the developer shall have transferred all parking stall units to a residential or building office unit owner or he shall deed any remaining units to the Owners Association whom shall be responsible for the payment of all maintenance on said units and shall also be responsible for the payment of their pro-rata share of taxes, liens or assessments on said parking units as indicated in Article XII, paragraph (n).

ARTICLE XI

TERM OF DECLARATION: COMPLIANCE WITH RULE AGAINST PERPETUITIES AND RESTRAINTS ON ALIENATION

(a) The Covenants contained herein shall run with the land and shall be binding on all parties and all persons claiming under them until January 1, 2028, after which time the Covenants shall be automatically extended for successive periods of twenty-one (21) years, unless an instrument executed by not less than a majority of the owners of the units shall be recorded, cancelling and terminating this Declaration.

ARTICLE XII

PROTECTION OF LENDERS

(a) Unless each lender shall have given its prior written approval neither the Owners Association nor the Owners shall be entitled to take any of the following actions:

(i) The abandonment, termination, partition or subdivision of the project, except as provided by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

(ii) Any material amendment to this Declaration or to the By-Laws of the Owners Association, including, but not limited to, any amendment which would change the pro rata share of ownership of each unit in appurtenant real estate and any improvements thereon which are owned by the unit owners in the project in undivided pro rata interests ("Common Area").

(iii) The effectuation of any decision by the Owners Association to terminate professional management and assume self-management of the project; however, if required by any lender there shall be professional management retained by the Board for this project, and in such event, the Board may increase the assessments without limitation to cover the expense of such professional management.

(b) No unit shall be partitioned or subdivided without the prior written approval of the lender with respect to such unit.

(c) Any lien which the Owners Association may have on any unit in the project for the payment of assessments attributable to such unit will be subordinate to the lien or equivalent security interest of any lender with a trust deed or mortgage on the entire project, or upon any condominium units therein, made in good faith and for value, recorded prior to the date any such assessments become due, and no such lien shall in any way impair the obligation or the priority of such trust deed or mortgage unless the lender thereof shall expressly subordinate his interest, in writing, to such lien.

(d) Each lender shall, upon request, be entitled to:

(i) Inspect the books and records of the Owners Association during normal business hours;

(ii) Receive an annual audited financial statement of the project within ninety (90) days following the end of any fiscal year of the Owners Association; and

(iii) Receive written notice of all meetings of the Owners Association and/or the Board of Governors and be permitted to designate a representative to attend all such meetings. The lender or his representative may draw attention to violations of this Declaration which have not been corrected or made the subject of remedial proceedings or assessments.

(e) In the event of substantial damage to or destruction of any unit or any part of the common area, the lender on a unit will be entitled to timely written notice of any such damage or destruction and no provision of any document establishing the project will entitle the owner of a unit or any other party to priority over such lender with respect to the distribution to such unit of any insurance proceeds.

(f) If any unit or portion thereof or the common area or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the lender on a unit will be entitled to timely written notice of any such proceeding or proposed acquisition and no provision of any document establishing the project will entitle the owner of a unit or other party to priority over such lender with respect to the distribution to such unit of the proceeds of any award or settlement.

(g) In the event any portion of the common area encroaches upon any unit or any unit encroaches upon the common areas, as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the project, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists; provided however, that in no event shall a valid easement for encroachments be created in favor of an owner if said encroachment occurred due to the willful conduct of said owner(s).

(h) The right of a unit owner to sell, transfer or otherwise convey the owner's unit will not be subject to any right of first refusal or any similar restriction in favor of the Owners Association.

BOOK 4738
PAGE 941

(i) With the exception of a lender in possession of a unit following a default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no unit owner shall be permitted to lease his unit for transient or hotel purposes. No unit owner may lease less than the entire unit. Any lease agreement shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration and the By-Laws and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be required to be in writing. Other than the foregoing, there shall be no restrictions upon the right of any owner to lease his unit.

(j) Each lender who comes into possession of a unit by virtue of foreclosure of the mortgage will take the unit free of any claims for unpaid assessments and charges against the unit which accrue prior to the time such lender comes into possession of the unit. Except as noted above, any lender shall be liable only for regular or special assessments due during the actual period of time that such lender holds title to and/or possession of a condominium. This liability for assessments on the part of a lender is on a pro rata basis with the pro rata period commencing on the date the lender acquires title and/or possession and ending upon resale or other transfer by the lender, whereupon the liability for new future assessments will attach to the transferee.

(k) The Board shall be obligated to notify in writing if requested by the lenders under all trust deeds or mortgages of record against any unit in the project of any default by an owner of an encumbered unit in the payment of maintenance charges or of any breach of any other condition of this Declaration by such owner. Such notification shall be made no later than thirty (30) days from the date when the Board first has notice of such default or breach.

In the event of a subsequent curing of such default or breach, the Board shall immediately notify all such lenders in writing.

