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DECLARATION
 For
COUNTRY CLUB MANOR
a Condominium Project

RECORDED AT THE REQUEST OF
 SECURITY TITLE & ABS. CO.
 BOOK _____ PAGE _____
 1968 MAY 26 PM 4:46
 CLARICE S. CARTER
 CLERK
 UTAH COUNTY RECORDER
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 HALL TO _____
 SECURITY TITLE & ABS. CO.
26.20

This Declaration is made and executed in Provo, Utah County, Utah, this 28th day of May, 1968, by Planning Associates, Inc., a Utah corporation, hereinafter called "Declarant," pursuant to the provisions of the Utah Condominium Ownership Act,

WITNESSETH:

WHEREAS, Declarant is the owner of the following described real property situated in Provo, Utah County, Utah, to-wit:

Commencing at a point located 428.14 feet North and 71.90 feet West of the East Quarter Corner of Section 25, Township 6 South, Range 2 East, Salt Lake Base and Meridian; thence N 69° 41' W 438.40 feet; thence N 3° 12' E along a fence line 238.00 feet; thence N 3° 12' E along a fence line extended 28.00 feet to an East-West fence line; thence N 89° 22' E along a fence line 417.20 feet; thence Southwesterly along the arc of an undefined radius curve to the right which can be approximated by the following chords: S 1° 37' E 100.00 feet; S 0° 41' E 100.00 feet; S 1° 36' W 100.00 feet; S 3° 31' W 91.48 feet; S 3° 09' W 35.70 feet; thence N 73° 02' W 15.20 feet to point of beginning.

SUBJECT to a right-of-way 66 feet wide over the Southwesterly 66 feet of the above description, which right-of-way is more particularly described in that certain Warranty Deed dated June 25, 1957, recorded in Book 750 at page 529, under Entry No. 10019, wherein Jack Pierce and Phyllis C. Pierce are grantors and Security Title and Abstract Company, a corporation, Trustee, is grantee.

and,

WHEREAS, Declarant is the owner of certain apartment home buildings and certain other improvements now in the course of construction upon the aforesaid premises, which property constitutes a "Condominium Project" under the provisions of the Utah Condominium Ownership Act, (Title 57, Chapter 8, Utah Code Annotated 1953), and it is the desire and the intention of the Declarant to divide the project into condominiums and to sell and convey the same to various purchasers, subject to the covenants, conditions and restrictions herein reserved to be kept and observed; and

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WHEREAS, contemporaneously with the filing of this Declaration Declarant is filing for record in the office of the County Recorder of Utah County, State of Utah, a certain instrument entitled "Record of Survey Map, Country Club Manor, Plat 1," hereinafter referred to as the "Map", and

WHEREAS, Declarant desires and intends by filing this Declaration and the aforesaid Map to submit the above described property and the apartment home buildings and other improvements constructed thereon, together with all appurtenances thereto, to the provisions of the aforesaid act as a condominium project and to impose upon said property mutually beneficial restrictions under a general plan of improvement for the benefit of all of said condominiums and the owners thereof,

NOW, THEREFORE, Declarant hereby admits the above described property and the apartment home buildings and other improvements constructed and to be constructed thereon, together with all appurtenances thereto, to the provisions of the Condominium Ownership Act as a condominium project, to be known as COUNTRY CLUB MANOR. This Declaration is submitted in accordance with the terms and provisions of said Act, and shall be construed in accordance therewith. For the purposes of this Declaration all words, terms and phrases used herein shall be construed and defined as the same are used and defined in Section 57-8-3, Utah Code Annotated, 1953, as amended, to the extent applicable and unless another meaning is clear and obvious. This Declaration and the covenants, restrictions, limitations, conditions and uses herein provided shall constitute covenants to run with the land hereby admitted to the condominium project and shall be binding upon the Declarant and its successors and assigns, and upon all subsequent owners and encumbrancers of all or any part of the condominium project, and upon their grantees, successors, heirs, executors, administrators, devisees, and/or assigns.

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1. General. The condominium project consists of two apartment home buildings, one building containing eight (8) apartment units, and one building containing four (4) apartment units, as shown by the Map recorded herewith, constructed principally of brick, concrete, steel and glass, located upon the land described above.

