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DECLARATION AND BYLAWS
of the

EVERGREEN MANOR CONDOMINIUMS

A

Condominium Project Created
Pursuant to the Utah Condominium
Ownership Act

BOOK 5441 PAGE 2807

TABLE OF CONTENTS

DECLARATION:		Page
1.	Recitals	1
2.	Description of the Land	1
3.	Description of the Building	2
4.	Description of Units	2
5.	Description of Common Areas and Facilities	2
6.	Description of Limited Common Areas and Facilities	3
7.	Percentages of Undivided interest in Common Areas and Facilities	3
8.	Purpose of the Property	3
9.	Agent for Service of Process	5
10.	Association of Unit Owners: Management Committee	5
11.	Maintenance, Alteration and Improvement	8
12.	Insurance	9
13.	Destruction or Damage	13
14.	Termination	14
15.	Eminent Domain	15
16.	Mortgage Protection	15
17.	Leasing of Units	17
18.	Encroachments	17
19.	Conveyences, Easements	17
20.	Combination of Units	19
21.	Amendment	20
22.	Assessments	20
23.	Voting	21
24.	Notices	22
25.	No Waiver	22
26.	Enforcement	23
27.	Declarant's Use	23
28.	Severability	23
29.	Captions	23
30.	Law Controlling.	23
31.	Effective Date	24
32.	Expansion of the Project	24
33.	Easement Rights - Sales Activities	27

EXHIBIT A - BYLAWS

1.	Identity	29
2.	Application	29
3.	Administration Of Condominium Project	29
4.	Management Committee	31
5.	Officers	32

6. Accounting 33
7. Building Rules 34
8. Amendment Of The Bylaws 34
9. Operation And Maintenance Of Condominium Project . . 34

EXHIBIT B - EVERGREEN MANOR CONDOMINIUMS

BOOK 5441 PART 2809

DECLARATION

EVERGREEN MANOR CONDOMINIUMS

THIS DECLARATION is made and executed by AEL Corporation, a Utah corporation, ("declarant"), pursuant to the provisions of the Utah Condominium Ownership Act, as amended, Utah Code Ann. sec. 57-8-1, et. seq., hereinafter referred to as the "act".

1. Recitals.

1.1 Declarant, and the persons joining in this declaration, are the owners of the real property and improvements ("property") located in Street, Salt Lake County, Utah, hereinafter more particularly described.

1.2 Declarant, by recording this declaration, intends that the provisions of the act shall apply to the property.

1.3 The covenants, conditions and restrictions contained in this declaration and in the appendices hereto shall be enforceable equitable servitudes and shall run with the land.

1.4 Declarant has filed simultaneously herewith a record of survey map ("map"), as required by section 57-8-13(1) of the act.

1.5 The administration of the property shall be governed by bylaws which are embodied in a separate instrument, a true copy of which is appended to and recorded with this declaration as Exhibit A.

1.6 All terms used in this declaration and the appended bylaws shall have the same definition as the terms defined in the act, unless the act allows for a variation of the terms and such variation is contained herein.

1.7 The property shall be known as Evergreen Manor Condominiums. The mailing address of the property is ABI Corporation, 465 South 200 West, Suite 1-A, Bountiful, Utah.

2. Description of the Land.

The land on which the building and improvements are located is particularly described as follows:

All of Lots 5 and 6 Evergreen Manor Subdivision. A subdivision of part of the SW $\frac{1}{4}$ of Section 27, T1S, R1E, SLB&M, Salt Lake County, Utah.

3. Description of the Building.

3.1 The project consists of two buildings with four units per building making a total of eight units in the project.

3.2 Each building is a single level with four units side-by-side in a row.

3.3 Each unit has a living room, dining area and kitchen, one bedroom, bathroom, and a utility closet with laundry hookups. The heating units in each unit are independent serving only that unit. The project and each unit are served with sewer, water, natural gas, and electricity.

3.4 The construction of each building is block, slab on grade construction with a built-up roof. The front of the building has a wood and brick facing.

4. Description of Units.

4.1 Exhibit B hereto contains a table setting forth the number designation of each unit. The units are more particularly described on the recorded survey map.

4.2 The boundary lines of each unit are the undecorated and/or unfinished interior surfaces of its perimeter walls, bearing walls, lowermost floor, uppermost ceiling, interior surfaces of windows and doors, window frames and door frames and trim. Each unit shall include both the portions of the building that are not common areas and facilities within such boundary lines and the space so encompassed. Without limitation, a unit shall include any finishing material applied or affixed to the interior surfaces of the interior walls, floors, and ceilings, non-supporting interior walls and all utility pipes, lines, systems, fixtures, or appliances found within the boundary lines of the unit and servicing only that unit.

5. Description of Common Areas and Facilities.

The common areas and facilities shall mean and include: the land on which the building is located and all portions of the

property not contained within any unit, including, but not by way of limitation: the foundations, columns, girders, beams, supports, main walls, and roofs; the grounds, walkways, gardens, parking areas, areas used for storage of janitorial supplies, maintenance equipment and materials; installations of all central services including power, light, water, and garbage collection; in general all apparatus and installations existing for common use; all patios, courts, and driveways; and utility pipes, lines or systems servicing more than a single unit and wires, conduits and other accessories and utility installations to the outlets used therewith; all limited common areas and facilities as hereinafter described; all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally common in use, or which have been designated as common areas and facilities in the map; and all repairs and replacements of any of the foregoing.

6. Description of Limited Common Areas and Facilities.

Limited common areas and facilities mean and include those portions of the common areas and facilities reserved for the use of certain units to the exclusion of other units. The limited common areas and facilities shall be the assigned parking spaces as set forth in Exhibit B. The use and occupancy of designated limited common areas and facilities shall be reserved to its associated unit and each unit owner is hereby granted an irrevocable license to use and occupy said limited common areas and facilities.

7. Percentages of Undivided Interest in Common Areas and Facilities.

The percentage of undivided interest in the common areas and facilities appurtenant to each unit and its owner for all purposes, including voting, is set forth in Exhibit B.

8. Purpose of the Property.

8.1 The purpose of the property is to provide residential housing, parking and recreational facilities for unit owners, their respective families, tenants, guests and servants.

8.2 The units and common areas and facilities shall be occupied and used follows:

BOOK 5441 PAGE 2812

8.2.1 A unit shall be occupied as a permanent single family residence.

8.2.2 A unit owner shall not permit his unit to be occupied or used other than as a private residence for a single family, without the express approval of the management committee or its designee.

