

6965706
05/18/98 1:10 PM 67.00
NANCY WORKMAN
RECORDER, SALT LAKE COUNTY, UTAH
GUARDIAN TITLE
REC BY:V ASHBY ,DEPUTY - WI

AFTER RECORDING PLEASE RETURN TO:

James R. Blakesley
Attorney-at-Law
2102 East 3300 South
Salt Lake City, Utah 84107

MILL CREEK PARK P.U.D.

A Planned Residential Development

DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS

AND BY LAWS

IVORY HOMES,
a Utah limited partnership

DEVELOPER

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
MILL CREEK PARK P.U.D.

RECITALS	5
COVENANTS, CONDITIONS AND RESTRICTIONS	5
I. Definitions	5
1. "Assessment"	5
2. "Association"	5
3. "Building"	5
4. "Common Areas"	5
5. "Common Expenses"	6
6. "Dwelling Unit or Units"	6
7. "Family"	6
8. "Lot"	6
9. "Management Committee"	6
10. "Owner"	6
11. "Person"	6
12. "Plat Map or Maps"	6
13. "Preservation Area"	6
14. "Project"	6
15. "Project Documents"	6
II. Submission	6
III. Covenants, Conditions and Restrictions	7
1. Description of Improvements	7
2. Description and Legal Status of the Property	7
3. Membership in the Association	7
4. Conveyancing	7
5. Use Restrictions	7
a. Nuisance	7
b. Unsightly Work	8
c. Subdivision of a Lot	8
d. Temporary Structures	8
e. Energy Conservation Equipment	8
f. Commercial or Business Use	8
g. Storage & Parking of Vehicles	8
h. Aerials, Antennas and Satellite Systems	8
i. Pets	8
j. Insurance	8
k. Laws	9
l. Damage or Waste	9
m. Structural Alterations	9
n. Mail Boxes	9
6. Easements	9
7. Liability of Owners and Residents for Damages	9
8. Encroachments	9
9. Management of the Association	9
10. Status and General Authority of Committee	9
a. To Enter	9
b. Grant Easement	9
c. Execute Documents	9
d. Standing	9
e. Promulgate Rules	10
f. All other Acts	10

11. Classes of Membership & Voting Allocations	10
12. Capital Improvements	10
13. Operation, Maintenance and Alterations	10
a. Area of Common Responsibility	10
b. Area of Personal Responsibility	10
c. Changes to Areas of Personal & Common Responsibility	10
d. Standard of Care for Landscaping	10
e. Preservation Area	11
14. Common Expenses and Maintenance Assessments	11
a. Purpose of Common Area Expense	11
b. Budget	11
c. Apportionment	11
d. Approval of Budget and Assessments	11
e. Equitable Changes	11
f. Personal Obligation of Owner	11
g. Superiority of Assessments	11
h. Suspension of Right to Vote for Non-Payment	11
15. Special Assessments	11
16. Collection of Assessments	12
17. Liability of Management Committee	12
18. Insurance	13
19. Condemnation and Destruction	13
20. Consent in Lieu of Vote	13
21. Mortgagee Protection	13
a. Effects of Voluntary and Involuntary Sale	13
b. Books and Records Available for Inspection	13
c. Right to Financial Statement	13
d. Management Contracts	13
e. Eligible Mortgagee Designation	13
f. No Right to First Refusal	14
22. Amendments	14
a. Consent of Owners	14
b. Consent of Eligible Mortgagee	14
23. Declarant's Sales Program	14
a. Sales Office and Model Lots	15
b. Promotional	15
c. Common Area Use	15
d. Relocation and Removal	15
24. Limitation on Improvements	15
25. Declarant's Rights Assignable	15
26. Transfer of Management	15
27. Certain Provisions Applicable to Declarant	15
28. Interpretation	16
29. Covenants to Run With Land	16
30. Enforcement and Right to Recover Attorney's Fees	16
31. Agent for Service of Process	16
32. Duration	16
33. Effective Date	16
EXHIBIT "A" LEGAL DESCRIPTION	18
EXHIBIT "B" PERCENTAGE OF OWNERSHIP INTEREST	19
EXHIBIT "C" BY-LAWS	20

EXHIBIT "D" LEGAL DESCRIPTION OF COMMON AREA 26

DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS

FOR MILL CREEK PARK P.U.D.,

a Planned Residential Development

THIS Declaration of Covenants, Conditions and Restrictions (the "Declaration") is made and executed this 29th day of April, 1998, by IVORY HOMES, a Utah limited partnership, of 970 Woodoak Lane, Salt Lake City, Utah 84117 (hereinafter referred to as the "Declarant").

RECITALS:

A. This Declaration of Covenants, Conditions and Restrictions affects that certain real property located in Salt Lake County, Utah described with particularity in Article II below (hereinafter referred to as the "Tract").

B. Declarant is the owner of the Tract.

C. Declarant has constructed, is in the process of constructing or will construct upon the Tract a residential planned unit development which shall include certain Lots, Common Area and other improvements. All of such construction has been, or is to be, performed in accordance with the plans contained in the Plat Map to be recorded concurrently herewith.

D. Declarant intends to sell to various purchasers the fee title to the individual Lots contained in the Tract, and a corresponding membership interest in the Association of Lot Owners, subject to the Plat Map, and the covenants, conditions and restrictions set forth herein.

E. Declarant desires, by filing this Declaration and Plat Map, to submit the Tract and all improvements now or hereafter constructed thereon to the terms, covenants and conditions of this Declaration.

F. The Project is to be known as "MILL CREEK PARK P.U.D."

NOW, THEREFORE, for the reasons recited above and subject to the covenants, conditions and restrictions set forth below, Declarant hereby makes the following Declaration:

I. DEFINITIONS

When used in this Declaration (including in that portion hereof entitled "Recitals"), each of the following terms shall have the meaning indicated.

1. Assessments shall mean and refer to the amounts levied against a Lot or Lot Owner.
2. Association shall mean and refer to association of Lot Owners at MILL CREEK PARK P.U.D.
3. Building shall mean and refer to any of the structures constructed upon the Tract.
4. Common Areas shall mean and refer to all real property in the Project in which the Association owns an interest for the common use and benefit of its Members, their successors, assigns, tenants, families, guests and invitees, including but not limited to the following items: a) The real property and interests in real property submitted hereby, including the entirety of the Tract and all improvements constructed thereon, excluding the individual Lots; b) All Common Areas and Facilities designated as such in the Plat Map or Maps; c) All utility installations and all equipment connected with or in any way related to the furnishing of utilities to the Project and intended for the common use of all Lot Owners, such as telephone,

electricity, gas, water, and sewer; d) The Project's Preservation Area and Open Space, outdoor grounds, landscaping, street lighting, perimeter and common fences and sidewalks; e) common parking areas and spaces; f) All roadways and streets and right of way easements; g) All portions of the Project not specifically included within the individual Lots; and h) All other parts of the Project normally in common use or necessary or convenient to the use, existence, maintenance, safety, operation or management of the Project.

5. Common Expenses shall mean and refer to a) All sums lawfully assessed against the Owners; b) Expenses of administration, maintenance, repair or replacement of the Project; c) Expenses allocated by the Association among the Owners; d) Expenses agreed upon as common expenses by the Management Committee; and e) Expenses declared common expenses by the Declaration.