To establish a plan of condominium ownership for said condominium project, the condominium project is hereby divided into the apartment home units described in Exhibit "A" attached hereto and by this reference made a part hereof, which apartment units, together with their appurtenant interests in the common areas and facilities shall constitute separate freehold estates for all purposes provided by said Act.

2. Management Committee. General Responsibility. The business and property comprising Country Club Manor shall be managed by a Management Committee consisting of five (5) unit owners to be selected by the unit owners as hereinafter provided. Such Management Committee shall have all the powers, duties, and responsibilities as are now or may hereafter be provided by law and this Declaration, and any amendments subsequently filed hereto; provided, however, that the Management Committee may engage the services of a manager and fix and pay a reasonable fee or compensation therefor; provided further, that until Planning Associates, Inc. has sold eight (8) of the apartment units in the condominium project or until March 10, 1970, whichever occurs first, each unit owner by accepting a deed to any apartment unit irrevocably consents that said Company may, at its option, act as the project manager and shall have all of the rights, powers, duties and responsibilities conferred upon the Management Committee and/or the manager under the Condominium Ownership Act and this Declaration. The committee shall be responsible for the control, operation and management of the project, in accordance with the provisions of the Utah Condominium Ownership Act,

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this Declaration, and such administrative, management and operational rules and regulations as the committee may adopt from time to time. The committee shall, in this connection, provide for the proper and reasonable control, operation and management of the project and of the maintenance and repair of the common areas and facilities appurtenant thereto. It shall have the exclusive right to contract for all goods, services and insurance, payment for which is to be made from the common expense fund.

3. Election and Proceedings of the Management Committee.

(a) Election. Except as modified by paragraph 2 and subparagraph 3. (b) hereof, the owners shall elect a Management Committee for the forthcoming year at each annual meeting; provided, however, that the first Management Committee elected hereunder may be elected at a special meeting duly called, and when elected each member thereof shall serve until the first annual meeting held thereafter.

(b) Term. Members of the Management Committee shall serve for a term of two (2) years; provided that three of the five members of the first Management Committee elected at an annual meeting shall serve for a one-year term. The other two shall serve for a two-year term. The members of the Management Committee shall take office immediately upon election thereto and shall serve until their respective successors are elected, or until their death, resignation or removal; provided that if any member ceases to be an owner, his membership on the Management Committee shall thereupon terminate.

(c) Resignation and Removal. Any member may resign at any time by giving written notice to any other member of the Management Committee, and any member may be removed from membership on the Management Committee by a three-fourths majority vote of the owners. Any vacancy on the Management Committee by reason of death, resignation, or removal may

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be filled by the remaining members of the Committee, and any such appointee shall hold office until a successor is otherwise elected by the unit owners.

(d) Proceedings. Three (3) members of the Management Committee shall constitute a quorum and, if a quorum is present, the decisions of a majority of those present shall be the act of the Management Committee. The Management Committee shall elect a chairman, who shall preside over both its meetings and those of the owners. Meetings of the Management Committee may be called, held and conducted in accordance with such regulations as the Management Committee may adopt. The Management Committee may also act without a meeting by unanimous consent of its members.

(e) Notice of Election. After the first election of the Management Committee, Declarant shall execute, acknowledge and record an affidavit stating the names of all of the persons elected to membership on the Management Committee. Thereafter, any two persons who are designated of record as being members of the most recent Management Committee (regardless of whether or not they shall still be members) may execute, acknowledge and record an affidavit stating the names of all of the members of the then current Management Committee. The most recently recorded of such affidavits shall be prima facie evidence that the persons named therein are all of the incumbent members of the Management Committee and shall be conclusive evidence thereof in favor of all persons who rely thereon in good faith. Any person listed on the most recently recorded affidavit as a member of the Management Committee is hereby designated as the person to receive process in connection with the project for all purposes provided by the Condominium Ownership Act.