8.2.3 A unit owner shall not permit his parking space(s) to be used for any other purposes except to park a vehicle.

8.2.4 A unit owner shall keep his patio clean and sightly at all times and shall not use said patio for storage except with the express written approval of the management.

8.2.5 A unit owner shall not obstruct the common areas and facilities. A unit owner shall not place or store anything within the common areas and facilities without the prior consent of the management committee or its designee except in the limited common areas and facilities appurtenant to his unit specifically designated or approved by the management committee for storage.

8.2.6 Without the prior written consent of the management committee or its designee, a unit owner shall not permit anything to be done or kept in his unit or in the limited common areas and facilities appurtenant to his unit that would result in an increase in the cost of insurance on the property, or that would result in the cancellation of insurance with respect to all or any part of the property, or that would be in violation of any governmental law, ordinance, or regulation.

8.2.7 Without prior written consent of the management committee or its designee, a unit owner shall not permit any sign of any kind to be displayed to the public view from his unit or from the limited common areas and facilities appurtenant to his unit.

8.2.8 A unit owner shall not permit any animals of any kind to be raised, bred, or kept in his unit or in the limited common areas and facilities appurtenant to his unit, except that the management committee may provide in its rules and regulations that dogs, cats, and other household pets may be kept in units subject to the

BOOK 5441 PAGE 2813

rules and regulations adopted by the management committee.

8.2.9 A unit owner shall not permit any obnoxious or offensive activity or nuisance to be carried on in his unit or in the limited common areas and facilities appurtenant to his unit.

8.2.10 A unit owner shall not alter, construct in, or remove anything from the common areas and facilities, except with the prior written consent of the management committee or its designee.

8.2.11 A unit owner shall not violate any of the rules and regulations for the use of units, common areas and facilities, or limited common areas and facilities adopted by the management committee and furnished in writing to the unit owners.

9. Agent for Service of Process.

9.1 The name and address of the person in Davis County, State of Utah, appointed as first agent to receive service of process in matters pertaining to the property is: Arthur Lifferth, c/o Ace Avery Associates, 357 East 3300 South, Salt Lake City, Utah.

9.2 The agent for service of process may be changed from time to time by the management committee by recording an appropriate affidavit.

10. Association of Unit Owners: Management Committee.

10.1 The persons or entities who are at the time of reference the unit owners constitute an unincorporated association and not a legal entity, the characteristics and nature of which are determined by the act, the declaration, and the bylaws. The name in which contracts shall be entered into, title to property shall be acquired, held, dealt in and disposed of, bank accounts shall be opened and suits shall be brought and defended by the management committee or officers thereof on behalf of the agents for the unit owners in the manner specified by the act, this declaration, or the bylaws, is: "Evergreen Manor Association, an association of unit owners under the Utah Condominium Ownership Act."

10.2 The management and maintenance of the property and the business, property and affairs of the Evergreen Manor Assoc-

iation ("association") shall be managed by a management committee, consisting of five (5) members, who need not be unit owners. The management committee shall be elected as provided in the bylaws. All agreements and determinations with respect to the property lawfully made or entered into by the management committee shall be binding upon all of the unit owners and their successors and assigns.

10.3 The management committee shall have all the powers, duties, and responsibilities as are now or may hereafter be provided by the act, this declaration and bylaws, including but not limited to the following:

10.3.1 To make and enforce all house rules and administrative rules and regulations covering the operation and maintenance of the property.

10.3.2 To engage the services of a manager or managing company, accountants, attorneys or other employees or agents and to pay to said persons a reasonable compensation therefore; provided, however, that any management agreement may be terminable by the management committee for cause upon thirty (30) days written notice and that the term of any said management agreement may not exceed one year, renewable by agreement for successive one-year periods.

10.3.3 To operate, maintain, repair, improve and replace the common areas and facilities, including the entering into of agreements for the use and maintenance of the common areas and facilities and adjacent, contiguous property for the benefit of the association.

10.3.4 To determine and pay the common expenses.

10.3.5 To assess and collect the proportionate share of common expenses from the unit owners.

10.3.6 To enter into contracts, deeds, leases and/or other written instruments or documents and to authorize the execution and delivery thereof by appropriate officers.

10.3.7 To open bank accounts on behalf of the association and to designate the signatures therefor.

10.3.8 To purchase, hold, sell, convey, mortgage or lease any one or more units, in the name of the association or its designee.

10.3.9 To bring, prosecute and settle litigation for itself, the association and the property, provided that it shall make no settlement which results in a liability against the management committee, the association, or the property in excess of \$5,000 without prior approval of a majority of unit owners.

10.3.10 To obtain insurance for the association with respect to the units and the common areas and facilities, as well as workmen's compensation insurance.

10.3.11 To repair or restore the property following damage or destruction, or a permanent taking by the power or power in the nature of eminent domain or by an action or deed in lieu of condemnation, not resulting in the removal or the property from the provisions of the act.

10.3.12 To own, purchase or lease, hold and sell or otherwise dispose of, on behalf of the unit owners, items of personal property necessary to or convenient in the management of the business and affairs of the association and the management committee and in the operation of the property, including without limitation furniture, furnishings, fixtures, maintenance equipment, appliances, and office supplies.

10.3.13 To keep adequate books and records.

10.3.14 To do all other acts necessary for the operation and maintenance of the property, including the maintenance and repair of any unit if the same is necessary to protect or preserve the property.

10.4 The management committee shall at all times employ professional management to manage the project. In the event the management committee decides to terminate professional management and assume self-management of the project, the prior written approval of each mortgagee must be obtained.

10.5 The management committee may delegate to a manager or managing company all of its foregoing powers, duties and responsibilities referred to in paragraph 10.3 above except: the final determination of common expenses, budgets and assessments based thereon; the promulgation of house rules and administrative rules and regulations; the power to enter into any contract involving more than \$5,000 in any one fiscal year; the opening of bank accounts; the power to purchase, hold, sell, convey,

mortgage or lease any units in the name of the association or to bring, prosecute and settle litigation.

10.6 Members of the management committee, the officers and any assistant officer, agents and employees of the association (i) shall not be liable to the unit owners as a result of their activities as such for any mistake of judgment, negligence or otherwise, except for their own willful misconduct or bad faith; (ii) shall have no personal liability in contract to a unit owner or any other person or entity under any agreement, instrument or transaction entered into by them on behalf of the association in their capacity as such; (iii) shall have no personal liability in tort to any unit owner or any person or entity direct or imputed, by virtue of acts performed by them, except for their own willful misconduct or bad faith, or acts performed for them in their capacity as such; and (iv) shall have no personal liability arising out of the use, misuse or condition of the property, which might in any way be assessed against or imputed to them as a result or by virtue of their capacity as such.

