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AMENDMENT TO THE DECLARATION
OF THE COVENANTS, CONDITIONS AND RESTRICTIONS
OF THE McDONALD CONDOMINIUMS .

THIS AMENDMENT is executed this 30 day of July, 1986,
by the MANAGEMENT COMMITTEE OF THE McDONALD CONDOMINIUMS (the "Commit-
tee"), a Utah Condominium Project, in the Committee's capacity as agent
for and representative of the Association of Unit Owners of said Pro-
ject, in favor of each person or entity which is currently, or which at
any time in the future becomes, the holder of a first Mortgage on any
Unit within said Project.

1. Recording Data and Legal Description. There has heretofore
been recorded in the official records of Salt Lake County, State of
Utah, a Record of Survey Map respecting the McDonald Condominiums Pro-
ject. Concurrently with the recordation of said Map, there was record-
ed a related "Declaration of Covenants, Conditions and Restrictions of
the McDonald Condominiums" (the "Declaration"). The recording informa-
tion for said Map and Declaration is as follows:

<u>Instrument</u>	<u>Date Recorded</u>	<u>Entry No.</u>	<u>Book, Page</u>
Record of Survey Map	April 9, 1981	3552843	81-4, 67
Declaration	April 9, 1981	3552844	5235, 252-273

Through recordation of the instruments referred to above, there was
submitted to the provisions of the Utah Condominium Ownership Act
(\$57-8-1 through 57-8-35, Utah Code Annotated (1953)), the following
described real property situated in Salt Lake County, State of Utah:

See Exhibit "A" attached hereto and incorporated
herein by reference. Said Exhibit "A" sets forth
a metes and bounds description for the tract of
real property included within the subject Condo-
minium Project.

2. Definitions. Each of the defined terms contained in Arti-
cle I of the Declaration shall have the same meaning whenever used in
this Amendment.

3. Purpose of Amendment. It is in the best interests of each

*Dale & Jones Ste 1100
SOVA Broadview, SEC. 14 841101*

BOOK 5804 PAGE 2561

KATHLEEN J. JORDAN
REGISTRAR
SALT LAKE COUNTY

*of
on
yours yours*
AUG 19 11 59 AM '86

REQ OF _____
LHP
Kathleen Jordan
REBECCA GRAY

such reasonable steps as may be necessary to make Units in the Project as attractive as possible to Mortgagees. It has come to the attention of the Committee that this goal may be advanced if the Committee amends the Declaration to make it more desirable for each Mortgagee which has or which may obtain an interest in the Project. The purpose of this Amendment is to create and describe such amendments. The Committee has concluded that the amendments made in this instrument may significantly advance the interests of each Unit Owner, but will not substantially and adversely affect the interests of the Association of Unit Owners.

4. Article III, Section 18(c) delete in its entirety:

"(c) Inspection of Books. Financial reports, such as are required to be furnished, shall be available at the principle office of the Committee or the Treasurer for inspection at reasonable times by any Unit Owner."

Substitute in lieu thereof:

"(c) Inspection of Books and Other Items. Financial reports, such as are required to be furnished, shall be available at the principle office of the Committee or the Treasurer for inspection at reasonable times by any Unit Owner. Moreover, the Committee shall make available to Unit Owners, Mortgagees, the holders and insurers of the first Mortgage on any Unit and prospective purchasers current copies of the Declaration, the rules governing the Project, and all other books and records of the Association, as well as the most recent audited financial statement, if such is prepared. The expression "available", as herein used, shall mean available for inspection upon request during normal business hours or under other reasonable circumstances".

5. Article III, Section 23(a) delete in its entirety:

"(a) A multi-peril policy or policies of fire and casualty insurance, with extended coverage and all other coverage in the kinds and amounts commonly required by private institutional mortgage investors for projects similar in construction, location and use on a replacement cost basis in an amount not less than One Hundred Percent (100%) of the insurable value. Each such policy shall contain the standard mortgagee clause which must be endorsed to provide that any proceeds shall be paid to the Association for the use and benefit of Mortgagees as their interests may appear. The assured shall be the Association".

Substitute in lieu thereof:

"(a) A master or blanket-type policy or policies of fire and casualty insurance, with extended coverage and all other coverage covering all of the Common Areas, including Limited Common Areas and fixtures, in the kinds and amounts commonly required by institutional mortgage investors for projects similar in construction, location and use on a replacement cost basis in an amount not less than One Hundred Percent (100%) of the insurable value. Each such policy shall contain the standard mortgagee clause which must be endorsed to provide that any proceeds shall be paid to the Association for the use and benefit of Mortgagees and Unit Owners as their interests may appear. The assured shall be the Association. Each Unit Owner and each Unit Owner's Mortgagee, if any, shall be beneficiaries of the policies according to his Percentage Interest. Policies are unacceptable where: (i) under the terms of the insurance carrier's charter, by-laws or policy, con-

BOOK 5804 PAGE 2562

tributions or assessments may be made against borrowers, institutional lenders or their assignees, or (ii) by the terms of the carrier's charter, by-laws or policy, loss payments are contingent upon action by the carrier's board of directors, policy holders, or members, or (iii) the policy includes any limiting clauses (other than insurance conditions, which could prevent mortgagees, or their assignees, or the borrowers from collecting insurance proceeds".

6. Section 23(b) of Article III. Amend amount of liability coverage as follows:

The portion of said subsection (b) of Section 23 which reads: "Limits of liability under such insurance shall be not less than Two Hundred Thousand Dollars (\$200,000.00) per occurrence for personal injury and/or property damage" shall be amended to read: "not less than One Million Dollars (\$1,000,000.00) per occurrence, for personal injury and/or property damage".