6. Dwelling Unit or Unit shall mean and refer to the single family residence constructed upon a Lot.

7. Family shall mean and refer to a group of natural persons residing in the same Dwelling Unit and maintaining a common household.

8. Lot shall mean and refer to a portion of the Property, other than the Common Area, intended for any type of independent ownership and use as may be set out in this Declaration and as shall be shown on the Plat Map filed with this Declaration or amendments thereto. Where the context indicates or requires, the term Lot includes any Dwelling Unit, physical structure or improvement constructed on the Lot.

9. Management Committee shall mean and refer to that committee of Members of the Association appointed or elected and qualified to manage, operate and regulate the affairs of the Association.

10. Owner shall mean and refer to the Person who is the owner of record in the office of the County Recorder of Salt Lake County, Utah of a fee or an undivided fee interest in a Lot. The term Lot Owner does not mean or include a mortgagee or a beneficiary or trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

11. Person shall mean and refer to a natural person, corporation, partnership, trust, limited liability company, or other legal entity.

12. Plat Map or Map shall mean and refer to the "Plat Map or Maps of MILL CREEK PARK P.U.D.," on file in the office of the County Recorder of Salt Lake County, as it may be amended from time to time. The Plat Map will show the location of the Lots, Common Area and Preservation Area.

13. Preservation Area shall mean and refer to that portion of the Common Area designated on the Map as "Preservation Area" or "Open Space" consisting of approximately twelve (12) acres.

14. Project shall mean and refer to the MILL CREEK PARK P.U.D.

15. Project Documents shall mean and refer to the Declaration, By Laws, and Rules and Regulations.

II. SUBMISSION

The Land, described with particularity on Exhibit "A" attached hereto and incorporated herein by this reference, is located in Salt Lake County, Utah, is hereby submitted to the terms, covenants and conditions of this Declaration, and is hereby made subject to, and shall be governed and regulated by, this Declaration of restrictive covenants. In addition:

The Land is SUBJECT TO the described easements and rights of way, TOGETHER WITH all easements, rights-of-way, and other appurtenances and rights incident to, appurtenant to, or accompanying the above-described parcel of real property, including but not limited to the right of Owners and residents, as well as their guests, visitors and invitees, to ingress and egress from the Project along the roadways and streets designated on the

Map, and no Owner or resident shall in any way hinder or prevent, or attempt to hinder or prevent, the proper and reasonable use and enjoyment of said rights of way and easements.

ALL OF THE FOREGOING IS SUBJECT TO: All liens for current and future taxes, assessments, and charges imposed or levied by governmental or quasi-governmental authorities; all Patent reservation and exclusions; any mineral reservations of record and rights incident thereto; all instruments of record which affect the above-described Tract or any portion thereof, including, without limitation, any mortgage or deed of trust; all visible and necessary easements and rights-of-way; all easements and rights-of-way of record; any easements, rights of-way, encroachments, or discrepancies shown on or revealed by the Plat Maps or otherwise existing; an easement for each and every common area improvement, equipment, pipes, lines, cables, wires, utility systems, or similar facilities which traverse or partially occupy the above-described Tract; and all easements necessary for servicing, repairing, ingress to, egress from, maintenance of, and replacement of all such common area improvements, equipment, pipes, lines, cables, wires, utility systems, and similar facilities.

III. COVENANTS, CONDITIONS, AND RESTRICTIONS

The foregoing submission is made upon and under the following covenants, conditions, and restrictions:

1. Description of Improvements. The significant improvements in the Project include or shall include upon completion: seven (7) Lots; one (1) Dwelling Unit constructed on each Lot, consisting of cement footings and foundations, wood frames, exteriors of wood, siding, stucco and brick, or combinations thereof, roof systems of wood, shake, tile or composite asphalt shingles; and certain Common Area and Facilities consisting of roads, parking areas, green space, landscaping, common utilities and entryway. The Project will also contain other improvements of a less significant nature.
2. Description and Legal Status of the Property. This is a planned residential development. The Lots shall be individually owned. The Common Areas shall be owned by the Association.
3. Membership in the Association. Membership in the Association is mandatory. Membership is appurtenant to the ownership of a Lot and may not be partitioned therefrom.
4. Conveyancing. Any deed, lease, mortgage, deed of trust, or other instrument conveying or encumbering a Lot shall describe the interest or estate involved substantially as follows:

All of LOT NO. __ contained within MILL CREEK PARK P.U.D., a planned residential development, as the same is identified in the Record of Plat Map recorded in Salt Lake County, Utah as Entry No. _____, in Book _____, at Page _____ (as said Record of Plat Map may have heretofore been amended or supplemented) and in the Declaration of Covenants, Conditions and Restrictions of MILL CREEK PARK P.U.D., a planned residential development, recorded in Salt Lake County, Utah as Entry No. _____, in Book _____, at Page _____ (as said Declaration may have heretofore been amended or supplemented), together with an undivided percentage of ownership interest in the Association. SUBJECT to all rights of way and easements shown on the Plat Map.

Regardless of whether or not the description employed in any such instrument is in the above-specified form, all provisions of this Declaration shall be binding upon and shall inure to the benefit of any party who acquires any interest in a Lot.

5. Use Restrictions. The use of the Lots and Common Areas in the Tract are subject to the following use restriction:
 - a. Nuisance. No Owner or resident, or their family members, guests or invitees shall create or maintain a nuisance, or if a nuisance is created, it shall be promptly abated. A nuisance means any condition, activity or behavior which bothers, disturbs or annoys other residents, or interferes with their quiet and peaceful enjoyment of the premises, or the creation or maintenance of any noxious or offensive condition.

b. Unightly Work, Hobbies or Unkempt Condition.

The pursuit of hobbies or other activities, including but not limited to the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Project.

c. Subdivision of a Lot. No Lot shall be subdivided or partitioned.

d. Temporary Structures. No Owner or resident shall place upon any part of the Tract any temporary structures including but not limited to tents, trailers, or sheds, without the prior written consent of the Committee, although the Developer may install and use temporary structures in the development of the Project and marketing of the Lots or Units.

e. Energy Conservation Equipment. No solar energy collector panels, other energy conservation equipment or attendant hardware shall be constructed or installed on the Project without the prior written consent of the Committee.

f. Commercial or Business Use. No commercial trade or business may be conducted in or from any Lot unless: 1) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the residence; 2) the business activity conforms to all zoning requirements for the Project; 3) the business activity does not involve persons coming onto the Project who do not reside in the Project or door-to-door solicitation of residents of the Project; and 4) the business activity is consistent with the residential character of the Project and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Project, as may be determined in the sole discretion of the Committee. The terms "trade or business" shall have their ordinary and generally accepted meanings, which shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether such activity is engaged in full or part-time, such activity is intended to or does generate a profit, or a license is required therefor. The leasing of a Dwelling Unit shall not be considered a trade or business within the meaning of this subsection.