10.7 The unit owners shall indemnify and hold harmless, any person, his heirs and personal representatives, from and against all personal liability and all expenses including counsel fees, incurred or imposed, or arising out or in settlement of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative instituted by any one or more unit owners, or any other persons or entities, to which he shall be or shall be threatened to be made a party by reason of the fact that he is or was a member of the management committee or an officer or assistant officer, agent or employee of the association, other than to the extent, if any, that such liability or expense shall be attributable to his willful misconduct or bad faith, provided, in the case of any settlement, that the management committee shall have approved the settlement, which approval is not to be unreasonably withheld. Such right of indemnification shall not be deemed exclusive of any other rights to which such person may be entitled as a matter of law or agreement or voted of unit owners or of the management committee, or otherwise. The indemnification by the unit owners as contained herein shall be paid by the management committee on behalf of the unit owners and shall constitute a common expense and shall be assessed and collectible as such.

11. Maintenance, Alteration and Improvement.

11.1 The maintenance, alteration, replacement and repair of the common areas and facilities shall be the respon-

sibility of the management committee and the cost thereof shall be a common expense. The management committee shall also maintain, alter, replace and repair all parking areas, patios, and all conduits, ducts, plumbing portions of the units that service part or parts of the property other than the unit in which they are contained. All incidental damages caused to a unit by the maintenance, alteration, replacement and repair of the common areas and facilities or utility services shall be repaired promptly at the expense of the management committee.

11.2 The unit owners shall have the responsibility to maintain, repair, replace and keep in a clean and sanitary condition, at the unit owner's expense, all portions of the owner's unit, except those portions to be maintained, altered, repaired and replaced by the management committee. The unit owners shall keep clean and in a sanitary condition their storage areas and patios. The management committee shall be responsible for cleaning and general maintenance of all parking areas.

11.3 The management committee or manager shall have the irrevocable right to have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repair, or replacement of any of the common areas and facilities or for making emergency repairs necessary to prevent damage to the common areas and facilities or to another unit or units. Each unit occupant shall deposit a key to the unit with the management committee or manager to be used for emergency access to the unit.

12. Insurance.

12.1 The management committee shall obtain and maintain at all times insurance of the type and kind as provided herein and including insurance for such other risks, of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other properties similar to the property in construction design and use. The management committee shall make every reasonable effort to obtain insurance with the following provisions or endorsements:

12.1.1 Exclusive authority to adjust losses shall be vested in the management committee as insurance trustee or any successor trustee as designated by the management committee;

12.1.2 The insurance coverage shall not be brought into contribution with insurance purchased by individual unit owners or their respective mortgagees;

12.1.3 Each unit owner may obtain additional insurance covering his real property interest at his own expense;

12.1.4 The insurer waives its right of subrogation as to any and all claims against the association, each unit owner, and/or their respective agents, employees or tenants, and of all defenses based upon co-insurance or upon invalidity arising from the acts of the insured;

12.1.5 The insurance coverage cannot be cancelled, invalidated or suspended because of the conduct of any one or more individual unit owners or their respective lessees, employees, agents, contractors, and guests;

12.1.6 The insurance coverage cannot be cancelled, invalidated or suspended because of the conduct of any officer or employee of the association or management committee or their employees, agents, or contractors, without prior demand in writing that the management committee cure the defect and then only if the defect is not cured within fifteen (15) days;

12.1.7 Such policies shall provide that coverage shall not be prejudiced by (a) any act or neglect of the owners of condominium units when such act or neglect is not within the control of the owners association or (b) by failure of the owners association to comply with any warranty or condition with regard to any portion of the premises over which the owners association has no control; and

12.1.8 The insurance coverage shall provide that coverage may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days' prior written notice to any and all insureds named thereon, including all mortgagees of the units.

12.2 The management committee, for the benefit of the property and the unit owners, shall maintain a "master" or "blanket" policy of property insurance in an amount equal to the full replacement value (i.e., 100% of current "replacement cost" exclusive of land, foundation, excavations, and other items normally excluded from coverage) of the entire condominium project (including all units, all common areas and facilities, all building service equipment and the like and any fixtures or equipment within the units) with an "Agreed Amount Endorsement"

or its equivalent, a "Demolition Endorsement" or its equivalent, and, if necessary, an "Increased Cost of Construction Endorsement" or "Contingent Liability from Operation of Building Laws Endorsement" or the equivalent, payable to the insurance trustee to be disbursed in accordance with the terms of this declaration. Such insurance will afford protection against at least the loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage. The limits and coverage of said insurance shall be reviewed at least annually by the management committee and shall include an appraisal of the property. Said policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees, if any, of each unit.

12.3 The management committee shall obtain a policy or policies of insurance insuring the management committee, the unit owners and their respective lessees, servants, agents or guests against any liability to the public or to the owners of units, members of the households of unit owners and their respective invitees or tenants, incident to the ownership and/or use of the property, and including the personal liability exposure to the unit owners, incident to the ownership and/or use of the property. Limits of liability under such insurance shall not be less than One Million Dollars (\$1,000,000) for any one person injured in any one occurrence, and shall not be less than One Hundred Thousand Dollars (\$100,000) for property damage in each occurrence. The limits in coverage of said liability policy or policies shall be reviewed at least annually by the management committee and increased at its discretion. Said policy or policies shall be issued on a comprehensive liability basis and, if possible, shall provide cross-liability endorsements for possible claims of any one or more or group of insureds against any one or more or group of insureds, without prejudice to the right of a named insured under the policies to maintain an action against another named insured. Such coverage will include protection against water damage liability, liability for non-owned and hired automobile, liability for property of others, and host liquor liability, and such other risks as shall customarily be covered with respect to projects similar in construction, location, and use.

12.4 All policies of property insurance shall provide that, notwithstanding any provisions thereof which give the insurer the right to elect to restore damage in lieu of making a cash settlement, such option shall not be exercisable without the prior written approval of the management committee (or any

insurance trustee) or when in conflict with the provisions of any insurance trust agreement to which the association may be a party, or any requirement of law.

12.5 Each unit owner shall be required to notify the management committee of, and shall be liable for any increased premium for insurance maintained by the management committee occasioned by, all improvements made by the unit owner to his unit, the value of which is in excess of One Thousand Dollars (\$1,000). Each unit owner shall bear the risk of loss for all improvements made to his unit that were not the subject of notice to the management committee.