4. Unit Owners.

(a) Voting. At any meeting of the owners, each owner, including

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Declarant, shall be entitled to cast one vote for each unit owned. Any owner may attend and vote at such meeting in person, or by an agent duly appointed by an instrument in writing signed by the owner and filed with the Management Committee or the Manager. Any designation of an agent to act for an owner may be revoked at any time by written notice to the Management Committee or Manager, and shall be deemed revoked when the Management Committee or the Manager shall receive actual notice of the death or judicially declared incompetence of such owner or of the conveyance by such owner of his condominium. Where there is more than one record owner, any or all of such persons may attend any meeting of the owners, but it shall be necessary for those present to act unanimously in order to cast the votes to which they are entitled. Any designation of an agent to act for such persons must be signed by all such persons.

In the event that a notice of default is recorded by any beneficiary who holds a security interest which is a first lien on a condominium against the owner of the condominium covered by the security agreement, then and in that event and until the default is cured, the right of the owner of such condominium to vote shall be transferred to the beneficiary recording the notice of default.

(b) Meetings - General. The presence at any meeting of owners having a majority of the total votes shall constitute a quorum. In the event that a quorum is not present at any meeting, the owners present, though less than a quorum, may adjourn the meeting to a later date and give notice thereof to all the owners in accordance with the provisions of paragraph 4 hereof, and at that meeting the presence of owners holding in excess of thirty per cent of the total votes shall constitute a quorum for the transaction of business; but in the event a quorum is not present at that meeting, the owners present, though less than a quorum, may give notice to all the owners in accordance with paragraph 4 of an adjourned meeting, and, at that meeting,

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whatever owners are present shall constitute a quorum. Unless otherwise expressly provided in this Declaration, any action may be taken at any meeting of the owners upon the affirmative vote of a majority of the voting power of the owners present and voting, provided, that a quorum is present as provided for above.

(c) Annual Meeting. There shall be a meeting of the owners on the first Wednesday of March of each year at 8:00 P.M. upon the common area or at such other reasonable place or time (not more than sixty (60) days before or after such date) as may be designated by written notice of the Management Committee mailed or delivered to the owners not less than ten (10) days prior to the date fixed for said meeting. At the annual meeting, the Management Committee shall present an audit of the common expenses, itemizing receipts and disbursements for the preceding calendar year, the allocation thereof to each owner, and the estimated common expenses for the coming calendar year. Within ten (10) days after the annual meeting, said statement shall be delivered to the owners not present at said meeting.

(d) Special Meetings. Special meetings of the owners may be called at any time for the purpose of considering matters which, by the terms of this Declaration require the approval of all or some of the owners, or for any other reasonable purpose. Said meetings shall be called by written notice, signed by a majority of the Management Committee, or by the owners having one-third (1/3) of the total votes and delivered not less than fifteen (15) days prior to the date fixed for said meeting. Said notices shall specify the date, time and place of the meeting, and the matters to be considered thereat.

5. Common Expenses: Assessments.

(a) Within thirty (30) days prior to the beginning of each calendar year the Management Committee shall estimate the net charges to be paid

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during such year (including a reasonable provision for contingencies and replacements and less any expected income and any surplus from the prior year's fund). Eight and one-third (8-1/3%) per cent of said "estimated cash requirement" shall be assessed to each owner. Declarant will be liable for the amount of any assessment against units owned by Declarant. If said sum estimated proves inadequate for any reason, including nonpayment of any owner's assessment, the Management Committee may at any time levy a further assessment, which shall be assessed to the owners in like proportions, unless otherwise provided herein. Each owner shall be obligated to pay assessments made pursuant to this paragraph to the Management Committee in equal monthly installments on or before the first day of each month during such year, or in such other reasonable manner as the Management Committee shall designate.

(b) The rights, duties and functions of the Management Committee set forth in this paragraph may be exercised by Declarant for the period ending ten (10) days after the election of the first Management Committee hereunder.

(c) All funds collected hereunder shall be expended for the purposes designated herein.

(d) The omission by the Management Committee, before the expiration of any year, to fix the assessments hereunder for that or the next year, shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of the owner from the obligation to pay the assessments, or any installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed. Amendments to this paragraph shall be effective only upon unanimous written consent of the owners and their mortgagees.

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No owner may exempt himself from liability for his contribution toward the common expenses by waiver of the use or enjoyment of any of the common area or by abandonment of his unit.