g. Storage and Parking of Vehicles. Motor Vehicles in the Project shall be subject to the parking rules and regulations adopted by the Management Committee from time to time. Except for purposes of loading or unloading passengers or supplies (for a period of time up to twenty-four (24) hours), no Recreational, Commercial or Oversized Vehicle may be parked in the Project. No motor vehicle or trailer, including but not limited to any car, automobile, truck, van, or any other transportation device of any kind may be parked or stationed in such a manner so as to block access to any Lot, Building or parking space, or to create an obstacle or potentially dangerous situation. No resident shall repair or restore any vehicle of any kind in, on or about any Lot or the Common Area, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility. No garage may be altered in such a manner that the number of motor vehicles which may reasonably be parked therein after the alteration is less than the number of motor vehicles that could have been reasonably parked in the garage as originally designed and constructed.

h. Aerials, Antennas, and Satellite Systems. No aerials, antennas or satellite dishes shall be installed within the Project, without the prior written consent of the Management Committee, which shall not be unreasonably withheld.

i. Pets. No more than two (2) domestic pets per Lot are allowed unless a variance is granted in writing by the Management Committee. No pets, animals, livestock or poultry of any kind shall be bred in, on or about the Project. Residents with pet(s) shall abide by the pet rules and regulations adopted by the Committee from time to time. No pet may be allowed to create a nuisance. The following activities are deemed to be a nuisance: (1) Pets outside a Dwelling Unit and not in a fenced yard or in a cage or on a leash and under the control of the pet owner or his designee at all times; and (2) Pets in violation of the rules and regulations. Pets which constitute a nuisance, in the sole opinion of the Management Committee, must be removed from the Project.

j. Insurance. Nothing shall be done or kept in, on or about any Lot or the Common Area which

may result in the cancellation of the insurance on the Property or an increase in the rate of the insurance on the Project over what the Management Committee, but for such activity, would pay.

k. Laws. Nothing shall be done or kept in, on or about any Lot or Common Area, or any part thereof, which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

l. Damage or Waste. No damage to, or waste of, the Common Area shall be committed by any Owner or any invitee of any Owner, and each Owner shall indemnify and hold the Management Committee and the other Owners harmless against all loss resulting from any such damage or waste caused by that Owner or an invitee; provided, however, that any invitee of the Declarant shall not under any circumstances be deemed to be an invitee or any other Owner.

m. Structural Alterations. No structural alteration to the Common Area or Facilities is allowed without the prior written consent of the Management Committee.

n. Mail Boxes. The initial mail box must be the one approved and provided by the Declarant. All replacement mail boxes must be approved in writing by the Management Committee prior to installation.

6. Easement -- Support, Maintenance and Repair. There is hereby RESERVED and the Association is hereby GRANTED a non-exclusive easement over, across, through, above and under the Lots and the Common Area for the operation, maintenance and regulation of the Common Area and Facilities. There is hereby RESERVED and the Association and each Owner is hereby GRANTED a non-exclusive easement over, across, along and through the roadways and streets designated on the Map, and no Owner or resident shall in any way hinder or prevent, or attempt to hinder or prevent, the proper and reasonable use and enjoyment of said rights of way and easements.

7. Liability of Owners and Residents For Damages. Any Owner or resident shall be liable to the Association or other Owners or Residents for damages to person or property in the Community caused by his negligence.

8. Encroachments. In the event that any portion of the Common Area or a Lot encroaches or comes to encroach upon other Common Area or a Lot as a result of construction, reconstruction, repair, shifting, settling, or movement, an easement for such encroachment is created hereby and shall exist so long as such encroachment exists.

9. Management of the Association. The Association shall be managed by a Management Committee which shall be comprised of three (3) Owners.

10. Status and General Authority of Committee. Any instrument executed by the Management Committee that recites facts which, if true, would establish the Committee's power and authority to accomplish through such instrument what is purported to be accomplished thereby, shall conclusively establish said power and authority in favor of any person who in good faith and for value relies upon said instrument. The Association shall, in connection with its exercise of any of the powers delineated below, constitute a legal entity capable of dealing in its Committee name. The Management Committee shall have, and is hereby granted, the following authority and powers:

a) To Enter. The power and authority to enter into or upon any Lot in order to maintain, repair or replace the Common Area and Facilities.

b) Grant Easements. The power and authority to grant reasonable permits, licenses, and non-exclusive easements over, under, across, and through the Common Areas for utilities, roads, and other reasonable.

c) Execute Documents. The power and authority to execute and record, on behalf of all Owners, amendments to the Project Documents.

d) Standing. The power and authority to contract in its own name or in behalf of the Association,

or to sue and be sued.

e) Promulgate Rules. The power and authority to adopt reasonable rules and regulations.

f) All other Acts. The power and authority to perform any and all other acts, and to enter into any other transactions which may be reasonably necessary for the Management Committee to perform its functions on behalf of the Owners.

11. Classes of Membership & Voting Allocations. The Association shall have two (2) classes of membership:

a) Class A. Class A Members shall be all Owners with the exception of the Declarant, who shall be a Class B Member. Each Class A member shall have one (1) vote.

b) Class B. Class B Member shall be the Declarant and any successor of Declarant who takes title for the purpose of development and sale of Lots, and who is designated as such in a recorded instrument executed by Declarant. Each Class B member shall have seven (7) votes per Lot owned. Class B membership shall terminate and convert to Class A membership upon the happening of the earlier of the following events: When all of the Lots and Dwelling Units have been sold, three (3) years from the date this Declaration is recorded, or when, in its sole discretion, Declarant so determines (hereinafter referred to as the "Event" or "Events"). When the Event occurs, the Declarant shall call a meeting to effect transition of control and management of the Association.

12. Capital Improvements. Without the prior written consent of the majority of the Owners, the Management Committee may not spend more than \$1,000.00 on a capital improvement.

13. Operation, Maintenance and Alterations. The Project shall be maintained as follows:

a) Area of Common Responsibility. The Association shall maintain, repair and replace, as needed from time to time, the Common Area and Facilities and any improvements constructed or installed thereon. This duty includes but is not limited to all entrances to and exits from the Project, streets, roads, common parking areas, street lighting, common sidewalks, curbs and gutters, Common Area landscaping, green space and sprinkler systems, and central utility systems for power, light and water. The foregoing items are hereinafter referred to as the "Area of Common Responsibility".

b) Area of Personal Responsibility. Each Owner shall maintain, repair and replace his Dwelling Unit as needed from time to time. This duty includes but is not limited to all and Lot landscaping, green space and sprinkler systems, which includes grass edging and mowing, planting, pruning and removing of trees, shrubs and bushes, and the preparation, planting and maintenance of flower beds and vegetable gardens, the roof and roof system, foundation, footings, columns, girders, beams, supports, main walls and exterior surfaces of any Building, Dwelling Unit and garage, all individual utility services such as power, light, gas, hot and cold water, heating, refrigeration and air conditioning systems, fixtures, windows, doors, patios, balconies and decks, garage doors, garage door systems and the interior surfaces of the Unit and fences located on the Lot. Owner shall complete landscaping on Lot within twelve (12) months of closing. If an item is not included in the Area of Common Responsibility and it is located in, on, under or above a Lot, then it shall be the responsibility of the Lot Owner, unless otherwise expressly and specifically determined in writing by the Committee (hereinafter referred to as the "Area of Personal Responsibility").

c) Changes to Areas of Personal or Common Responsibility. The Management Committee may, in its sole discretion, add items to or subtract items from the Areas of Personal or Common Responsibility as in its sole discretion it deems it necessary or appropriate, upon at least thirty (30) days prior written notice to the Lot Owners.

d) Standard of Care for Landscaping. All landscaping in the Project shall be maintained and cared for in a manner consistent with the quality of design and construction originally established by Declarant. Any weeds or diseased or dead lawn, trees, ground cover or shrubbery shall be removed and replaced. All lawn areas shall be neatly

mowed and trees, shrubs and bushes shall be properly pruned and trimmed. All landscaping shall be tasteful, so as not to affect adversely the value or use of any other Lot, or to detract from the uniform design and appearance of the Project.

e) Preservation Area. The Preservation Area shall be subject to limits of use restrictions or guidelines as they may be adopted by the Declarant or Management Committee from time to time. No structural alterations may be made to said Area, unless approved in writing and in advance by the Management Committee.