12.6 Any unit owner who obtains individual insurance coverage covering any portion of the property, other than personal property belonging to such unit owner, shall be required to file a copy of such individual policy or policies with the management committee within thirty (30) days after obtaining such insurance coverage.

12.7 No unit owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount that the management committee, on behalf of all of the unit owners, may realize under any insurance policy that the management committee may have in force covering the property or any part thereof at any time.

12.8 The management committee shall maintain adequate fidelity coverage to protect against dishonest acts on the part of members of the management committee, officers, and employees of the association, and all others who handle or are responsible for handling funds of the association, including professional managers and their employees. Such fidelity bonds shall meet the following requirements:

12.8.1 All such fidelity bonds shall name the association as an obligee;

12.8.2 Such fidelity bonds shall be written in an amount equal to at least 50% of the estimated annual operating expenses of the association, including reserves;

12.8.3 Such fidelity bonds shall contain waivers of any defense based upon the exclusion of persons who serve with compensation from any definitions of "employee" or similar expression; and

12.8.4 Such bonds shall provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days' prior written notice to the mortgagees of the units.

13. Destruction or Damage.

13.1 In case of fire or any other disaster which causes damage or destruction to all or part of the property, the management committee, with the help of an independent appraisal, shall determine the percentage of the building that was destroyed or substantially damaged. If less than seventy-five percent (75%) of the building was destroyed or substantially damaged, the management committee shall arrange for the prompt repair and restoration of the building using the proceeds of insurance on the building for that purpose, and the unit owners shall be liable for assessment for any deficiency, if any, in proportion to their respective percentages of undivided interest in the common areas and facilities. Reconstruction of the building shall mean the restoring of the building to substantially the same condition in which it existed prior to the damage or destruction, with each unit and the common areas and facilities having the same vertical and horizontal boundaries as before, unless the destruction or damage is by reason of eminent domain, in which event the provisions of paragraph 15 hereof shall apply.

13.2 If seventy-five (75) percent or more of the building is destroyed or substantially damaged, the management committee shall, within one hundred (100) days after such destruction or damage, call a special meeting of the unit owners for the purpose of deciding whether or not the building shall be repaired and restored. If at least three-fourths (3/4) of the unit owners, in person or by proxy, vote to repair or restore the building, the management committee shall promptly arrange for the reconstruction of the building, using the proceeds of insurance on the building for that purpose, and the unit owners shall be liable for assessment for any deficiency, if any, in proportion to their respective percentage of undivided interest in the common areas and facilities. If the destruction or damage is by reason of eminent domain, the provisions of paragraph 15 hereof shall apply. However, if at least three-fourths (3/4) of the unit owners vote not to make provision for reconstruction, the management committee shall record, with the County Recorder, a notice setting forth such facts, and upon the recording of such notice: (i) the property shall be deemed to be owned in common by the unit owners; (ii) the undivided interest in the property

owned in common which shall appertain to each unit owner shall be the percentage of undivided interest previously owned by such owner in the common areas and facilities; (iii) any liens affecting any of the units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the unit owner in the property; and (iv) the property shall be subject to an action for partition at the suit of any unit owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, shall be considered as one fund and shall be divided among all unit owners in a percentage equal to the percentage of undivided interest owned by each owner in the property, after first paying out of the respective shares of the unit owners, to the extent sufficient for such purposes, all sums necessary to satisfy liens on the undivided interest in the property owned by each unit owner.

13.3 For purposes of this paragraph 13, the terms "disaster," "destruction" or "substantial damage" shall mean and include a temporary or permanent taking, injury or destruction of all or part of the common areas and facilities or one or more units or portions thereof by the exercise of the power of or power in the nature of eminent domain or by an action or deed in lieu of condemnation.

13.4 The management committee shall timely notify in writing each mortgagee of a unit whenever damage to a unit exceeds \$1,000 and damage to the common areas and facilities exceeds \$10,000.

14. Termination.

14.1 In the event three-fourths (3/4) of the building is destroyed or substantially damaged and if the unit owners vote not to reconstruct the building, the property shall be removed from the provisions of the act without further agreement one hundred and one (101) days after such destruction or damage.

14.2 All of the unit owners may remove the property from the provisions of the act by an instrument duly recorded to that effect, provided that the holders of all liens affecting any of the units consent or agree by instruments duly recorded, that their liens be transferred to the percentage of the undivided interest of the unit owners in the property.

14.3 After removal of the property from the act, the unit owners shall own the property and all assets of the association as tenants in common and the respective mortgagees and

lienors shall have mortgages and liens upon the respective undivided interests of the unit owners. Such undivided interests of the unit owners shall be the same as the percentage of undivided interest in the common areas and facilities appurtenant to the owners' units prior to removal from the act.

14.4 Any change in the status of the property which would result in the removal of the land or any part thereof from the act or would alter the residential use of the property must receive the prior approval of Salt Lake County after the change is submitted to the County Planning and Zoning Commission.

14.5 This paragraph 14 cannot be amended without consent of all unit owners and all record owners or mortgages on units.

15. Eminent Domain.

15.1 Whenever any proceeding is instituted that could result in the temporary or permanent taking, injury or destruction of all or part of the common areas and facilities or one or more units or portions thereof by the exercise of the power of or power in the nature of eminent domain or by an action or deed in lieu of condemnation (all of which shall be defined as "eminent domain"), the management committee, each unit owner, and every holder of all liens affecting the units, shall be entitled to timely written notice thereof and the management committee shall and the unit owners at their respective expense may participate in the proceedings incident thereto.

15.2 The procedures governing the allocation of awards by reason of eminent domain shall be determined in accordance with Section 57-8-32.5 of the act; provided, that the priority of any mortgagee's lien shall remain undisturbed.

16. Mortgage Protection.

16.1 The term "mortgage" as used in this declaration and bylaws shall mean any recorded mortgage having priority over other mortgages and shall include a recorded deed of trust. The term "mortgagee" shall mean the owner and holder of a mortgage and shall include a beneficiary under a deed of trust.

16.2 The management committee shall maintain a roster of unit owners from the evidence of change of ownership furnished to the management committee, which roster shall include the

mailing address of unit owners. If the management committee has been given notice in the necessary information, the management committee shall maintain another roster which shall contain the name and address of each mortgagee of a unit. Each notice shall consist of a certified copy of the recorded instrument evidencing the title of the mortgagee. The mortgagee shall be stricken from the roster upon receipt by the management committee of a request from the mortgagee or of a certified copy of a recorded release or satisfaction of the mortgage. Notice of such removal shall be given to the mortgagee unless the removal is requested by the mortgagee.