(l) Any lender who comes into possession of a unit pursuant to the remedies provided in the mortgage, or foreclosure of the mortgage or deed (or assignment) in lieu of foreclosure, shall be exempt from any right of first refusal or other restriction on sale, lease or rental of same.

(m) Unless at least seventy-five percent (75%) of the lenders (based upon one vote for each first mortgage or first deed of trust held) have given their prior written approval, the Owners Association or condominium owners shall not be entitled to take any of the following actions:

(i) Change the pro rata interest or obligations of any unit for the purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards.

(ii) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the common area. The granting of easements for public utilities or for other public purposes consistent with the intended use of the common area by the project shall not be deemed a transfer within the meaning of this clause.

(iii) Use hazard insurance proceeds for losses to any condominium property (whether to units or to the common area) for other than the repair, replacement or reconstruction of such improvements, except as provided by statute in case of substantial loss to the units and/or common area of the project.

(n) All taxes, assessments and charges which may become liens that are levied under local law after the recordation of this Declaration and prior to the establishment of a first trust deed or mortgage on any unit within the condominium project, shall be apportioned by the Declarant (or the Owners Association after the organization meeting) only to the individual condominium units according to the unit's undivided interest shown in the attached Schedule A and shall not be levied against the condominium project as a whole.

BOOK 4738 PAGE 943

(o) The Owners Association shall with respect to any mortgage purchased by the Federal Home Loan Mortgage Corporation, notify said Corporation in writing of any loss to, or taking of the common area of the project if such loss or taking exceeds Ten Thousand Dollars (\$10,000.) in value. Such notice shall be addressed to the local Federal Home Loan Mortgage Corporation office care of the Servicer. A copy of such notice shall be filed with the records of the Owners Association.

(p) No breach of any provision of the Covenants, Conditions, or Restrictions nor the enforcement of any lien created herein shall invalidate the lien of any mortgage or deed of trust made in good faith and for value, but all of said Covenants, Conditions, and Restrictions, shall be binding upon any owner whose title is derived through foreclosure or trustee sale or otherwise.

(q) It is intended that any loan to facilitate the resale of any condominiums after foreclosure or deed in lieu of foreclosure is a loan made in good faith and for value and entitled to all of the rights and protections afforded to other lenders.

(r) A lender is authorized to furnish information to the Board concerning the status of any loan encumbering a condominium.

(s) A lender who acquires title by foreclosure or deed in lieu of foreclosure shall not be obligated to cure any breach of this Declaration of Restrictions which is noncurable or of a type which is not practical or feasible to cure.

(t) If there is any conflict between any provision of the "PROTECTION OF LENDERS" Article and any other provision in this Declaration of Restrictions, the language contained under "PROTECTION OF LENDERS" shall control.

ARTICLE XIII
GENERAL PROVISIONS

(a) The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of the project for the mutual benefit of all owners.

(b) The provisions herein shall be deemed independent and severable and the invalidity or partial invalidity or unenforceability of any of the provisions hereof shall not affect the validity of the remaining provisions.

(c) Each and all legal or equitable remedies provided for in this Declaration shall be deemed to be cumulative, whether so expressly provided or not.

(d) This Declaration shall be binding upon, and shall inure to the benefit of, the heirs, personal representatives, successors and assigns of Declarant, and the heirs, personal representatives, grantees, lessees, sub-lessees and assignees of the owners.

(e) No waiver of any breach of any of the covenants or conditions of this Declaration shall constitute a waiver of any succeeding or proceeding breach of the same or any other covenant or condition contained herein.

(f) No reconstruction under the provisions of Article VI hereof shall be contracted for until plans and specifications therefor have been submitted to the City wherein said subdivision is located, and approved by them in all respects. Such reconstruction shall conform, insofar as may be practicable, to the original architectural style and to the original plans and specifications for said project. If the project as rebuilt results in a change in location of any ownership, any additional requirements of said City shall be complied with prior to reconstruction.

ARTICLE XIV

AMENDMENT

(a) Each and all of the Covenants, Conditions and Restrictions contained in this Declaration may be modified, amended, augmented, or deleted in the following manner, and not otherwise; by the execution of either an amended Declaration or an amendment to this Declaration, duly executed and acknowledged by members representing not less than fifty-one percent (51%) of the voting power of the Association residing in members other than the declarant, provided, however, that the percentage of the voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

For example, if this Declaration expressly states that seventy-five percent (75%) of the voting power must agree to an increase in the maximum annual assessment before such increase can be effected, then seventy-five percent (75%) of the voting power is necessary to amend this provision regardless of the percentage stated in this general provision respecting amendments.

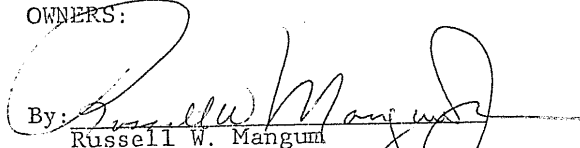
(b) Said amended Declaration or amendment to Declaration shall not be effective for any purpose unless and until recorded in the Salt Lake City Recorder's Office but shall thereafter be conclusive and presumed valid in favor of anyone relying thereon in good faith.