(e) The Manager or Management Committee shall keep detailed, accurate records of the receipts and expenditures affecting the common area, specifying and itemizing the maintenance and repair expenses of the common area and any other expenses incurred. Records and vouchers authorizing the payments involved shall be available for examination by the owners at convenient hours of week days.

6. Default in Payment of Assessments. Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the owner against whom the same are assessed at the time the assessment is made and shall be collectible as such. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same. The amount of any assessment, whether regular or special, assessed to the owner of any condominium plus interest at eight per cent (8%), and costs, including reasonable attorneys' fees, shall become a lien upon such condominium upon recordation of a notice of assessment as provided in Section 57-8-20 of the Condominium Act. The said lien for nonpayment of common expenses shall have priority over all other liens and encumbrances, recorded or unrecorded, except only:

(1) Tax and special assessment liens on the unit in favor of any assessment unit, and special district, and

(2) Encumbrances on the owner's condominium recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

A certificate executed and acknowledged by a majority of the Management Committee stating the indebtedness secured by the lien upon any

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condominium created hereunder, shall be conclusive upon the Management Committee and the owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any owner or any encumbrancer or prospective encumbrancer of a condominium upon request at a reasonable fee, not to exceed Ten Dollars (\$10.00). Unless the request for a certificate of indebtedness shall be complied with within ten days, all unpaid common expenses which become due prior to the date of the making of such request shall be subordinate to the lien held by the person making the request. Any encumbrancer holding a lien on a condominium may pay any unpaid common expenses payable with respect to such condominium and upon such payment such encumbrancer shall have a lien on such condominium for the amounts paid of the same rank as the lien of his encumbrance.

Upon payment of a delinquent assessment concerning which such a certificate has been so recorded, or other satisfaction thereof, the Management Committee shall cause to be recorded in the same manner as the certificate of indebtedness a further certificate stating the satisfaction and the release of the lien thereof. Such lien for nonpayment of assessment may be enforced by sale by the Management Committee or by a bank or trust company or title insurance company authorized by the Management Committee, such sale to be conducted in accordance with the provisions of law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any manner permitted by law. In any foreclosure or sale, the owner shall be required to pay the costs and expenses of such proceedings and reasonable attorneys' fees.

In case of foreclosure, the owner shall be required to pay a reasonable rental for the condominium and the plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Management Committee or Manager

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shall have the power to bid in the condominium at foreclosure or other sale and to hold, lease, mortgage and convey the condominium.

7. Delegation to Manager. The Management Committee may delegate any of its duties, power or functions, including, but not limited to, the authority to give the certificate provided for in paragraph 6 hereof, to any person or firm, to act as Manager of the project, provided that any such delegation shall be revocable upon notice by the Management Committee. The members of the Management Committee shall not be liable for any omission or improper exercise by the Manager of any such duty, power or function so delegated by written instrument executed by a majority of the Management Committee. In the absence of any appointment, the Chairman of the Management Committee shall act as Manager.

Any Manager named or employed by Declarant shall be employed to manage only until the first election of a Management Committee, at which time the new Management Committee shall have the right to retain or discharge said Manager as it determines desirable in its discretion.

8. Exclusive Ownership and Possession by Owner.

Each owner shall be entitled to exclusive ownership and possession of his unit. Each owner shall be entitled to an undivided eight and one-third (8-1/3%) per cent interest in the common areas. This percentage of the undivided interest of each owner in the common area shall have a permanent character and shall not be altered without the consent of all owners expressed in an amended declaration duly recorded. The percentage of the undivided interest in the common area shall not be separated from the unit to which it appertains and shall be deemed to be conveyed or encumbered or released from liens with the unit even though such interest is not expressly mentioned or described in the conveyance or other instrument. Each owner may use the common area in accordance with the purpose for which it is

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intended, without hindering or encroaching upon the lawful rights of the other owners.

An owner shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, basement floors, ceilings, windows and doors bounding his unit, nor shall the owner be deemed to own the utilities running through his unit which are utilized for, or serve more than one unit, except as a tenant in common with the other owners. An owner, however, shall be deemed to own and shall have the exclusive right to paint, repaint, tile, wax, paper or otherwise refinish and decorate the inner surfaces of the walls, basement floors, ceilings, windows and doors bounding his unit.