7. Section 23(c) of Article III. Delete in its entirety:

"(c) The Association shall maintain fidelity coverage to protect against dishonest acts on the part of Committee members, employees or volunteers responsible for handling funds belonging to or administered by the Association. The fidelity bond or insurance must name the Association as the named insured and shall be written in an amount sufficient to provide protection which in no event shall be less than one and one-half times the insured's estimated annual operating expenses and operating reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers."

Substitute in lieu thereof:

"(c) The Association shall maintain fidelity coverage to protect against dishonest acts on the part of Committee members, employees, or volunteers responsible for handling funds belonging to or administered by the Association. The fidelity bond or insurance must name the Association as the named insured and shall be written in an amount not less than the estimated maximum funds, including reserve funds, in the custody of the Association or the Committee, at any time given during the term of each bond. Further, in no event may the aggregate amount of such bond be less than a sum equal to three months' aggregate assessment of all Units, plus reserve funds. The premium on all bonds acquired hereunder, except those maintained by the management agent, if any, shall be paid by the Association as a Common Expense."

8. Article III, Section 23, dealing with insurance insert as Subsection (d):

"(d) If the Project is, or becomes, located in a locale identified by the Secretary of Housing and Urban Development as an area having special flood hazards and the sale of flood insurance has been made available under the National Flood Insurance Act, a "blanket" policy of flood insurance on the Project shall be obtained and maintained. The amount of coverage afforded by such policy shall be the lesser of the maximum amount of insurance available under said Act or the aggregate of the unpaid principal balances of the mortgages affecting the individual Units."

9. Capacity of Committee and Authority of Signatories. This Amendment is executed by the Committee in its capacity as agent for, and representative of, the Association of Unit Owners. Each officer of

BOOK 5804 PAGE 2563

the Committee who signs this Amendment hereby certifies that this Amendment is made pursuant to a special meeting of the Unit Owners of the Project duly called and convened on the 30 day of July, 1986, at which the necessary quorum of Unit Owners was present and further certifies that he currently holds the Committee office indicated next to his name and that he is authorized to execute this instrument on behalf of the Association of Unit Owners of said Project.

10. Recordation and Enforcement Period. This Amendment shall be filed for record in the office of the County Recorder of Salt Lake County, State of Utah, in which Project is situated. This Amendment is intended to benefit, and shall run in favor of, each Mortgagee which currently has or which may at any time hereafter obtain a Mortgage affecting a Unit. Each such Mortgagee is and shall be entitled to act and rely on the provisions of this Amendment and, if and as necessary or appropriate, is and shall be entitled to enforce the provisions hereof.

11. Duration and Effective Date. This Amendment and all of the provisions hereof shall remain in full force and effect so long as the Project continues to exist. This Amendment shall take effect upon its being filed for record in the office of the County Recorder of Salt Lake County, State of Utah.

EXECUTED the day and year first above written.

THE MANAGEMENT COMMITTEE OF THE
MCDONALD CONDOMINIUMS

BY: _____

Its: _____

ATTEST:

Title: _____

STATE OF UTAH)
 : ss.
County of Salt Lake)

On this 14 day of Aug, 1986, personally appeared before me Max McDonald and Milton J. Zinner, who being by me duly sworn, did say that they are the President and Secretary, respectively, of the Management Committee of the McDonald



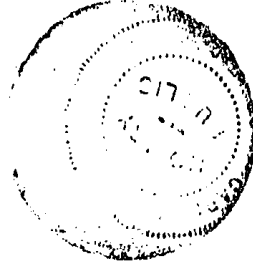
BOOK 5804 PAGE 2564

Condominiums, a Utah Condominium Project, and that the foregoing Amendment to the Declaration was signed on behalf of said Committee and the Association of the Unit Owners by authority of either the Declaration of said Project or a resolution adopted by said Association, and said Margie McDonald and Victoria J. Zuercher duly acknowledged to me that said Committee executed this Amendment in its capacity as agent for, and representative of, the Association of Unit Owners of the McDonald Condominiums.

My Commission Expires:

5-5-90

Carolyn A. Craven
NOTARY PUBLIC
Residing at Salt Lake County,



BOOK 5804 PAGE 2565

EXHIBIT "A"

The following described real property situate in the County of Salt Lake, State of Utah:

Beginning at a point 1412.9 feet (1868.16 field measurement) North and 103.0 feet West of the South Quarter Corner of Section 31, Township 2 South, Range 1 East, Salt Lake Base & Meridian, said point also being North 0°05' West 99.16 feet, and North 89°42' West, 102.9 feet from a county Monument and running thence North 89° 42' West along an old fence line, 1064.0 feet to the Easterly Right of Way line of the Oregon Short Line Railroad; thence North 4° 30' West 112.9 feet; thence South 89° 23' East 458.0 feet; thence North 95 feet; thence South 89° 23' East, 34.52 feet; thence North 100.0 feet; thence South 89° 23' East along an old fence line, 682.33 feet; thence South 0° 05' East 16.5 feet; thence North 89° 23' West 66.4 feet; thence South 7° 08' West 286.74 feet to the point of beginning.

Together with a 20 foot right of way, the center line of which is described as follows: Beginning 1412.90 feet north and North 89° 42' West 1166.90 feet and North 4° 30' West 207.88 feet from the South Quarter corner of Section 31, Township 2 South, Range 1 East, Salt Lake Base & Meridian, and running thence South 89° 23' East 500 feet to the above described property.

Together with and subject to a right of way over and across the Westerly 10 feet of said property.