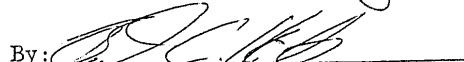
BOOK 4738 PAGE 946

IN WITNESS WHEREOF, Declarant has executed this Declaration on this day and year first above written.

Russell W. Mangum and Brent C. Hill, "Declarant".


OWNERS:

By: 
Russell W. Mangum

By: 
Brent C. Hill

On the 12 day of September, 19 78, personally appeared before me Russell W. Mangum & Brent C. Hill, the signers of the foregoing instrument, who duly acknowledged to me that they executed




Notary Public

Residing at: Salt Lake City, Utah

BOOK 4738 PAGE 947

CITYCREST CONDOMINIUM

SCHEDULE "A"

<u>UNIT</u>	<u>BEDROOM</u>	<u>EST. MONTHLY MAINTENANCE</u>	<u>UNDIVIDED INTEREST</u>
101	Two Story Three Room	44.90	449/26949
301	Two Bedroom	71.90	719/26949
302	Two Bedroom	71.90	719/26949
303	One Bedroom	49.90	499/26949
304	One Bedroom	47.90	479/26949
305	Two Bedroom	68.90	689/26949
306	Two Bedroom	68.90	689/26949
401	Two Bedroom	72.90	729/26949
402	Two Bedroom	72.90	729/26949
403	One Bedroom	54.90	549/26949
404	One Bedroom	49.90	499/26949
505	Two Bedroom	69.90	699/26949
406	Two Bedroom	69.90	699/26949
501	Two Bedroom	73.90	739/26949
502	Two Bedroom	73.90	739/26949
503	One Bedroom	58.90	589/26949
504	One Bedroom	53.90	539/26949
505	Two Bedroom	70.90	709/26949
506	Two Bedroom	70.90	709/26949
601	Two Bedroom	74.90	749/26949
602	Two Bedroom	74.90	749/26949
603	One Bedroom	59.90	599/26949
604	One Bedroom	54.90	549/26949
605	Two Bedroom	71.90	719/26949
606	Two Bedroom	71.90	719/26949
701	Three Bedroom	144.90	1449/26949
702	Three Bedroom	144.90	1449/26949
703	Two Bedroom	114.90	1149/26949
704	Two Bedroom	114.90	1149/26949
705	Three Bedroom	144.90	1449/26949
706	Three Bedroom	144.90	1449/26949

P-1 Thru P-52 inclusive are all parking stalls

Each Unit	5.00	50/26949
-----------	------	----------

BY-LAWS
OF
CITYCREST CONDOMINIUM OWNERS ASSOCIATION
An Unincorporated Association of Owners

ARTICLE I

Section 1. OFFICE. The office of this Association shall be located somewhere within the County of Salt Lake, State of Utah, as specified by the Board of Governors.

Section 2. CORPORATE PURPOSE. The specific and primary purpose for which this Association is formed, is to exercise the powers granted to it by the Declaration of Restrictions for that real property located in the City of Salt Lake, State of Utah, and more particularly described as follows:

Commencing 49.53' west of the southwest corner of Lot 2, Block 2, Plat I Salt Lake City survey; thence N. 00° 02' 10" E. 167.40' thence S. 89° 58' 01" E. 115.53' thence S. 00° 02' 10" W. 167.40' N. 89° 58' 01" W. 115.53' to the point of beginning;

known as the CITYCREST CONDOMINIUM as the same may be recorded in the office of the County Recorder of Salt Lake County and as from time to time amended.

ARTICLE II

Section 1. Each owner of a condominium and the accompanying undivided interest in the common area, both of which are non-separable, in the property described in Article I of these By-Laws, said property being hereinafter called "Real Property", shall be a member of this Association. The transfer of title to any such condominium shall automatically transfer the membership appurtenant thereto to the transferee. No such membership may be severed from the condominium to which it is appurtenant or transferred except in connection with a conveyance of the members interest or ownership of such condominium. In the event that any such condominium is owned by two or more persons, then such persons shall designate in a writing to be filed with this Association which one of them shall represent (as a member) the interests of said condominium in the Association, and, in the absence of such designation, this Association may select which one of such persons shall act as such member.

BOOK 4738 PAGE 949

ARTICLE III

Maintenance Fees, Assessments and Lien Rights

Section 1. MAINTENANCE FEES AND ASSESSMENTS. The Board of Governors shall fix and determine from time to time the fees and assessments to be paid by each member in reasonable sums determined as provided in the Declaration of Restrictions above referred to. The officers of this Association are authorized to bring an action at law against any members for any such membership fees or assessments which are delinquent.