16.3 Any mortgagee on any unit is entitled to written notification from the management committee of any default by the mortgagor of such unit in the performance of such mortgagor's obligation under the declaration which is not cured within thirty (30) days.

16.4 Any mortgagee shall have the right to examine the books and records of the association during normal business hours and shall be entitled to receive copies of annual reports and other financial data within ninety (90) days following the end of any fiscal year and shall be entitled to receive notice of all meetings of the association and may designate a representative to attend all such meetings.

16.5 A mortgagee of any unit who comes into possession of the unit pursuant to the remedies provided in the mortgage, foreclosure of mortgage, or deed (or assignment) in lieu of foreclosure, shall take the property free of any claims or unpaid assessments or charges against the mortgage unit which accrued prior to the time such mortgagee comes into the possession of the unit (except for claims for a pro rata share of such assessment or charges resulting from a pro rata reallocation of such assessment or charges to all units, including the mortgaged unit).

16.6 The liens created under the act or pursuant to this declaration or bylaws upon any unit shall be subject and subordinate to, and shall not affect the rights of a mortgagee upon such interest made in good faith and for value, provided that after the foreclosure sale, which said liens, if any claimed, shall have the same effect and be enforced in the same manner as provided herein.

16.7 No unit may be partitioned or subdivided without the prior written approval of the mortgagee of the affected unit.

16.8 No amendment to this paragraph shall affect the rights of a mortgagee recorded prior to the recordation of any such amendment not otherwise entitled thereto.

17. Leasing of Units.

17.1 All leases of units shall be in writing and shall provide that the terms of the lease shall be subject in all respects to the provisions of the declaration and bylaws and that failure of the lessee to comply with the terms of said documents shall be a default under the lease.

17.2 No unit owner shall be permitted to lease his unit for transient or hotel purposes.

17.3 No unit owner shall lease less than the entire unit.

17.4 The provisions of this paragraph shall not apply to a lender in possession of a unit following a default in a first mortgage.

18. Encroachments.

18.1 None of the rights and obligations of any unit owner created by this declaration, bylaws or by any deed conveying a unit shall be affected in any way by an encroachment: (i) by any portion of the common areas and facilities upon any unit; (ii) by any unit upon any portion of the common areas and facilities, or (iii) by any unit upon another unit due to settling or shifting of the building or other structure, including the rebuilding of the building and other structure after fire or other casualty or an eminent domain taking or delivery of a deed in lieu of condemnation, unless there occurs an encroachment that results from the willful or negligent act or omission of the unit owner of the encroaching unit, or of the owners of the units to which the use of the encroaching limited common areas and facilities is appurtenant, or of the management committee in the event of an encroachment by any portion of the common areas and facilities other than the limited common areas and facilities.

18.2 There are hereby created valid easements for the maintenance of any encroachments permitted by this paragraph 18 of this declaration so long as such encroachments exist.

19. Conveyences, Easements.

19.1 Every deed, lease, mortgage or other instrument may describe a unit by its unit number and letter designation set

forth in Exhibit B and in the map. Every such description shall be deemed good and sufficient for all purposes and shall be deemed to convey, transfer, encumber or otherwise affect the unit owner's corresponding percentage of undivided ownership in the common areas and facilities, as a tenant-in-common, as set forth in Exhibit B even though the same is not exactly mentioned or described.

19.2 Every deed, lease, mortgage or other similar instrument shall be deemed to:

19.2.1 Except and reserve with respect to a unit: (i) any portion of the common areas and facilities lying within said unit; (ii) easements through said unit, appurtenant to the common areas and facilities and all other units, for support and repair of the common areas and facilities and all other units; and (iii) easements, appurtenant to the common areas and facilities, for encroachment upon the air space of said unit by those portions of the common areas and facilities located within said unit.

19.2.2 Include with respect to a unit nonexclusive easements for ingress and support of said unit through the common areas and facilities, for the repair of said unit through all other units and through the common areas and facilities, and for the use of the patio, storage area and parking spaces as indicated in Exhibit B and the map.

19.2.3 Except and reserve, with respect to the undivided percentage interest in the common areas and facilities, nonexclusive easements appurtenant to all units for ingress, egress, support and repair and exclusive easements appurtenant to each unit for the use of the patio, storage area and parking spaces as set forth in Exhibit B and the map.

19.2.4 Include, with respect to the undivided percentage interest in the common areas and facilities, nonexclusive easements through each unit for support and repair of the common areas and facilities and non easements for encroachments upon the air space of all of the units by and for the portions of the common areas and facilities lying within the units.

20. Combination of Units.

20.1 An owner of two or more adjoining units shall have the right upon approval of the management committee and the mortgagees of said units, to combine one or more adjoining units or portions thereof and to alter or amend the declaration and map to reflect such combination.

20.2 Such amendments may be accomplished by the unit owner recording an amendment or amendments to this declaration, together with an amended map or maps containing the same information with respect to the altered units as required in the initial declaration and map with respect to the initial units. All costs and expenses required in such amendments shall be borne by the unit owner desiring such combination.

20.3 All such amendments to the declaration and map must be approved by attorneys employed by the management committee to insure the continuing legality of the declaration and the map. The cost of such review by the attorneys shall be borne by the person wishing to combine the units.

20.4 Any amendment of the declaration or map pursuant to this paragraph 20 shall reflect the changes occasioned by the alteration. Such changes shall include a change in the percentage of undivided interest in the common areas and facilities which are appurtenant to the units involved in the alterations. The remaining combined unit, if two or more units are totally combined, will acquire the total of the percentage of undivided interest in the common areas and facilities appurtenant to the units that are combined as set forth in Exhibit B. If a portion of one unit is combined with another, the resulting units shall acquire a proportionate percentage of the total undivided interest in the common areas and facilities of the units involved in the combination on the basis of area remaining in the respective, combined units. The percentage of undivided interest in the common areas and facilities appurtenant to all other units shall not be changed. All such amendments must, in all instances, be consented to by the management committee and also all other persons holding interest in the units affected. The consent of other unit owners need not be obtained to make such amendments or alterations valid, providing the percentage of undivided interest in the common areas and facilities of the other unit owners remain unchanged.