9. Owner's Obligation to Repair. Except for those portions which the Management Committee is required to maintain and repair hereunder (if any), each owner shall at the owner's expense, keep the interior of his unit and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating, painting, and varnishing which may at any time be necessary to maintain the good appearance and condition of his unit. In addition to decorating and keeping the interior of the unit in good repair, the owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, water heaters, furnaces, lighting fixtures, refrigerators, air conditioning equipment, dishwashers, disposals or ranges that may be in or connected with the unit. Roof maintenance shall be a common expense; provided, however, that no liability for redecorating or damage to the contents of any unit shall be chargeable against the common expense fund.

The owner shall promptly discharge any lien which may hereafter be filed against his condominium and shall otherwise abide by the provisions of Section 57-8-19 of the Condominium Act.

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10. Prohibition Against Structural Changes by Owner. The owner shall not, without first obtaining written consent of the Management Committee, make or permit to be made any structural alteration, improvement or addition in or to his unit or in or to the exterior of the buildings or other common area. The owner shall do no act nor any work that will impair the structural soundness or integrity of the buildings or safety of the property or impair any easement or hereditament without the written consent of all owners. The owner shall not paint or decorate any portion of the exterior of the buildings or other common area or any portion thereof without first obtaining written consent of the Management Committee.

11. Limitation on Use of Units and Common Areas. The units and common area shall be occupied and used as follows:

(a) No owner shall occupy or use his unit, or permit the same or any part thereof, to be occupied or used for any purpose other than as a private residence for the owner and the owner's family or the owner's lessee or guests.

(b) There shall be no obstruction of the common area. Nothing shall be stored in the common area without the prior consent of the Management Committee.

(c) Nothing shall be done or kept in any unit or in the common area which will increase the rate of insurance on the common area, without the prior written consent of the Management Committee. No owner shall permit anything to be done or kept in his unit or in the common area which will result in the cancellation of insurance on any unit or any part of the common area, or which would be in violation of any law. No waste will be committed in the common area.

(d) No sign of any kind shall be displayed to the public view on or from any unit or the common area, without the prior consent of the Management Committee.

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ment Committee.

(e) No animals, livestock or poultry of any kind shall be raised, bred, or kept in any unit or in the common area, except that dogs, cats or other household pets may be kept in units, subject to rules and regulations adopted by the Management Committee.

(f) No noxious or offensive activity shall be carried on in any unit or in the common area, nor shall anything be done therein which may be or become an annoyance or nuisance to the other owners.

(g) Nothing shall be altered or constructed in or removed from the common area, except upon the written consent of the Management Committee.

(h) There shall be no violation of rules for the use of the common area adopted by the Management Committee and furnished in writing to the owners, and the Management Committee is authorized to adopt such rules.

(i) None of the rights and obligations of the owners created herein, or by the deed creating the condominiums shall be altered in any way by encroachments due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of an owner or owners if said encroachment occurred due to the wilful conduct of said owner or owners.

(j) There shall be no occupant in any of the units of the project under the age of twelve (12) years. Visitation in any unit for a period of more than one month may be treated by the Committee as occupancy for purposes of this section. Notwithstanding any provision hereinabove contained which may be construed to the contrary, a child which is born to an occupant of a unit in the project shall qualify, and may remain as an occupant of the

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project until, but not after, said child attains the age of three (3) years.

12. Entry for Repairs. The Management Committee or its agents may enter any unit when necessary in connection with any repair, maintenance, landscaping or construction for which the Management Committee is responsible. Such entry shall be made with as little inconvenience to the owners as practicable, and any damage caused thereby shall be repaired by the Management Committee out of the common expense fund.

13. Failure of Management Committee to Insist on Strict Performance No Waiver. The failure of the Management Committee or Manager to insist in any one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, 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 restrictions shall remain in full force and effect. The receipt by the Management Committee or Manager of any assessment from an 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 or Manager of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Management Committee or Manager.