Section 2. LIEN RIGHTS. The Association, for the purpose of enforcing payment of said fees and assessments, shall have a lien against the interest of any member in said Real Property to secure the faithful performance in compliance with these By-Laws and the full and prompt payment of all fees and assessments levied by the Board of Governors, and in the event of non-performance or a default by any member, said interest of such member may be foreclosed by this Association in a manner similar to the provisions of the laws of the State of Utah, and any redemption thereafter shall be subject to the lien hereby created as to other or future events of non-performance or default, and the lien hereby created shall likewise apply to the Grantee of any Sheriff's Deed after foreclosure as to other or future events of non-performance or default, provided, however, it is specifically understood that the lien hereby created shall, at all times be subordinate and inferior to the lien of any bona fide lender which now exists or is hereafter placed on said Real Property or any part of parcel thereof.

BOOK 4738 PAGE 950

Section 3. PAYMENT OF ASSESSMENTS BY AND VOTING RIGHTS.

The Developer of the Real Property described in Article I hereof, shall be liable to pay all fees and assessments levied by the Board of Governors against any unsold units at the same time, in the manner and in the same amounts as any other member and shall have the same rights with reference to said unsold residential or building office unit, including voting rights hereunder, i.e., one vote for each unsold residential or building office unit, as any other owner of a unit or units in said subdivision.

ARTICLE IV

Membership Rights and Privileges

Section 1. No member shall have the right without the prior approval of the Board of Governors to exercise any of the powers or to perform any of the acts by these By-Laws delegated to the Board of Governors as in Article VI, of these By-Laws more fully provided.

Section 2. Regular and special meetings of the governing body shall be open to all members of the Association provided, however, that Association members who are not on the Board of Governors may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board of Governors.

Section 3. There is no purported power in the Association to cause a forfeiture or abridgement of an owner's rights to the full use and enjoyment of his individually-owned subdivision interest on account of a failure by the owner to comply with provisions of the governing instruments or of duly-enacted rules of operation for common areas and facilities except where the loss or forfeiture is the result of the judgment of a court or a decision arising out of arbitration or on account of a foreclosure or sale under a power of sale for failure of the owner to pay assessments levied by the Association.

BOOK 4738
PAGE 951

ARTICLE V

Section 1. PLACE OF MEETINGS. All meetings of members shall be held within the subdivision, City of Salt Lake, Salt Lake County, Utah, or as close thereto as practicable.

Section 2. ANNUAL MEETINGS OF MEMBERS. The annual meetings of members shall be held on the first day of December of each year; provided, however, that should said day fall upon a legal holiday, then any such annual meeting of members shall be held at the same time and place on the next day thereafter ensuing which is not a legal holiday, provided, that in any event an organizational meeting shall be held as promptly as possible following the sale of a majority of the condominiums, but in no event later than six months after sale and closing of the majority of the units and undivided interest in the common area. Governors chosen at the organizational meeting shall serve until the next annual meeting and until their successors are elected.

Written notice of each such annual meeting shall be given to each member either personally or by sending a copy of the notice through the mail or by telegraph, charges prepaid, to his address appearing on the books of the Association or supplied by him to the Association for the purpose of notice. If a member supplies no address, notice shall be deemed to have been given him if mailed to the place where the principal office of the Association is situated, or published at least once in some newspaper of general circulation in the county of said principal office. All such notices shall be sent to each regular member not less than ten days and not more than sixty days before each annual meeting, and shall specify the place, the day and the hour of such meeting.

BOOK 4738 PAGE 952

Section 3. SPECIAL MEETINGS. Special meetings of members, for any purpose or purposes whatsoever shall be called at any time by the President or by the Board of Governors upon the vote of a majority of a quorum of the Board of Governors or upon receipt of a written request therefor signed by members representing 25% of the total voting power of the Association or by members representing not less than 15% of the total voting power residing in members other than the subdivider. Except in special cases where other express provision is made by statute, notice of such special meetings shall be given in the same manner as for annual meetings of members. Notice of any special meeting shall specify in addition to the place, day and hour of such meeting, the general nature of the business to be transacted.

Section 4. ADJOURNED MEETINGS AND NOTICE THEREOF. Any membership meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the members present in person or represented by proxy, but in the absence of a quorum, no other business may be transacted at any such meeting.

BOOK 4738
PAGE 953

When any membership meeting, either annual or special, is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Except as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted by any adjourned meeting, other than by an announcement at the meeting at which such adjournment is taken.

Section 5. ENTRY OF NOTICE. Whenever any member has been absent from any meeting of the membership, whether annual or special, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such meeting was given to such member as required by law and the By-Laws of the Association.

Section 6. VOTING. At all meetings of members, each member shall be entitled to one vote for each residential or building office unit owned in said property regardless of the number of parking stall units owned by him. Such vote may be viva vote or by ballot; provided that all elections for election or removal of directors must be by secret ballot. Any such member at any election for election or removal of Governors shall have the right to cumulate his votes and give one candidate a number of votes equal to the number of Governors to be elected or removed multiplied by the number of votes to which he is entitled, or to distribute his votes on the same principle among as many candidates as he shall think fit. The candidates receiving the highest number of votes up to the number of Governors to be elected shall be elected. If the total number of membership votes excluding the declarant is less than the quotient arrived at when one (1) plus the number of authorized governors is divided into the total membership votes, the members of the association excluding the declarant shall have the right to solely elect at least one but not less than twenty percent (20%) of the members of the Board of Governors through the cumulating of all of their votes.