14. Common Expenses and Maintenance Assessments. Each Owner, upon receipt of a deed or other document or conveyance to a Lot, shall be deemed to have agreed to pay his portion of the Common Expenses and any other Assessments levied by the Management Committee; provided, however, the Declarant shall not be obligated to pay any Assessments until such time as any residential structure, Building or Dwelling Unit is substantially completed on a Lot owned by the Declarant and a permanent certificate of occupancy has been issued or, in the alternative, the Declarant elects in writing to commence payment, whichever first occurs.

a) Purpose of Common Area Expenses. The Common Expenses provided for herein shall be for the general purpose of operating the Project and promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners.

b) Budget. At least thirty (30) days prior to the Annual meeting of the Association, the Management Committee shall prepare and deliver to the Owners a copy of the proposed Budget which shall set forth an itemization of the anticipated Common Expenses for the next twelve (12) month calendar year, commencing with the following January 1. The Budget shall be based upon advance estimates of cash requirements by the Management Committee to pay the Common Expenses for the upcoming year and establish a reasonable reserve fund.

c) Apportionment. Common Expenses and profits shall be divided equally among all Owners.

d) Approval of Budget and Assessments. The proposed Budget shall become effective unless disapproved at the Annual meeting of the Association by the affirmative vote of at least a majority of all of the Owners. Notwithstanding the foregoing, however, if the membership disapproves the proposed budget and Assessments or the Management Committee fails for any reason establish the Budget and Assessments for the succeeding year, then and until such time as a new budget and new Assessment schedule shall have been established, the Budget and the Assessments in affect for the then current year shall continue for the succeeding year.

e) Equitable Changes. If the aggregate of all monthly payments on all of the Lots is too large or too small as a result of unanticipated income or expenses, the Committee may from time to time effect an equitable change in the amount of said payments. Owners shall be given at least thirty (30) days written notice of any changes.

f) Personal Obligation of Owner. Each Owner is personally liable to pay his share of the Common Expenses.

g) Superiority of Assessments. All Assessments and liens created to secure the obligation are superior to any homestead exemptions to which an Owner may be entitled, which each Owner, by virtue of accepting a deed or other document of conveyance to a Lot, is hereby deemed to have waived or subordinated.

h) Suspension of Right to Vote for Non-Payment. At the discretion of the Committee, the right of an Owner to vote on issues concerning the Association may be suspended if the Owner is delinquent in the payment of his portion of the Common Expenses, any Assessment, and he has failed to cure or make satisfactory arrangements to cure the default after reasonable notice of at least ten (10) days.

15. Special Assessments. With the prior written consent of a majority of the Owners, the Management Committee may also levy a special assessment in any calendar year to pay for capital improvements or unexpected expenses.

16. Collection of Assessments. Assessments shall be paid on time. A late fee of \$25.00 or 5% of the payment, whichever is greater, shall be charged on payments not received within ten (10) days of their due date. Interest at the rate of 1.5% per month shall accrue on all delinquent accounts. The amount of Common Expenses assessed against each Lot or Owner and any other Assessment charged to an Owner or Lot is a debt of the Owner at the time the Assessment is made and is collectible as such. Suit to recover a money judgment for unpaid Common Expenses or Assessments is maintainable without foreclosing or waiving the lien securing it. If any Owner fails or refuses to make any payment of the Common Expenses or Assessment when due, that amount constitutes a lien on the interest of the Owner in the Property, and upon the recording of notice of lien, it is a lien upon the Owner's interest in the Property prior to all other liens and encumbrances, recorded or unrecorded, except:

1) tax and special assessment liens on the Lot in favor of any assessing unit or special improvement district; and

2) encumbrances on the interest of the Owner recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

The lien for nonpayment of Assessments may be enforced by sale or foreclosure of the Owner's interest therein by the Management Committee. The sale or foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or mortgages or in any other manner permitted by law. In any foreclosure or sale, the Owner shall pay the costs and expenses of such proceedings, including but not limited to the cost of a foreclosure report, reasonable attorney's Assessments, and a reasonable rental for the Lot during the pendency of the foreclosure action. The Association in the foreclosure action may require the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Committee may bid for the Lot at foreclosure or other sale and hold, lease, mortgage, or convey the same.

If the Management Committee elects to foreclose the lien in the same manner as foreclosures in deeds of trust, then the Owner by accepting a deed to the Lot hereby irrevocably appoints the attorney of the Association, provided he is a member of the Utah State Bar, as Trustee, and hereby confers upon said Trustee the power of sale set forth with particularity in Utah Code Annotated, Section 57-1-23 (1953), as amended. In addition, Owner hereby transfers in trust to said Trustee all of his right, title and interest in and to the real property for the purpose of securing his performance of the obligations set forth herein.

Each Owner by accepting a deed to a Lot hereby irrevocably appoints the Association as his attorney in fact to collect rent from any person renting his Lot, if the Lot is rented and Owner is delinquent in his Assessments. Rent due shall be paid directly to the Association, upon written demand, until such time as the Owner's Assessments are current; and the Owner shall credit the Renter, against rent due, for the amount of money paid to the Association.

The Association shall have all other remedies available at law or in equity, and the Association may elect either to obtain a personal money judgment against the Owner or foreclose the lien, or both. No Owner may waive or otherwise exempt himself from liability for the Assessments provided for herein, including but not limited to the non-use of Common Areas or the abandonment of his Lot. The duty to maintain the Common Areas and Facilities and the duty to pay Assessments are independent.

17. Liability of Management Committee. The Association shall indemnify every officer of the Association and member of the Management Committee against any and all expenses, including but not limited to attorney's fees reasonably incurred by or imposed upon any such officer or member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Committee) to which he may be a party by reason of being or having been an officer or member. Said officers and members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, gross misconduct or bad faith. Said officers and members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or members may also be Members of the Association), and the Association shall indemnify and forever hold each such officer and member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to

indemnification provided for herein shall be exclusive of any other rights to which any such officer or member, or former officer or member may be entitled.

18. Insurance. The Management Committee may purchase and maintain, if reasonably available, adequate liability and property insurance on the Common Area and Facilities. At its option, the Management Committee may also purchase directors and officers insurance and/or a fidelity bond. Owners shall purchase adequate liability and contents coverage on their Lots and Dwelling Units. In the event of duplicate coverage, the Owner's insurance shall be deemed to be primary. If there is a deductible, it shall be paid by the party making the claim. No Owner shall be allowed to maintain insurance coverage in such a way as to decrease the amount which the Association or any mortgagees may realize under any insurance policy. Lots 1, 4, 5, 6 and 7 appear to be situated in an area having special flood hazards and flood insurance may be required.