21. Amendment.

21.1 Except as otherwise provided in this declaration and except as prohibited by the act, the provisions of this declaration may be amended by an instrument in writing signed and acknowledged by unit owners who own three-fourths (3/4) in the aggregate of ownership interest in the common areas and facilities, which amendment shall be effective upon recording, and upon approval of mortgagees where necessary. Any material amendment to this declaration, including, but not limited, to any such amendment which would alter the percentage interests in the common areas and facilities, other than those alterations allow in paragraph 20, must be approved in writing by all mortgagees (as herein defined).

21.2 Within six months from the recording date hereof, Declarant reserves the right to amend the declaration if required by the Federal National Mortgage Association or by some other governmental agency or lending institution, provided that such amendment does not materially affect the right of unit owners.

21.3 The management committee may from time to time amend Exhibit B to reflect the change in assignments of parking spaces or storage spaces; provided, however, that the affected owners, if any, join in the execution of the amendment.

22. Assessments.

The making and collection of assessments from the unit owners for their share of common expenses shall be pursuant to the bylaws and subject to the following provisions:

22.1 Each owner shall be liable for a proportionate share of the common expenses and shall share in the common profits, such shares being the same as the percentage of undivided interest in the common areas and facilities appurtenant to the unit owned by the unit owner as set forth in Exhibit B. Such assessment shall accrue from the date the first unit is conveyed to a purchaser and will be due and payable in advance.

22.2 Assessments and any installments thereof not paid on or before ten (10) days after the date when due shall bear interest at the rate of ten percent (10%) per annum, or at such rate of interest as may be set by the management committee, from the date when due until paid. All payments on account shall be first applied to interest and then to the assessment payment first due.

22.3 A lien for unpaid assessments shall also secure reasonable attorneys' fees and all costs and expenses including taxes, if any, incurred by the management committee incident to the collection of such assessment or enforcement of such a lien.

22.4 In any foreclosure of a lien for assessments, the unit owner subject to the lien shall be required to pay a reasonable rental for the unit, and the management committee shall be entitled to the appointment of a receiver to collect the same.

22.5 The management committee may include in the monthly assessments amounts representing contributions to the capital of the association to be used for the replacement of or additions to the capital items or improvements in the property. Said amounts shall be set up as capital accounts for each unit. In the event of transfer of a unit, the capital account shall be deemed transferred to the unit transferee.

22.6 In assessing the unit owners for capital improvements to the common areas and facilities, for which there are not sufficient amounts in the respective capital accounts, there shall be no single improvement exceeding the sum of Fifteen Thousand Dollars (\$15,000) made by the management committee without the same having been first voted on and approved by two-thirds (2/3) majority of those present in person or by proxy of the association at a meeting duly called for that purpose. The foregoing shall not apply in connection with damage or destruction referred to in paragraph 13 hereof or to such structural alterations, capital additions to or capital improvements of the common areas and facilities as are necessary in the management committee's reasonable judgment to preserve or maintain the integrity of the common area and facilities of the property.

22.7 If the unit owner shall, at any time, let or sublet his unit and shall default for a period of one month in the payment of assessments, the management committee may, at its option, so long as such default shall continue, demand and receive from any tenant or subtenant of the owner the rent due or becoming due in the payment of such rent to the management committee shall be sufficient payment and discharge of such tenant or subtenant and the owner to the extent of the amount so paid.

23. Voting.

At any meeting of the Association of Unit Owners, each unit owner including declarant, either in person or by proxy, shall be entitled to the same number of votes as the percentage

of undivided interest of the common areas and facilities assigned to his unit in Exhibit B to this declaration. If there is more than one unit owner with respect to a particular unit, any or all of such unit owners may attend any meeting of the association, but it shall be necessary for all such unit owners present to act unanimously in order to cast the votes pertaining to their unit.

24. Notices.

Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to be delivered twenty-four (24) hours after a copy of the same has been deposited in the U.S. postal service, postage prepaid, return receipt requested. Notice to unit owners shall be addressed to each unit owner at the address given by such unit owner to the management committee for the purpose of service of such notice or to the unit of such unit owner if no such address has been given to the management committee. Such address may be changed from time to time by notice in writing to the management committee. Notice to the management committee shall be addressed to: Management Committee, Evergreen Manor Condominiums, AEL Corporation, 465 South 200 West, Suite 1-A, Bountiful, Utah.

25. No Waiver.

The failure of the management committee or its contractors to insist, in one or more instances, upon the strict performance of any of the terms, covenants, conditions, or restrictions of this declaration or the bylaws, or to exercise any right or option herein contained, or to serve any notice or to institute any action shall not be construed as a waiver or a relinquishment. For the future, of such term, covenant, condition or restriction; but such term, covenant, condition or restriction shall remain in full force and effect. The receipt and acceptance by the management committee or its contractor of the payment of any assessment from a unit owner, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the management committee of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the management committee.

BOOK 5441
PAGE 2831

26. Enforcement.

Each unit owner shall strictly comply with the provisions of the declaration, the bylaws, the house rules and administrative rules and regulations and decisions issued pursuant thereto. Failure to so comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the management committee or its designee on behalf of the unit owners, or in an appropriate case, by an aggrieved unit owner.

27. Declarant's Use.

Declarant and persons it may select from time to time shall have the right of ingress and egress over, upon and across the common areas and facilities and limited common areas and facilities and the right to store materials therein and to make such other use thereof as may be reasonably necessary incident to the refurbishing, development and sale of all of the units.

28. Severability.

The provisions of this declaration shall be deemed independent and severable, and the invalidity or oartial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

29. Captions.

The captions in this declaration are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this declaration or the intent of any provision hereof.

30. Law Controlling.

This declaration, the map and the bylaws shall be construed and controlled by and under the laws of the State of Utah.

31. Effective Date.

This declaration shall take effect when recorded.

32. Expansion of the Project.

(a) Reservation of Option to Expand. Declarant hereby reserves the option to expand the Condominium Project to include additional Units in the Project. This option to expand shall expire seven years from the effective date of the declaration unless sooner terminated by Declarant's recorded Waiver of such option, there being no other circumstances which will cause the option to expire prior to said seven years. Such right may be exercised without first obtaining the consent or vote of Unit Owners and shall be limited only as herein specifically provided. Such Units shall be constructed on Additional Property. The total number of Units in the Project, as expanded, shall not exceed twenty-four (24) units or sixteen (16) units on the Additional Land not to exceed 24 units per acre. A description by metes and bounds of all land that may be added is:

All of lots 2, 3, 4, Evergreen Manor Subdivision, a subdivision of part of the SW $\frac{1}{4}$ of Section 27, T1S, R1E, SLB&B, Salt Lake County, Utah and, Beg 321.212 Ft S 89-59'15" E 166.42 ft. S 0-01'30" W FR S L Co Monument; SD Monument being 1155.28 ft N 0-07'30"E FR SW Cor Sec 27 T 1S, R 1E, S L M; W 5.785 Ft; S 9-13'05" E 22 ft; S 0-37'22" E 30.35 ft; S 3-30'02" E 57.16 ft; S 3-41'58" W 12.03 ft; E 32.15 ft; NE LY Alg Curve to L 39.27 ft N 96.12 ft; W 57.936 ft to Beg Being Park of Lot 1, Evergreen Manor Sub. Approximately .98 acres.