BOOK 4738
PAGE 954

Section 7. QUORUM. The presence in person or by proxy of fifty percent (50%) of the membership votes entitled to vote at any meeting shall constitute a quorum for the transaction of business. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment. Notwithstanding the withdrawal of enough members to leave less than a quorum, a majority of those members present at any one time shall prevail on all matters brought before the meeting at that time, except on those matters where a specific voting requirement has been established in the Declaration or within these By-Laws. If any meeting cannot be held because a quorum is not present, the members present, either in person or by proxy, may, as otherwise provided by law, adjourn the meeting, but may not transact any other business, to a time not less than 5 days nor more than 30 days from the time the original meeting was called; provided that such action of adjournment as herein contemplated can take place only if twenty-five percent (25%) of said members are present in person or by proxy at the time of the vote upon the motion for adjournment.

Section 8. CONSENT OF ABSENTEES. The transactions of any meeting of members, either annual or special however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the members entitled to vote, not present in person or by proxy, signs a written waiver of notice; or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals, shall be filed with the Association records or made a part of the minutes of the meeting.

Section 9. ACTION WITHOUT MEETING. Any action, which under the provisions of the Association may be taken at a meeting of the members, may be taken without a meeting if authorized by a writing signed by all of the members who would be entitled to vote at a meeting for such purpose, and filed with the secretary of the Association.

Section 10. PROXIES. Every person entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the secretary of the Association, provided that no such proxy shall be valid after the expiration of eleven months from the date of its execution, unless the member executing it specified therein the length of time for which the proxy is to continue in force, which in no case shall exceed seven (7) years from the date of its execution, and provided further that in no event shall a proxy continue in force after the person granting such proxy is no longer entitled to membership in the Association as defined in Article II above.

ARTICLE VI

Governors

Section 1. POWERS. Subject to limitations of the By-Laws, and/or any pertinent laws of Utah as to action to be authorized or approved by the members, and subject to the duties of Governors as prescribed by the By-Laws, all Association powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be controlled by the Board of Governors. Any management body or agent named by said Owners Association, shall be employed to manage only until the first annual election of Governors, at which time the same or another body or agent shall be elected by a majority of the Governors.

Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Governors shall have the following powers:

First: To select and remove all the other officers, agents and employees of the Association, prescribe such powers and duties for them as may not be inconsistent with law, with the Articles of the By-Laws, fix their compensation and require from them security for faithful service.

Second: To conduct, manage and control the affairs and business of the Association, and to make such rules and regulations therefore not inconsistent with law, with the By-Laws as they may deem best.

Third: To change the principal office for the transaction of the business of the Association from one location to another within the same county; to designate a place within the County of Salt Lake for the holding of any membership meeting; and to adopt, make and use an Association seal, and to alter the form of such seal from time to time as in their judgment they may deem best, provided such seal shall, at all times, comply with the provisions of law.

Fourth: To borrow money and incur indebtedness for the purposes of the Association and to cause to be executed and delivered therefore, in the Association name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefore; to prepare budgets and financial statements as prescribed in the governing instruments; to grant easements or use rights affecting the common areas; and to annex additional land to the existing development.

Fifth: To manage, operate, maintain and repair any personal property or real property owned by the Association, together with all buildings, structures and other improvements on said real property, including (by way of description and not by way of limitation) the following:

BOOK 4738 PAGE 957

(a) To contract and pay for (1) fire, casualty, liability and other insurance insuring said property owned by the Association and (2) bonding expense incurred in bonding the officers and Governors of the Association.

(b) To pay all charges for water metered or charged to the Association in the operation and maintenance of property owned by the Association.

(c) To provide and pay for appropriate lighting on all property owned by the Association.

(d) To maintain, repair and paint the property owned by the Association and any improvements now or hereafter constructed thereon, and to provide and pay for maintenance and/or janitorial services for said property.

(e) To landscape, care for, maintain and water all planted areas of said property.

(f) To restore or replace any or all of said buildings, structures, or improvements at any one time and from time to time as the Board of Governors may determine desirable or necessary.

(g) To pay for reconstruction of any portion or portions of the project damaged or destroyed which are to be rebuilt.

(h) To purchase, own and/or sell any real and/or personal property owned by the Association and to grant easements and/or use rights affecting the common areas and/or any property either real or personal owned by the Association.

(i) To enforce each and every one of the provisions of these By-Laws or any other agreement to which this Association is a party.

(j) To contract and pay for maintenance, gardening, utilities, materials and supplies, and services relating to the condominium's property and to employ personnel necessary for the operation and maintenance of said property, including legal and accounting services but no contract for materials, supplies, or services shall exceed in duration a term of one (1) year except with the approval of a majority of the members of this Association, excluding declarant's vote.