19. Condemnation and Destruction. If the Project is to be condemned, in whole or in part, or if the Project is substantially destroyed, then the majority of the Owners shall decide how to proceed. Any condemnation or sale proceeds, restoration costs, profits or losses shall be divided among the Owners equally.

20. Consent in Lieu of Vote. If the Declaration requires the vote of an Owner or Owners for authorization or approval of an act or a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, the written consent to such act or transaction from the Owners who collectively hold the required percentages.

21. Mortgagee Protection. The lien or claim against a Lot for unpaid Assessments levied by the Management Committee or by the Association pursuant to this Declaration or the Act shall be subordinate to any Mortgage recorded on or before the date such Assessments become due, subject to the following:

a) Effects of Voluntary and Involuntary Sale. The lien or claim against a Lot for such unpaid Assessments shall not be affected by any sale or transfer of such Lot, except that a sale or transfer pursuant to a foreclosure of the Mortgage affecting such Lot or the exercise of a power of sale available thereunder shall extinguish any debt payable prior to such sale or transfer. Nevertheless, any such unpaid Assessments which are extinguished in accordance with the foreclosure or power of sale shall not relieve the purchaser or transferee of such Lot from liability for, nor such Lot the lien of any Assessments becoming due thereafter.

b) Books and Records Available for Inspection. The Committee or the Association shall make available to the Owners, to Mortgagees, and lenders, and to holders, insurers, or guarantors of any Mortgage current copies of the Declaration, By-Laws, and administrative rules and regulations concerning the Project, as well as the books, records, and financial statements of the Committee and the Association. The term "Available", as used in the Paragraph, shall mean available for reasonable inspection upon request during normal business hours or under other reasonable circumstances. The Association shall have the right to recover its photocopying and service charges incurred in making the inspection and photocopying available.

c) Right to Financial Statement. The holder, insurer or guarantor of any Mortgage shall be entitled, upon written request, to a financial statement for the immediately preceding fiscal year. Any financial statement requested pursuant hereto shall be furnished to the requesting party within a reasonable time following such request.

d) Management Contracts. Any agreement for professional management of the Project, and any contract for goods or services, or any lease which is entered into by the Management Committee or the Association shall provide or be deemed to provide hereby that either party may terminate the contract with or without cause upon at least sixty (60) days prior written notice to the other party thereto.

e) Eligible Mortgagee Designation. Upon written request to the Committee or the Association by the holder, insurer, or guarantor of a Mortgage (which request identifies the name and address of such holder, insurer or guarantor and the Lot Number or address of the property encumbered by the Mortgage held or insured by such holder, insurer, or guarantor), such holder insurer, or guarantor shall be deemed thereafter to be an "Eligible Mortgagee" or "Eligible Insurer" or "Eligible Guarantor," as the case may be, shall be included on the appropriate lists maintained by the

Association, and shall be entitled to timely written notice of any of the following:

(1) Condemnation Loss or Award. Any condemnation loss or any casualty loss which affects a material portion of the Project or any Lot on which there is a Mortgage held, insured, or guaranteed by such Eligible Insurer or Guarantor.

(2) Delinquency. Any delinquency in the payment of Assessments owed by an Owner of a Lot subject to a Mortgage held, insured or guaranteed by such Eligible Insurer or Guarantor, which delinquency remains uncured for a period of sixty days.

(3) Lapse of Insurance. Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Committee or the Association.

(4) Consent Required. Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees.

f) No Right of First Refusal. The right of an Owner to sell, transfer, or otherwise convey his Lot shall not be subject to any right of first refusal or similar restriction.

22. Amendment. The Declaration and Plat Map may be amended as follows:

a) Consent of the Owners. By affirmative vote of at least sixty seven percent (67%) of the Owners. To be valid, the amendment must be recorded in the Office of the County Recorder of Salt Lake County, Utah. In such instrument the Secretary of the Association shall certify that the vote required by this subsection has been obtained and, if approval of a specified percentage of Eligible Mortgagees is required for such amendment, that such approval has also been obtained; and

b) Consent of Eligible Mortgagee. The consent of at least sixty seven percent (67%) of the Eligible Mortgagees shall be required to any amendment which would terminate the legal status of the Project; and the consent of Eligible Mortgagees holding at least fifty-one percent of the undivided Ownership interest in the Common Areas shall be required to add to or amend any material provision of this Declaration or the Plat Map which establishes, provides for, governs, or regulates any of the following: (1) voting; (2) assessments, assessment liens, or subordination of liens; (3) reserves for maintenance, repair, and replacement of the Common Areas; (4) insurance or fidelity bonds; (5) limitations and restrictions on the right to use of the Common Areas; (6) responsibility for maintenance and repair of the several portions of the Project; (7) expansion or contraction of the Project or the addition, annexation or withdrawal of property to or from the Project; (8) the boundaries of any Lot; (9) the percentages of Ownership interest in the Common Areas; (10) convertibility of a Lot into Common Areas or Common Area into a Lot; (11) the imposition of any right of first refusal or similar restriction on the right of an Owner to sell, transfer, or otherwise convey his Lot; (12) express benefits or rights of Mortgagees, Eligible Mortgagees, or Eligible Insurers or Guarantors; and (13) the requirement that the Project be professionally managed rather than self managed. Any addition or amendment shall not be considered material for purposes of this Paragraph b) if it is for the clarification only or to correct a clerical error. An "Eligible Mortgagee" is deemed to be any lender or security interest holder who has requested notice from the Association in writing. Notice of any proposed amendment to any Eligible Mortgagee to whom a written request to approve an addition or amendment to this Declaration or the Plat Map is required shall be mailed postage prepaid to the address for such Mortgagee shown on the list maintained by the Association. Any Eligible Mortgagee who does not deliver to the Committee or the Association a negative response to the notice of the proposed amendment within thirty (30) days from the date of such mailing shall be deemed to have approved the proposal. The foregoing consent requirements shall not be applicable to amendments to this Declaration and the Plat Map or the termination of the legal status of the Project as a planned residential development if such amendments or such termination are made or accomplished in accordance with the provisions of this Declaration regarding Condemnation or Substantial Obsolescence.

23. Declarant's Sales Program. Notwithstanding anything to the contrary, until Declarant has sold all the Lots and Dwelling Units owned by it in the Project or the expiration of a reasonable sales period following three (3) years

after the date on which this Declaration is filed for record in the Office of the County Recorder of Salt Lake County, Utah, whichever first occurs, neither the Owners, the Association nor the Committee shall interfere with the completion of improvements and sale of all remaining Lots, and Declarant shall have the following rights in furtherance of any sales, promotions or other activities designed to accomplish or facilitate the sale of all Lots owned by Declarant:

a) Sales Office and Model Lots. Declarant shall have the right to maintain one (1) or more sales offices and one (1) or more model Lots, homes or Units at any one time. Such office and/or models may be one or more of the Lots owned by it, or one or more of any separate structures or facilities placed on the Property for the purpose of aiding Declarant's sales effort, or any combination of the foregoing;

b) Promotional. Declarant shall have the right to maintain a reasonable number of promotional, advertising and/or directional signs, banners or similar devices at any place or places on the Property.

c) Common Area Use. Declarant shall have the right to use the Common Areas of the Project to facilitate sales.

d) Relocation and Removal. Declarant shall have the right from time to time to locate or relocate any of its sales offices, models, or signs, banners or similar devices, but in connection with each such location or relocation shall observe the limitations imposed by the preceding portion of this Section. Within a reasonable period of time after the happening of the occurrence, Declarant shall have the right to remove from the Project any signs, banners or similar devices and any separate structure or facility which was placed on the Property for the purpose of aiding Declarant's sales effort.