14. Limitation of Management Committee's Liability. The Management Committee shall not be liable for any failure of water supply or other service to be obtained and paid for by the Management Committee hereunder, or for injury or damage to person or property caused by the elements or by another owner or person in the project, or resulting from electricity, water, rain, dust or sand which may leak or flow from outside or from any parts of the buildings, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless caused by gross negligence of the

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Management Committee. No diminution or abatement of common expense assessments shall be claimed or allowed for inconveniences or discomfort arising from the making of repairs or improvements to the common area or from any action taken to comply with any law, ordinance or orders of a governmental authority.

15. Indemnification of Management Committee Members. Each member of the Management Committee shall be indemnified by the owners against all expenses and liabilities including attorney's fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a member of the Management Committee, or any settlement thereof, whether or not he is a member of the Management Committee at the time such expenses are incurred, except in such cases wherein the member of the Management Committee is adjudged guilty of wilful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply only when the Management Committee approves such settlement and reimbursement as being for the best interests of the Management Committee.

16. Sale or Lease Right of First Refusal. In the event any owner of a condominium shall wish to resell or lease the same, and shall have received a bona fide offer from a prospective purchaser or tenant, the remaining owners shall be given written notice thereof together with a copy of such offer and the terms thereof. Such notice and copy shall be given to the Management Committee for all of the owners. The remaining owners, through the Management Committee or a person named by the Management Committee, shall have the right to purchase or lease the subject condominium upon the same terms and conditions as set forth in the offer therefor, provided written notice of such election to purchase or lease is given to the selling or leasing owner, and

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 a matching down payment or deposit is provided to the selling or leasing owner during the twenty-one day period immediately following the delivery of the notice of the bona fide offer and copy thereof to purchase or lease.

In the event any owner shall attempt to sell or lease his condominium without affording to the other owners the right of first refusal herein provided, such sale or lease shall be wholly null and void and shall confer no title or interest whatsoever upon the intended purchaser or lessee.

The subleasing or subrenting of said interest shall be subject to the same limitations as are applicable to the leasing or renting thereof. The liability of the owner under these covenants shall continue, notwithstanding the fact that he may have leased or rented said interest as provided herein.

In no case shall the right of first refusal reserved herein affect the right of an owner to subject his condominium to a trust deed, mortgage or other security instrument.

The failure of or refusal by the Management Committee to exercise the right to so purchase or lease shall not constitute or be deemed to be a waiver of such right to purchase or lease when an owner receives any subsequent bona fide offer from a prospective purchaser or tenant.

17. Mortgages not Affected by Right of First Refusal. In the event of any default on the part of any owner under any first mortgage or deed of trust made in good faith and for value, which entitled the holder thereof to foreclose same, any sale under such foreclosure, including delivery of a deed to the first mortgagee in lieu of such foreclosure, shall be made free and clear of the provisions of paragraph 16, and the purchaser (or grantee under such deed in lieu of foreclosure) of such condominium shall be thereupon and thereafter subject to the provisions of this Declaration. If the purchaser following such foreclosure sale (or grantee under deed given in lieu of such foreclosure) shall be the then holder of the first mortgage, or its nominee, the said holder or nominee may thereafter sell and convey the condominium

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free and clear of the provisions of paragraph 16, but its grantee shall thereupon and thereafter be subject to all of the provisions thereof.

The transfer of a deceased joint tenant's interest to the surviving joint tenant or the transfer of a deceased's interest to a devisee by will or his heirs at law under intestacy laws shall not be subject to the provisions of paragraph 16.

If an owner of a condominium can establish to the satisfaction of the Management Committee that a proposed transfer is not a sale or lease, then such transfer shall not be subject to the provisions of paragraph 16.

18. Certificate of Satisfaction of Right of First Refusal. Upon written request of any prospective transferor, purchaser, tenant or an existing or prospective mortgagee of any condominium, the Management Committee shall forthwith, or where time is specified, at the end of the time, issue a written and acknowledged certificate in recordable form, evidencing that:

(a) With respect to a proposed lease or sale under paragraph 16, that proper notice was given by the selling or leasing owner and that the remaining owners did not elect to exercise their option to purchase or lease;

(b) With respect to a deed to a first mortgagee or its nominee in lieu of foreclosure, and a deed from such first mortgagee or its nominee, pursuant to paragraph 17, that the deeds were in fact given in lieu of foreclosure and were not subject to the provisions of paragraph 16.