BOOK 4738 PAGE 958

(k) To pay any taxes and special assessments which are or would become a lien on the common area owned or controlled by the Association.

(l) To delegate any of its powers hereunder, to committees, officers or employees.

(m) Enter into any lot or unit when necessary in connection with maintenance or construction for which the management body is responsible.

Section 2. NUMBER AND QUALIFICATIONS OF GOVERNORS. The Board of Governors shall consist of not less than five (5) Governors all of whom shall be owners or a greater number adopted by the vote or written assent of members entitled to exercise a majority of the voting power.

Section 3. ELECTION AND TERM OF OFFICE. The Governors shall be elected at each annual meeting of members but if any such annual meeting is not held, or the Governors are not elected thereat, the Governors may be elected at any special meeting of members held for that purpose. All Governors shall hold office until their successors are elected.

For Associations with five governing body members, terms of office shall be concurrent or staggered on a three-two basis. For Associations with six or more governing body members, there shall be concurrent terms for no less than three members. For example, if there are seven authorized members, elections and terms of office may only be staggered three-four. If there are nine governing body positions, elections and terms may be staggered five-four, six-three or three-three-three.

Section 4. VACANCIES. Vacancies in the Board of Governors may be filled by a majority of the remaining Governors, though less than a quorum, and each Governor so elected shall hold office until his successor is elected at an annual meeting of members, or at a special meeting called for that purpose.

A vacancy or vacancies shall be deemed to exist in case of the death, resignation, or removal of any Governor, or if the members shall increase the authorized number of Governors but shall fail at the meeting at which such increase is authorized, or at any adjournment

thereof, to elect the additional Governors so provided for, or in case the members fail at any time to elect the full number of authorized Governors.

The members may at any time elect Governors to fill any vacancy not filled by the Governors, and may elect the additional Governors at the meeting at which an amendment of the By-Laws is voted authorizing an increase in the number of Governors.

The entire Board of Governors or an individual Governor may be removed from office by a vote of members holding a majority of the membership voting rights entitled to vote at an election of Governors. However, unless the entire board is removed an individual Governor shall not be removed if the number of votes cast against his removal is greater than the quotient arrived at by dividing the total number of votes that may be cast under cumulative voting procedures by a divider equal to one (1) plus the authorized number of Governors. If any or all Governors are so removed new Governors may be elected at the same meeting. In the event a Governor has been elected to office solely by the votes of members of the Association other than the declarant, he may be removed from office prior to the expiration of his term of office only by the vote of at least a simple majority of the voting power residing in members other than the declarant.

If any Governor tenders his resignation to the Board of Governors, the Board shall have power to elect a successor to take office at such time as the resignation shall become effective. No reduction of the number of Governors shall have the effect of removing any Governor prior to the expiration of his term of office.

Section 5. PLACE OF MEETING. All meetings of the Board of Governors shall be held at the principal office of the Association, or as close thereto as practical within the county wherein the subdivision is located.

BOOK 4738 PAGE 960

Section 6. ORGANIZATION MEETING. Immediately following each annual meeting of members, the Board of Governors shall hold a regular meeting for the purpose of organization, election of officers and the transaction of other business.

Section 7. OTHER REGULAR MEETINGS. Other regular meetings of the Board of Governors shall be held without call monthly on the second Thursday of each month at 5:00 PM, provided, however, should said day fall upon a legal holiday, then said meeting shall be held at the same time on the next day thereafter ensuing which is not a legal holiday. Notice of all such regular meetings of the Board of Governors shall be posted at a prominent place or places within the common area.

Section 8. SPECIAL MEETINGS. Special meetings of the Board of Governors for any purpose or purposes shall be called at any time by the president, or if he is absent, unable or refuses to act, by any vice-president or by any two Governors.

Written notice of the time, place and the nature of business of special meetings shall be delivered personally to the Governors or sent to each Governor by letter or by telegram, charges prepaid, addressed to him at his address as it is shown upon the records of the Association, or, if it is not shown on such records or is not readily ascertainable, at the place in which the meetings of the Governors are regularly held. In case such notice is mailed or telegraphed, it shall be deposited in the United States Mail or delivered to the telegraph company in the place in which the principal office of the Association is located at least seventy-two (72) hours prior to the time of the holding of the meeting. In case such notice is delivered as above provided, it shall be so delivered at least seventy-two (72) hours prior to the time of the holding of the meeting. Such mailing, telegraphing or delivery as above provided shall be due, legal and personal notice to such Governors. Such notice shall also be posted in the manner prescribed for notice of regular meetings not less than seventy-two (72) hours prior to the scheduled time of the meeting.

Section 9. NOTICE OF ADJOURNMENT. Notice of adjournment of any Governors' meeting, either regular or special, need not be given to absent Governors, if the time and place are fixed at the meeting adjourned.

Section 10. ENTRY OF NOTICE. Whenever any Governor has been absent from any special meeting of the Board of Governors, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such special meeting was given to such Governor, as required by law and the By-Laws of the Association.