24. Limitation on Improvements by Association. Until the occurrence referred to in Section 24, neither the Association nor the Management Committee shall, without the written consent of Declarant, make any improvement to or alteration in any of the Common Areas and Facilities created or constructed by Declarant, other than such repairs, replacements, or similar matters as may be necessary to properly maintain the Common Areas as originally created or constructed by Declarant.

25. Declarant's Rights Assignable. All of the rights of Declarant under this Declaration may be assigned or transferred either by operation of law or through a voluntary conveyance, transfer or assignment. Any Mortgage covering all Lots or Buildings in the Project title to which is vested in Declarant shall, at any given point in time and whether or not such Mortgage does so by its terms, automatically cover, encumber, and include all of the then unexercised or then unused rights, powers, authority, privileges, protection and controls which are accorded to Declarant (in its capacity as Declarant) herein.

26. Transfer of Management. Anything to the contrary notwithstanding, Declarant may at any time relinquish its reserved right to select members of the Management Committee, and to transfer management of the Project to the Association. If and when Declarant elects to do so, Declarant shall send written notification to each Owner of the effective date of the transfer (the "Transfer or Transition Date") at least forty five (45) days prior thereto. Thereupon, the Owners shall call a meeting to elect the members of new Management Committee, who shall take office as of the Transfer Date. Declarant covenants to cooperate with the Owners in effecting an orderly transition of management. Moreover, Declarant shall cause all Common Expenses incurred prior to the Transfer Date to be paid in full on or before such date.

27. Certain Provisions Applicable to Declarant. Notwithstanding any other provisions herein contained, for so long as Declarant continues to own any of the Lots, the following provisions shall be deemed to be in full force and effect, none of which shall be construed so as to relieve the Declarant from any obligations of an Owner to pay his share of the Common Expenses or Assessments, except as herein otherwise provided, as to each Lot owned by Declarant in accordance with the Declaration.

a) Declarant specifically disclaims any intent to have made any warranty or representation in connection with the Project or the Declaration except as specifically set forth herein or in any agreement for sale of a Lot, and no person shall rely upon any warranty or representation not so specifically made therein.

b) No amendment may be made to the Declaration without the written consent of Declarant so long as Declarant retains the Ownership of one (1) or more Lots; provided, however, that the obligation to acquire said written consent of Declarant shall cease on a date three (3) years from the date of recording of the Declaration.

28. Interpretation. To the extent Utah law is consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. The captions and headings which precede the Articles and Sections of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the term "shall" is mandatory and the term "may" is permissive, the whole shall include any part thereof, and any gender shall include both other genders. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof.

29. Covenants to Run with Land. This Declaration and all the provisions hereof shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of Association, all other signatories hereto, all parties who hereafter acquire any interest in a Lot or in the Project, and their respective grantees, transferees, heirs, devisees, personal representative, successors, and assigns. Each Owner or resident of a Lot shall comply with, and all interests in all Lots shall be subject to, the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments, supplements, amendments, and determinations contemplated by this Declaration. By acquiring any interest in a Lot in the Project, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

30. Enforcement and Right to Recover Attorney's Assessments. Should the Association or Management Committee be required to take action to enforce the Declaration, By-Laws or any administrative rules and regulations adopted from time to time, or to pursue any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise, they may recover all Additional Charges, including a reasonable attorney's fee, which may arise or accrue.


31. Agent for Service of Process. The initial Registered Agent shall be CHRISTOPHER P. GAMVROULAS and the initial office of the Registered Agent shall be 970 Woodoak Lane, Salt Lake City, Utah 84117. After the occurrence of the Event, the President of the Association shall be the person to receive service of process in the cases authorized by the Act and the office.

32. Duration. This Declaration shall continue for a period of twenty (20) years and thereafter it shall be renewed automatically for periods of ten (10) years each, unless terminated in writing by the unanimous vote of the Owners.

33. Effective Date. This Declaration and the Plat Map, or any amendment or supplement thereto, Map shall take effect upon its being filed for record in the office of the County Recorder of Salt Lake County, Utah.

EXECUTED the day and year first above written.

DECLARANT: IVORY HOMES, a Utah limited partnership

By: 
Title: ELLIS R. IVORY, General Partner

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

On the 30 day of April, 1998, personally appeared before me ELLIS R. IVORY, who by me being duly sworn, did say that he is the General Partner of IVORY HOMES, a Utah limited partnership, and that the within and foregoing

instrument was signed in behalf of said partnership pursuant to its Partnership Agreement, and said ELLIS R. IVORY further acknowledged to me that IVORY HOMES, a Utah limited partnership executed the same.

Phyllis Trimble
NOTARY PUBLIC
Residing At: *Salt Lake City, UT*



EXHIBIT "A"
LEGAL DESCRIPTION

The Land described in the foregoing Declaration is located in Salt Lake County, Utah and is described more particularly as follows:

Beginning at a point S 00° 11' 40" W along the easterly right of way line of 700 East Street 885.07 feet (deed South 883.2 feet) from the Northwest corner of Lot 9, Block 20, Ten Acre Plat "A", Big Field Survey, said point also being S 00° 11' 40" W 917.89 feet and S 89° 48' 20" E 33.00 feet from a Salt Lake County Rivet at the monument line on 3300 South Street and 700 East Street; thence S 00° 11' 40" W continuing along said right of way 181.29 feet (deed South 182.7 feet); thence N 89° 53' 03" E 231.27 feet (deed East 231 feet); thence S 00° 11' 40" W 13.76 feet (deed South 13.75 feet); thence N 89° 53' 03" E 84.60 feet (deed East 84.5 feet); thence N 00° 11' 40" East 170.71 feet to the southerly line of Shadybrook Condominium Plat (deed North 172.975 feet); thence S 89° 53' 03" W 148.64 feet (deed West 150.5 feet); thence N 00° 11' 40" E 24.34 feet to the southerly line of Shadybrook Phase 5 Condominium Plat (deed North 23.475 feet); thence S 89° 53' 03" W 167.23 feet (deed West 165 feet) to the point of beginning.

-POOR COPY-
CO. RECORDER

EXHIBIT "B"

<u>Lot No.</u>	<u>Percentage of Ownership Interest</u>
1	1/7 (14.28%)
2	1/7 (14.28%)
3	1/7 (14.28%)
4	1/7 (14.28%)
5	1/7 (14.28%)
6	1/7 (14.28%)
7	1/7 (14.28%)
TOTAL:	7/7 (100.0%)

EXHIBIT "C"

BY-LAWS OF MILL CREEK PARK P.U.D.,
A PLANNED RESIDENTIAL DEVELOPMENT

The following are the By-Laws of the MILL CREEK PARK P.U.D. HOMEOWNERS ASSOCIATION.