(c) With respect to any contemplated transfer which is not in fact a sale or lease, that the transfer is not or will not be subject to the provisions of paragraph 16; Such a certificate shall be conclusive evidence of the facts contained therein.

19. Insurance. The Management Committee shall obtain and maintain at all times insurance of the type and kind and in at least the amounts

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provided hereinabove 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 condominium projects similar in construction, design and use, which insurance shall be governed by the following provisions:

(a) All policies shall be written with a company licensed to do business in the State of Utah and holding a rating of "AAA" or better by Best's Insurance Reports;

(b) Exclusive authority to adjust losses under policies hereafter in force in the project shall be vested in the Management Committee or its authorized representative;

(c) In no event shall the insurance coverage obtained and maintained by the Management Committee hereunder, be brought into contribution with insurance purchased by individual owners or their mortgagees;

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

(e) Each owner shall be required to notify the Management Committee of all improvements made by the owner to his unit, the value of which is in excess of One Thousand Dollars (\$1000.00).

(f) Any owner who obtains individual insurance policies covering any portion of the project other than personal property belonging to such owner, shall be required to file a copy of such individual policy or policies with the Management Committee within thirty (30) days after purchase of such insurance;

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(g) The Management Committee shall be required to make every effort to secure insurance policies that will provide for the following:

(1) A waiver of subrogation by the insurer as to any claims against the Management Committee, the Manager, the owners and their respective servants, agents, and guests;

(2) That the master policy on the project cannot be cancelled, invalidated, or suspended on account of the conduct of any one or more individual owners;

(3) That the master policy on the project cannot be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Management Committee or Manager without a prior demand in writing that the Management Committee or Manager cure the defect;

(4) That any "no other insurance" clause in the master policy exclude individual owners' policies from consideration.

20. No Partition. There shall be no judicial partition of the project or any part thereof, nor shall Declarant or any person acquiring any interest in the project or any part thereof seek any such judicial partition, until the happening of the conditions set forth in paragraph 21 hereof in the case of damage or destruction, or unless the property has been removed from the provisions of the Condominium Act as provided in Section 57-8-22 thereof; provided, however, that if any condominium shall be owned by two or more co-tenants as tenants in common or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition as between such co-tenants. But such partition shall not affect any other condominium.

21. Damage and Destruction. In case of fire, casualty or any other disaster, the insurance proceeds, if sufficient to reconstruct the buildings, shall be applied to such reconstruction. Reconstruction of the buildings, as used in this paragraph means restoring the buildings to substantially the same

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condition in which they existed prior to the fire, casualty or other disaster, with each unit and the common area having the same vertical and horizontal boundaries as before. Such reconstruction shall be accomplished by the Manager or Management Committee.

If the insurance proceeds are insufficient to reconstruct the building, damage to or destruction of the building shall be promptly repaired and restored by the Manager or Management Committee, using proceeds of insurance, if any, on the buildings for that purpose, and the unit owners shall be liable for assessment for any deficiency. However, if three-fourths or more of the buildings are destroyed or substantially damaged and if the owners, by a vote of at least three-fourths of the voting power, do not voluntarily, within one hundred days after such destruction or damage, make provision for reconstruction, the Manager or Management Committee shall record, with the county recorder, a notice setting forth such facts, and upon the recording of such notice:

- (1) The property shall be deemed to be owned in common by the owners;
- (2) The undivided interest in the property owned in common which shall appertain to each owner shall be eight and one-third ($8\frac{1}{3}\%$) percent.
- (3) Any liens affecting any of the condominiums shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the owner in the property; and
- (4) The property shall be subject to an action for partition at the suit of any owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided equally

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among all the owners after first paying out of the respective share of the owners, to the extent sufficient for the purposes, all liens on the undivided interest in the property owned by each owner.

Notwithstanding all other provisions hereof, the owners may, by an affirmative vote of at least eighty percent of the voting power, at a meeting of unit owners called for such purpose, elect to sell or otherwise dispose of the property. Such action shall be binding upon all unit owners and it shall thereupon become the duty of every unit owner to execute and deliver such instruments and to perform all acts reasonably necessary to effect the sale.