(b) Supplemental Declarations and Supplemental Maps.

Such expansion may be accomplished by the filing for record by Declarant in the office of the County Recorder of Salt Lake County, Utah, no later than seven years from the date this Declaration is recorded, a Supplement or Supplements to this Declaration containing a legal description of the site or sites for new Units, together with supplemental Map or Maps containing the same information with respect to the new Units as was required on the Map with respect to the Phase One Units. The expansion may be accomplished in phases by successive supplements or in one supplemental expansion.

(c) Expansion of Definitions. In the event of such expansion the definitions used in this Declaration automatically shall be expanded to encompass and refer to the Project as so expanded. E.g., "Property" shall mean the real property initially submitted under the Declaration, plus any Additional Property added to the Project by a Supplemental Declaration or by Supplemental Declarations, and reference to this Declaration shall mean this Declaration as so supplemented. The recordation in the office of the Salt Lake County Recorder of a Supplemental Map incident to any expansion shall operate automatically to grant, transfer, and convey to then Owners of Units in the Project as it existed before such expansion the respective undivided interests set forth in Exhibit "B" hereto in the new Common Areas added to the Project as a result of such expansion. Such recordation shall also operate to vest in any then mortgagee of any Unit in the Project as it existed, interest so acquired by the Owner of the Unit encumbering the new Common Areas added to the Project as a result of such expansion.

(d) Declaration Operative on New Units. The new Units shall be subject to all the terms and conditions of this Declaration and of a Supplemental Declaration, and the Units therein shall be subject to condominium ownership with all the incidents pertaining thereto as specified herein, upon placing the Supplemental Map and Supplemental Declaration in the said office of the Salt Lake County Recorder.

(e) Right of Declarant to Adjust Ownership Interest in Common Areas. Each deed of a Unit shall be deemed to irrevocably reserve to the Declarant the power to appoint to Unit Owners, from time to time, the percentages in the Common Areas set forth in Supplemental or Amended Declaration. The proportionate interest of each Unit Owner in the Common Areas after any expansion of the Project shall be based on the par value that his Unit bears to the total par value of all Units of the Project as expanded. A power coupled with an interest is hereby granted to the Declarant, its successors and assigns, as attorney in fact to shift percentages of the Common Areas in accordance with Supplemental or Amended Declarations recorded pursuant hereto and each deed of a Unit in the Project shall be deemed a grant of such power to the Declarant. Various provisions of this Declaration and deeds and mortgages of the Units may contain clauses designed to accomplish a shifting of the Common Areas. None of said provisions shall invalidate the other, but each shall be deemed supplementary to the other toward the end that a valid shifting of the Common Areas can be accomplished. Notwithstanding anything to the contrary herein, no change in the percentage of undivided interest in the Common Areas may be

effected more than seven (7) years after the effective date of the Phase One Declaration.

Accordingly, upon the recordation of a Supplemental Declaration and Supplemental Map incident to any expansion, the revised schedule of undivided interests in the Common Areas contained therein shall automatically become effective for all revised schedule of undivided interests in the Common Areas contained therein shall automatically become effective for all purposes and shall fully supersede any similar schedule which was contained in any declaration associated with any prior phase. In the event the provisions of the separate instruments relating to the Project conflict irreconcilably, the terms of that instrument which was recorded most recently shall control.

(f) Other Provisions Concerning Expansion. If the Project is expanded as herein before contained, then it is further provided that:

(1) All or any part of the Additional Land may be added to the Project without any limitations whatsoever save and except that all additional Units created must be restricted to single family residential housing.

(2) Portions of the Additional Land may be added to the Project at different times without any limitations.

(3) Declarant preserves the right to create limited common areas and facilities within any portion of the additional land.

(4) No assurances are made concerning:

(A) The locations of any improvements that may be made on any portion of the Additional Land that may be added to the Project.

(B) Type, kind or nature of improvements which may be created on any portion of the Additional Land, except that the common facilities will be comparable to the Phase One facilities on a per Unit basis.

(C) Whether any Units created on any or compatible portion of the Additional Land will be substantially identical to those within the initial Project in terms of quality of construction, principal materials used or architectural style.

(D) Type, size, or maximum number of Limited Common Areas which may be created within any portion of the Additional Land added to the Project.

33. Easement Rights - Sales Activities. The declarant shall have a transferable easement over and on the common areas and facilities for the purpose of making improvements on the project or additional land and for the purpose of doing all reasonable things in connection with the declaration shall as sales activities.

IN WITNESS WHEREOF, the undersigned has executed this instrument this 3 day of March, 1983.

By Arthur E. Liffenth
President

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

On the 3 day of March, 1983, personally appeared before me Dale Heddington, who being duly sworn by me, did say that he is the President of AEL Corporation, a corporation, and that said instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors, and said Arthur E. Liffenth acknowledged to me that said corporation executed the same.

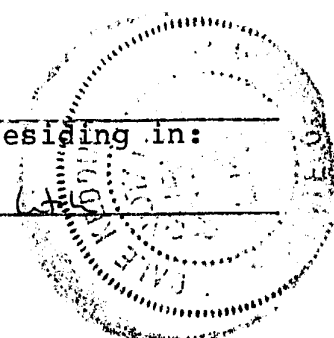
DATED this 3 day of March, 1983.

Dale Heddington
NOTARY PUBLIC, residing in:

Woods Cross, Utah

My commission expires:

July 12, 1984



BOOK 5441 PAGE 2836

FINAL APPROVAL OF SALT LAKE COUNT CORPORATION:

This certifies that all applicable county ordinances and requirements enacted pursuant to U.C.A. 57-8-35 have been met for the conversion of the Evergreen Manor Condominiums.

DATED this 24TH day of JANUARY, 1983.