Section 11. WAIVER OF NOTICE. The transaction of any meeting of the Board of Governors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the Governors not present signs a written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the Association records or made a part of the minutes of the meeting.

Section 12. QUORUM. A majority of the Governors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the Governors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Governors.

Section 13. ADJOURNMENT. A quorum of the Governors may adjourn any Governors' meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum a majority of the Governors present at the Governors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting for the Board.

Section 14. EXECUTIVE SESSION. The Board of Governors may, with the approval of a majority of a quorum of its members, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 15. FEES AND COMPENSATION. Governors shall not receive any stated salary for their services as Governors, however, the Board of Governors may reimburse any member of the Association for expenses incurred in the conduct of Association business. Nothing herein contained shall be construed as to preclude any Governor from serving the Association in any other capacity as an officer, agent, employee or otherwise, and receiving compensation therefore. Any Governor receiving any special compensation shall be excluded from deliberations by the Board relative to the fixing of such compensation.

ARTICLE VII

Section 1. OFFICERS. The officers of the Association shall be a president, a vice-president, a secretary and a treasurer. The Association may also have, at the discretion of the Board of Governors, one or more assistant secretaries, one or more assistant treasurers, an Architectural Control Committee and such other officers and/or committees as may be appointed in accordance with the provisions of Section 3 of this Article. Officers other than the president need not be Governors. One person may hold two or more offices, except those of president and treasurer.

Section 2. ELECTION. The officers of the Association except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article VII shall be chosen annually by the Board of Governors, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve, or his successor shall be elected and qualified.

Section 3. SUBORDINATE OFFICERS, ETC. The Board of Governors may

BOOK 4738
PAGE 963

appoint such other officers as the business of the Association may require each of whom shall hold office for such period, have such authority and perform such duties as are provided in the By-Laws or as the Board of Governors may from time to time determine.

Section 4. REMOVAL AND RESIGNATION. Any officer may be removed, either with or without cause, by a majority of the Governors at the time in office, at any regular or special meeting of the Board, or except in case of an officer chosen by the Board of Governors, by any officer upon whom such power of removal may be conferred by the Board of Governors.

Any officer may resign at any time by giving written notice to the Board of Governors or the president, or to the secretary of the Association. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification or any other cause, shall be filled in the manner prescribed in the By-Laws for regular appointments to such office.

Section 6. PRESIDENT. The president shall be the chief executive officer of the Association and shall, subject to the control of the Board of Governors, have supervision, direction and control of the business and officers of the Association. He shall preside at all meetings of the members and at all meetings of the Board of Governors. He shall be an ex-officio member of all standing committees, including the Executive Committee, if any, and shall have the general powers and duties of management usually vested in the office of president of an Association, and shall have such power and duties as may be prescribed by the Board of Governors or by the By-Laws.

Section 7. VICE-PRESIDENT. In the absence or disability of the president, the vice-president shall perform all the duties of the president, and when so acting shall have all powers of, and be subject to all the restrictions upon, the president. The vice-president shall have such other powers and perform such other duties as from time to time may be prescribed for him by the Board of Governors or by the By-Laws.

Section 8. SECRETARY. The secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board of Governors may order, of all meetings of Governors and members, with the time and place of holding, whether regular or special, and if special how authorized, the notice thereof given, the names of those present at the Governors' meetings, the number of members present or represented at members' meetings and the proceedings thereof.

The secretary shall give, or cause to be given, notice of all the meetings of the members and of the Board of Governors required by the By-Laws or by law to be given, and he shall keep the seal of the Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Governors or the By-Laws.

Section 9. TREASURER. The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital and surplus. Any surplus, including earned surplus, paid-in surplus and surplus arising from a reduction of stated capital, shall be classified according

to source and shown in a separate account. The books of account shall at all times be open to inspection by any Governor. The treasurer shall deposit all monies and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board of Governors. He shall disburse the funds of the Association as may be ordered by the Board of Governors and shall render to the president and Governors, however they request it, an account of all of his transactions as treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board of Governors or the By-Laws.

Section 10. ARCHITECTURAL COMMITTEE. The Architectural Control Committee shall be responsible for the control and/or selection of landscaping and structural architecture and design for all common elements of the project upon completion of the original construction of the project. Such controls shall extend to any facade, structure, surface treatment or fixture which is visible from the common areas of the project or any surrounding property whether public or private. In the event of any construction, redecoration, remodeling or rehabilitation of the project, this Committee shall be responsible for design, color and materials selection. The committee shall serve at the pleasure of the Board of Governors and shall assume any other design or architectural projects so delegated to them. Any determination, decision or recommendation by this Committee shall be approved by a majority of the Board of Governors unless the Board agrees to delegate full authority to the Committee to act in its behalf in either general or specific instances. Any delegation of authority whether general or specific must be reviewed and restated on an annual basis; otherwise, such delegation shall be null and void after one year and shall vest again with the Board of Governors.