ARTICLE I
PLAN OF LOT OWNERSHIP AND INCORPORATION

Submission. These By-Laws shall govern the administration of the Project and the Association of Lot Owners.

ARTICLE II
ASSOCIATION

1. Composition. The Association is composed of all Lot Owners.
2. Voting. Each Lot shall have one (1) vote. Multiple owners must elect a representative to cast their vote. A vote cast, without objection, by an apparent representative of multiple owners shall be binding upon the parties. Entities may vote by means of an authorized agent.
3. Place of Meeting. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place as may be designated by the Management Committee from time to time and stated in the notice of meeting.
4. Annual Meeting. The day, date, time and place of the Annual meeting of the Association shall be determined by the Management Management Committee.
5. Special Meetings. The President or a majority of the members of the Management Management Committee may call a special meeting of the Association, or if he is so directed by resolution of the Management Committee or upon receipt of a petition signed and presented to the Secretary of the Management Committee by at least twenty-five (25%) of the members of the Association. The notice of any special meeting shall state the date, time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.
6. Notice of Meeting. It shall be the duty of the Secretary to hand deliver or mail, by regular U.S. mail postage prepaid, a notice of (a) each annual meeting of the Owners not less than ten and not more than thirty days in advance of such meeting; and (b) each special meeting of the Owners at least three days and not more than twenty days in advance of such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Owner of record, at the address of his respective Lot or such other address as each Owner may have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.
7. Voting Requirements. An Owner shall be deemed to be in "good standing" and "entitled to vote" at any annual meeting or at any special meeting of the Association if, and only if, he shall be in full compliance with all of the terms, covenants, and conditions of the Act, and Project Documents, and shall have fully paid his share of the Common Expenses.
8. Proxies. The votes appertaining to any Lot may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Lot Owner, or in cases where the Lot Owner is more than one person, by or on behalf of all such persons. No such proxy shall be revocable except by actual written notice to the person presiding over the meeting, by the Lot Owner or by any of such persons, that it be revoked. Any proxy shall be void if it is not dated, if it purports to be revocable without notice, or if it is not signed by a person having authority, at the time of the execution thereof, to execute

deeds on behalf of that person. Unless it expressly states otherwise, a proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy. Each proxy must be filed with the Secretary of the Management Committee before the meeting. Only individual Lot Owners or the legal representative of an Organizational Lot Owner may be proxies.

9. Quorum Voting. A majority of the members of the Association shall constitute a quorum for the adoption of decisions. If, however, such quorum shall not be present or represented at any meeting, the Owners entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting and reschedule for a time no earlier than two (2) days after the set time for the original meeting. No notice of such rescheduled meeting shall be required except an announcement thereof at the original meeting. The Owners present at the rescheduled meeting shall constitute a quorum for the adoption of decisions. When a quorum is present at any meeting, the vote of the Lot Owners present at the meeting in person or by proxy, shall decide any question brought before the meeting, unless the Declaration requires a specific percentage of Lot Owners to approve any action, then, that percentage shall be required anything to the contrary notwithstanding.

10. Order of Business. The order of business at all meetings of the Association shall be as follows:

- a) roll call;
- b) proof of notice of meeting;
- c) reading of minutes of preceding meeting;
- d) reports of officers;
- e) report of special Management Committees, if any;
- f) election of inspectors of election, if applicable;
- g) election of Management Committee Members, if applicable;
- h) unfinished business; and
- i) new business.

11. Conduct of Meeting. The President shall, or in his absence the Vice-President, preside over all meetings of the Association; and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted by the meeting as well as record of all transactions occurring thereat.

a) Open Meetings. A portion of each meeting of the Management Committee shall be open to all members of the Association and residents, but members other than members of the Management Committee may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Management Committee. The Management Committee may establish procedures, policies and guidelines for the conduct of its meetings and may prohibit photographs, electronic recordation or video recorders.

b) Executive Session. The Management Committee may, with approval of a majority of the Management Committee members present, adjourn a meeting and reconvene in an Executive Session to discuss and vote upon private, confidential, sensitive or personnel matters, litigation, and orders of business of a similar nature. The nature of any and all business to be considered in an Executive Session shall first be announced in open session.

c) Action Without A Formal Meeting. Any action to be taken at a meeting of the Management Committee may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all members of the Management Committee.

ARTICLE III MANAGEMENT COMMITTEE

1. Powers and Duties. The affairs and business of the Association shall be managed by the Management Management Committee. The Management Management Committee shall have all of the powers and duties necessary for the administration of the affairs of the Association in accordance with the provisions of the Declaration and may do all such acts and things necessary to maintain the Project and operate the Association.

2. Composition of Management Management Committee. The Management Management Committee shall be composed of three (3) members. Only individual Lot Owners or officers or agents of organizational Owners shall be eligible for Management Committee Membership.

3. Election and Term of Office of the Management Committee. The term of office of membership on the Management Committee shall be two (2) years. At the expiration of the member's term, a successor shall be elected.

4. First Meeting. The first meeting of the members of the Management Committee shall be immediately following the annual meeting of the Association or at such other time and place designated by the Management Committee.

5. Regular Meetings. Regular meetings of the Management Committee shall be held from time to time and at such time and place as shall be determined by a majority of the members of the Management Committee.

6. Special Meetings. Special meetings of the Management Committee may be called by the President, Vice-President or a majority of the members on at least forty-eight hours prior notice to each member. Such notice shall be given personally, by regular U. S. mail postage prepaid, or by telephone, and such notice shall state the time, place and purpose of the meeting. Any meeting attended by all members of the Management Committee shall be valid for any and all purposes.

7. Waiver of Notice. Before or at any meeting of the Management Committee, any member 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 at any meeting of the Management Committee shall constitute a waiver of notice. If all the members are present at any meeting of the Management Committee, no notice shall be required and any business may be transacted at such meeting.

8. Management Committee's Quorum. At all meetings of the Management Committee, a majority of the members then in office shall constitute a quorum for the transaction of business, and the acts of the majority of all the Management Committee members present at a meeting at which a quorum is present shall be deemed to be the acts of the Management Committee. If, at any meeting of the Management Committee, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time but for no longer than two days. At any such rescheduled meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

9. Vacancies. Vacancies in the Management Committee caused by any reason other than removal of a member by a vote of the Association shall be filled by vote of the majority of the remaining members of the Management Committee at a special meeting of the Management Committee held for that purpose promptly after the occurrence of any such vacancy, even though the total members remaining may constitute less than a quorum of the Management Committee; and each person so elected shall be a member for the remainder of the term of the member so replaced and until a successor is elected at the next annual meeting of the Association. A vacancy created by the removal of a member by a vote of the Association shall be filled by the election and vote of the Association.

10. Removal of Management Committee Member. A member may be removed with or without cause, and his successor elected, at any duly called regular or special meeting of the Association at which a quorum of the Association is present, by an affirmative vote of a majority of the members of the Association. Any member whose removal has been proposed by the Owners shall be given at least thirty days notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting. Any Management Committee Member who misses 25% or more of the Management Committee Meetings or who misses three consecutive meetings, in any calendar year, shall be automatically removed from the Management Committee.