SALT LAKE COUNTY

By William A. Marsh
Title: ZONING ADMINISTRATOR

ATTEST:

Title: Notary

BOOK 5441 PAGE 2837

EXHIBIT A

BY-LAWS OF EVERGREEN MANOR OWNERS ASSOCIATION

I. IDENTITY

These are the By-Laws of Evergreen Manor, a Condominium Project, duly made and provided for in accordance with the Act. Any term used herein which is defined in the Declaration to which the By-Laws are appended shall have the meaning as described therein.

II. APPLICATION

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

III. ADMINISTRATION OF CONDOMINIUM PROJECT

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

2. Annual Meetings. The first annual meeting of the Association shall be held at the Project on the second Tuesday in June, 1983. Thereafter, the annual meetings shall be held on such day of each succeeding year; provided, however, that whenever such date falls on a legal holiday, the meeting shall be held on the next succeeding business day, and further provided that the Management Committee may by resolution fix the date of the annual meeting on such date or at such other place as the Management Committee may deem appropriate.

3. Special Meetings. Special meetings of the Association may be called at any time by the Management Committee or by Unit Owners who collectively hold at least thirty (30) percent of the total vote. Such meeting shall be held on the Project or such other place as the Management Committee may specify and the

notice thereof shall state the date, time and matters to be considered.

4. Notice. Written or printed notice stating the place, day and hour of all meetings of the Association and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days before the date of the meeting, either personally or by mail to each Unit Owner. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Association, with postage thereon prepaid.

5. Quorum. At the meeting of the Association, the Owners of more than fifty (50) percent in the aggregate of interest in the undivided ownership of the Common Areas and Facilities shall constitute a quorum for any and all purposes, except where express provisions of these By-Laws or the Declaration of Condominium require a vote of more than fifty (50) percent of the Association, in which event a quorum shall be the percentage of interest required for such vote. In the absence of a quorum, the chairman of the meeting may adjourn the meeting from time to time, without notice other than by announcement at the meeting, until holders of the amount of interest requisite to constitute a quorum shall attend. At any such adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the meeting as originally notified.

6. Voting. When a quorum is present at any meeting, the vote of the Unit Owners representing more than fifty (50) percent of the undivided interest present at the meeting either in person or represented by proxy, shall decide any question of business brought before such meeting, including the election of the Management Committee, unless the question is one upon which, by express provision of the Declaration or these By-Laws, a greater vote is required, in which case such express provision shall govern and control the decision of such question. All votes may be cast either in person or by proxy. All proxies shall be in writing, and in the case of proxies for the annual meeting, they shall be delivered to the secretary at least five (5) days prior to said annual meeting. Proxies for special Unit Owners' meetings must be of record with the secretary at least two (2) days prior to said special meeting.

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

IV. MANAGEMENT COMMITTEE

1. Purpose of Powers. The business, property and affairs of the Condominium Project shall be managed and governed by the Management Committee, which for purposes of Utah Nonprofit Corporation and Cooperative Association Act shall be the same as the "Governing Board" as used in said Act.
2. Election. The Management Committee shall be elected as provided in the Declaration.
3. Vacancies. Vacancies on the Management Committee shall be filled as provided in the Declaration.
4. Regular Meetings. A regular annual meeting of the Management Committee shall be held immediately after the adjournment of each annual meeting of the Unit Owners. Regular meetings, other than the annual meeting, shall or may be held at regular intervals at such places and at such times as either the president or the Management Committee may from time to time designate.
5. Special Meetings. Special meetings of the Management Committee shall be held whenever called by the president, vice president, or by two or more members. By unanimous consent of the Management Committee, special meetings may be held without call or notice at any time or place.
6. Quorum. A quorum for the transaction of business at any meeting of the Management Committee shall consist of a majority of the members of the Management Committee then in office.
7. Compensation. Members of the Management Committee as such, shall not receive any stated salary or compensation; provided that nothing herein contained shall be construed to preclude any member of the Management Committee from serving the Project in any other capacity and receiving compensation therefore.
8. Waiver of Notice. Before or at any meeting of the Management Committee, any member thereof, may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Management Committee at any meeting thereof shall be a waiver of notice by him of the time and place thereof.
9. Adjournments. The Management Committee may adjourn any meeting from day to day or for such other time as may be pru-

dent or necessary, provided that no meeting may be adjourned for longer than thirty (30) days.

V. OFFICERS

1. Designation and Election. The principal officers of the Management Committee shall be a president, a vice president, a secretary, and a treasurer, all of whom shall be elected by and from the Management Committee. The Management Committee may appoint an assistant secretary and an assistant treasurer and such other officers as in their judgment may be necessary or desirable. Such election or appointment shall regularly take place at the first meeting of the Management Committee immediately following the annual meeting of the Unit Owners; provided, however, that elections of officers may be held at any other meeting of the Management Committee.

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

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

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

5. Vice President. The vice president shall take the place of the president and perform his duties whenever the president shall be absent or unable to act. If neither the president nor the vice president is able to act, the Management Committee shall appoint some other member thereof to do so on an interim

basis. The vice president shall also perform such other duties as shall from time to time be prescribed by the Management Committee.

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

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

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

VI. ACCOUNTING

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

2. Report. At the close of each accounting year, the books and records of the Management Committee shall be reviewed by a person or firm approved by the Unit Owners. Report of such review shall be prepared and submitted to the Unit Owners at or before the annual meeting of the Unit Owners. Provided, however, that a certified audit by a certified public accountant approved by the Unit Owners shall be made if Owners representing at least seventy-five (75) percent of the undivided interest in the Common Areas and Facilities determine to require the same.

3. Inspection of Books. All books and records at the Association shall be available at the principal office of the Management Committee and may be inspected by any Unit Owner, or his agent or attorney, for any proper purpose at any reasonable time.

VII. BUILDING RULES

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

VIII. AMENDMENT OF THE BY-LAWS

These By-Laws may be altered or amended in the same manner and subject to the same conditions as apply with respect to amendment of the Declaration.

IX. OPERATION AND MAINTENANCE OF CONDOMINIUM PROJECT

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

BOOK 5441
PAGE 2843

EXHIBIT B

EVERGREEN MANOR CONDOMINIUMS

<u>Unit Designation</u>	<u>Size in Square Feet</u>	<u>Percentage of Undivided Interest in the Common Areas and Facilities</u>	<u>Assigned Limited Common Areas and Facilities Parking Space(s)</u>
14	499	12.5%	14
15	499	12.5%	15
16	499	12.5%	16
17	499	12.5%	17
18	499	12.5%	18
19	499	12.5%	19
20	499	12.5%	20
21	499	12.5%	21

BOOK 5441 PAGE 2844