22. Enforcement. Each owner shall comply strictly with the provisions of this Declaration and with the administrative rules and regulations promulgated pursuant thereto as the same may be lawfully amended from time to time, and failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Management Committee or Manager on behalf of the owners, or in a proper case, by an aggrieved owner.

23. Personal Property. The Management Committee or Manager may acquire and hold, for the benefit of the owners, tangible and intangible personal property and may dispose of the same by sale or otherwise; and the beneficial interest in such personal property shall be owned by the owners in the same proportion as their respective interests in the common area, and shall not be transferable except with a transfer of a condominium. A transfer of a condominium shall transfer to the transferee ownership of the transferor's beneficial interest in such personal property.

24. Audit. Any owner may at any time at his own expense cause an audit or inspection to be made of the books and records of the Manager or

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 Management Committee. The Management Committee, at the expense of the common expense, shall obtain an audit of all books and records pertaining to the project at no greater than annual intervals and furnish copies thereof to the owners.

25. Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a condominium project. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.

26. Amendment. Except as otherwise provided herein, and as may be prohibited by law, the provisions of this Declaration may be amended by an instrument in writing signed and acknowledged by record owners holding not less than seventy-five per cent (75%) of the total vote hereunder, which amendment shall be effective upon recordation in the office of the Recorder of Utah County, State of Utah.

27. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof.

IN WITNESS WHEREOF, the undersigned has executed this instrument this 28th day of May, 1968.

PLANNING ASSOCIATES, INC., a Utah Corporation

By Arthur M. Adamson
 President

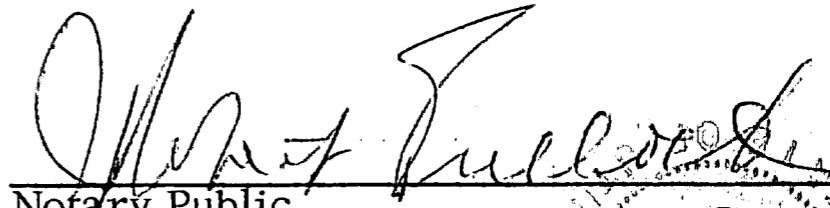
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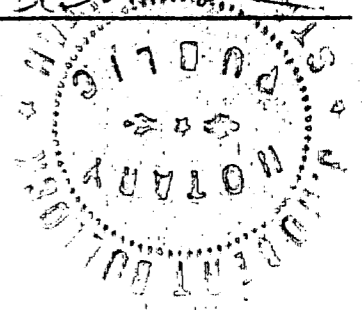
J. B. Bessell
 Secretary

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STATE OF UTAH)
: ss
COUNTY OF UTAH)

On the 28th day of May, 1968, personally appeared before me Arthur W. Adamson and L. H. Birrell, who being by me duly sworn did say, each for himself, that he, the said Arthur W. Adamson is the president, and he, the said L. H. Birrell is the secretary of Planning Associates, Inc., and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its board of directors and said Arthur W. Adamson and L. H. Birrell each duly acknowledged to me that said corporation executed the same and that the seal affixed is the seal of said corporation.


Notary Public
Residing at Provo, Utah.



My commission expires November 15, 1970.

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EXHIBIT "A"

Unit Designation	Approximate Number of Square feet	Percentage of Owner- ship in Common Area and Facilities
Apt. A, Bldg. 1	1742 plus exclusive use of garage and court	8-1/3%
Apt. B, Bldg. 1	"	8-1/3%
Apt. C, Bldg. 1	"	8-1/3%
Apt. D, Bldg. 1	"	8-1/3%
Apt. E, Bldg. 1	"	8-1/3%
Apt. F, Bldg. 1	"	8-1/3%
Apt. G, Bldg. 1	"	8-1/3%
Apt. H, Bldg. 1	"	8-1/3%
Apt. I, Bldg. 2	"	8-1/3%
Apt. J, Bldg. 2	"	8-1/3%
Apt. K, Bldg. 2	"	8-1/3%
Apt. L, Bldg. 2	"	8-1/3%
	Total	100%