ARTICLE VIII

Miscellaneous

Section 1. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Governors.

Section 2. CONTRACTS, ETC. HOW EXECUTED. The Board of Governors, except as in the By-Laws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Governors, no officer, agent or employee shall have any power or authority to bind the Association by a contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 3. INSPECTION OF BOOKS, DOCUMENTS AND RECORDS.

1. The membership register; books of account; minutes of meetings of the Association; of the Board of Governors and of committees of the Board of Governors of the Association; and the original or a copy of the By-Laws and the Covenants, Conditions and Restrictions as amended or otherwise altered to date, certified by the secretary, shall be made available for inspection and copying by any member of the Association -- or by his duly-appointed representative -- at any reasonable time and for a purpose reasonably related to his interest as a member, at the office of the Association or at such other place within the subdivision as the Board of Governors shall prescribe.

2. The Board of Governors shall establish reasonable rules with respect to:

- (a) Notice to be given to the Secretary by the member desiring to make the inspection.
- (b) Hours and days of the week when such an inspection may be made.
- (c) Payment of the cost of reproducing copies of documents requested by a member.

BOOK 4738 PAGE 967

3. Every Governor shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Governor includes the right to make extracts and copies of documents.

Section 4. FISCAL YEAR. The fiscal year of the Association shall be determined by the Board of Governors and having been so determined is subject to change from time to time as the Board of Governors shall determine.

Section 5. ANNUAL AUDIT. The Board of Governors shall cause an independent audit of the financial affairs of this Association to be made at least every twelve months. Said audit to reflect the financial condition of this Association as of the date of said audit and to summarize the financial transactions in which this Association was involved during the period between the last of such audits and the date of the current audit. A copy of said audit will be mailed to each of the members of this Association within sixty (60) days after the end of the fiscal year.

Section 6. PRIORITY OF DOCUMENTS. In the event there is any conflict between any provision of these By-Laws, or amendments thereto, and the Declaration of Restrictions, or amendments thereto, the language contained within the Declaration of Restrictions, or amendments thereto, shall control.

ARTICLE IX

Notwithstanding anything to the contrary, whether expressed elsewhere in these By-Laws or in the Declaration of Restrictions affecting the Real Property, a majority of the voting power of the members shall be required in any of the following instances:

(1) Assessments for capital improvements in excess of five percent (5%) of the annual budget for the Association in any fiscal year, excluding Declarant's vote.

(2) Assessments to make up any deficiency in insurance proceeds.

(3) Any election or decision not to rebuild all or part of a condominium damaged or destroyed by fire or other cause.

BOOK 4738 PAGE 968

(4) Any mortgaging, encumbering, sales or disposition of real or personal property in any fiscal year of the Association having an aggregate value in excess of 5% of the total annual budget of the Association, excluding declarants vote.

(5) Incurring aggregate expenditures for capital improvements to the common area in excess of 5% of the total annual budget in any fiscal year, excluding declarants vote.

(6) Impose a regular annual assessment per subdivision interest which is more than 20% greater than the regular assessment for the immediately preceding fiscal year, excluding Declarants vote.

ARTICLE X

Amendment to By-Laws

These By-Laws may be amended by the members in a duly constituted meeting for such purpose and no amendment shall take effect unless approved by the vote or written consent of members representing not less than 51% of a quorum of members other than the declarant and not less than 51% of the voting power of the Association residing in members other than the declarant, provided, however, that the percentage of the voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause regardless of the percentage stated in the this general provision respecting amendments.

CERTIFICATE OF SECRETARY

KNOW ALL MEN BY THESE PRESENTS THAT:

The undersigned, Secretary of the _____ does hereby certify that the above and foregoing By-Laws were duly adopted by the Board of Governors of said Association on the _____ day of _____, 197_, and that they now constitute said By-Laws.

By: _____, Secretary

STATE OF UTAH)
COUNTY OF SALT LAKE) ss

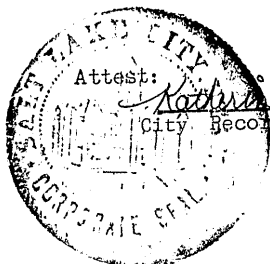
On _____, before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____, known to me to be the Secretary of the Association that executed the within instrument on behalf of the Association therein named, and acknowledged to me that such Association adopted and executed the within instrument.

SALT LAKE CITY APPROVAL

On this 31st day of August, 1978, Salt Lake City Corporation, a body politic and corporate of the State of Utah and the Municipality in which the Citycrest Condominium is located, hereby gives final approval to said project, to the foregoing declaration, to the record of survey map recorded concurrently herewith and to the attributes of said project which are mentioned in Section 57-8-35 (3) of the Utah Condominium Ownership Act, as amended and expanded by Laws of Utah, 1975, Chapter 173, Section 18.

Salt Lake City Corporation

by [Signature]
TEMPORARY CHAIRMAN



Attest: [Signature]
City Recorder - Chief Deputy

BOOK 4738 PAGE 970