ARTICLE IV
OFFICERS

1. Designation. The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Management Committee. The Management Committee may appoint assistant secretaries and such other officers as in its judgment may be necessary. All officers shall also be members of the Management Committee. Two or more offices may be held by the same person, except that the President shall not hold any other office.

2. Election of Officers. The officers of the Association shall be elected annually by the Management Committee at the Corporation meeting of each Management Committee and shall hold office at the pleasure of the Management Committee. Any vacancy in an office shall be filled by the Management Committee at a regular meeting or special meeting called for such purpose.

3. Removal of Officers. The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Management Committee may be removed at any time by the affirmative vote of a majority of the Management Committee, and his successor may be elected at any regular meeting of the Management Committee, or at any special meeting of the Management Committee called for such purposes.

4. President. The President shall be the chief executive officer; he shall preside at meetings of the Association and the Management Committee and shall be an ex officio member of all Management Committees; he shall have general and active management of the business of the Management Committee and shall see that all orders and resolutions of the Management Committee are carried into effect. He shall have all of the general powers and duties which are usually vested in or incident to the use of president of a stock corporation organized under the laws of the State of Utah.

5. Vice-President. The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Management Committee or the President shall prescribe. If neither the President nor the Vice-President is able to act, the Management Committee shall appoint a member of the Management Committee to do so on an interim basis.

6. Secretary. The Secretary shall attend all meetings of the Management Committee and all meetings of the Association and record all votes and the minutes of all proceedings in a book to be kept by him or her for that purpose and shall perform like duties for Management Committees when required. He shall give, or cause to be given, notices for all meetings of the Association and the Management Committee and shall perform such other duties as may be prescribed by the Management Committee. The Secretary shall compile and keep current at the principal office of the Association, a complete list of the Owners and their last known post office addresses. This list shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days. The Secretary shall also keep current and retain custody of the Minute Book of the Association, containing the minutes of all annual and special meetings of the Association and all sessions of the Management Committee including resolutions.

7. Treasurer. The Treasurer shall have custody of all funds and securities that are not under the control of the Managing Agent, and with the Assistance of the Managing Agent, shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all monies and other valuable effects in such depositories as may be designated by the Management Committee. He shall disburse funds as ordered by the Management Committee, taking proper vouchers for such disbursements, and shall render to the President and members, at the regular meetings of the Management Committee, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Project.

ARTICLE V
FISCAL YEAR

The fiscal year of the Association shall be the calendar year consisting of the twelve month period commencing

on January 1 of each year terminating on December 31 of the same year. The fiscal year herein established shall be subject to change by the Management Committee should it be deemed advisable or in the best interests of the Association.

ARTICLE VI
AMENDMENT TO BY-LAWS

1. Amendments. These By-Laws may be modified or amended either (a) by the affirmative vote of a majority of the members of the Association or (b) pursuant to a written instrument of consent duly executed by a majority of the members of the Association provided all of the written consents are obtained within a ninety (90) day period.
2. Recording. An amendment to these By-Laws shall become effective immediately upon recordation in the Office of the County Recorder of Salt Lake County, State of Utah.

ARTICLE VII
NOTICE

1. Manner of Notice. All notices, demands, bills, statements, or other communications provided for or required under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or sent by regular U.S. Mail postage pre-paid, a) if to an Owner, at the address of his Lot and at such other address as the Owner may have designated by notice in writing to the Secretary; or b) if to the Management Committee or the Manager, at the principal office of the Manager or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section.
2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes, the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the provisions of the Act.

ARTICLE VIII
COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

1. Compliance. These By-Laws are set forth in compliance with the requirements of the Act.
2. Conflict. These By-Laws are subordinate and subject to all provisions of the Act and the Declaration. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration or the Act. In the event of any conflict between these By-Laws and the Act or Declaration, the provisions of the Act or Declaration shall control.
3. Severability. If any provisions of these By-Laws or any section, sentence, clause, phrase, or work, or the application thereof in any circumstance is held invalid, the validity of the remainder of these By-Laws shall not be affected thereby and to this end, the provisions hereof are declared to be severable.
4. Waiver. No restriction, condition, obligation, or provision of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.
5. Captions. The captions contained in these By-Laws are for convenience only and are not part of these By-Laws and are not intended in any way to limit or enlarge the terms and provisions of these by-Laws.

6. Interpretation. Whenever in these By-Laws the context so requires, the singular number shall refer to the plural and the converse; the term "shall" is mandatory and the term "may" is permissive; and the use of any gender shall be deemed to include both masculine and feminine.

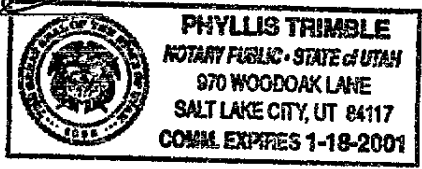
DECLARANT: IVORY HOMES, a Utah limited partnership

By: Ellis R. Ivory
Title: ELLIS R. IVORY, General Partner

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

On the 30 day of April, 1998, personally appeared before me ELLIS R. IVORY, who by me being duly sworn, did say that he is the General Partner of IVORY HOMES, a Utah limited partnership, and that the within and foregoing instrument was signed in behalf of said partnership pursuant to its Partnership Agreement, and said ELLIS R. IVORY further acknowledged to me that IVORY HOMES, a Utah limited partnership executed the same.

Phyllis Trimble
NOTARY PUBLIC
Residing At: SAC, UT



BK 7 9 7 9 PG 23 4 9

EXHIBIT "D"
LEGAL DESCRIPTION OF COMMON AREA

The land described in the foregoing Declaration as Common Area is located in Salt Lake County, Utah and is described more particularly as follows:

Beginning at a point S 00° 11' 40" W along the easterly right of way line of 700 East Street 885.07 feet (deed South 883.2 feet) from the Northwest corner of Lot 9, Block 20, Ten Acre Plat "A", Big Field Survey, said point also being S 00° 11' 40" W 917.89 feet and S 89° 48' 20" E 33.00 feet from a Salt Lake County Rivet at the monument line on 3300 South Street and 700 East Street; thence S 00° 11' 40" W continuing along said right of way 181.29 feet (deed South 182.7 feet); thence N 89° 53' 03" E 231.27 feet (deed East 231 feet); thence S 00° 11' 40" W 13.76 feet (deed South 13.75 feet); thence N 89° 53' 03" E 84.60 feet (deed East 84.5 feet); thence N 00° 11' 40" East 170.71 feet to the southerly line of Shadybrook Condominium Plat (deed North 172.975 feet); thence S 89° 53' 03" W 148.54 feet (deed West 150.5 feet); thence N 00° 11' 40" E 24.34 feet to the southerly line of Shadybrook Phase 5 Condominium Plat (deed North 23.475 feet); thence S 89° 53' 03" W 167.23 feet (deed West 165 feet) to the point of beginning.

-POOR COPY-
CO. RECORDER

LESS and EXCEPTING LOTS 1-7, INCLUSIVE (although portions of said Lots are subject to all streets and roadways and rights of way and other easements designated on the Map).