

43/12

AMENDMENTS TO THE RESTATED DECLARATION OF CONDOMINIUM
OF VILLAGE THREE

8565104

WHEREAS, on June 28, 1972, the initial RESTATED DECLARATION OF CONDOMINIUM of Village Three, which included the BY-LAWS as Exhibit "C" thereto, (hereafter called Declaration), was filed for record in the Office of County Recorder of Salt Lake County, State of Utah, in Book 3096 of Records, Pages 171 to 207, Entry No. 2466336, together with that certain Record of Survey Map in Book LL of Plats, Page 77, Entry No. 2466337; and,

WHEREAS, at the annual meeting of Unit Owners held on February 5, 2003, Unit Owners representing more than two thirds (2/3) of the undivided interests in the Common Areas and Facilities approved and adopted Amendments to said Declaration as incorporated therein and as set forth in full in the complete amended copy of said Restated Declaration submitted herewith for record:

EFFECTIVE DATE:

The Restated Declaration of Condominium of Village Three as amended by approval of Unit Owners on February 5, 2003, shall take effect upon recording in the Salt Lake County Recorders Office, State of Utah,

Parcel #'s

22-16-031

22-16-032

8565104
03/13/2003 10:59 AM 206.00
Book - 8755 Pg - 914-956
GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
VILLAGE III MANAGEMENT
1525 VILLAGE II ROAD
SLC UT 84121
BY: RDJ, DEPUTY - WI 43 P.

BK 8755 PG 0914

Dated this 25th day of February, 2003.

VILLAGE THREE CONDOMINIUM

ASSOCIATION, a Utah non-profit Corporation.

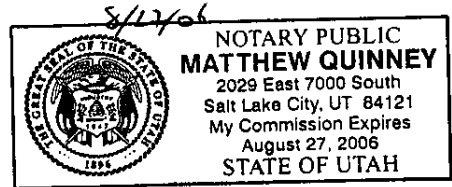
By Nelson B. Wadsworth
NELSON WADSWORTH
President, Management Committee

ATTEST:

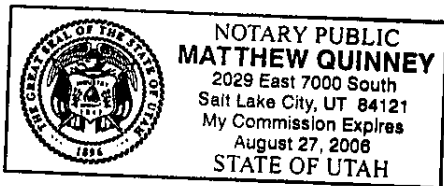
Terri Wach
Terri Wach, Secretary

[Signature]

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



On this 25th day of FEBRUARY, 2003, Personally appeared before me Nelson Wadsworth and Terri Wach, the President and Secretary respectively of the Management Committee of Village Three Condominium Association, a Utah non-profit Corporation, under the provisions of the Utah Condominium Ownership Act, who, by me being first duly sworn on their respective oaths, that they subscribed to the above and forgoing Restated Declaration of Condominium of Village Three as amended which said amendments were duly and regularly approved and adopted by the requisite number of Unit Owners at the regular annual meeting of Unit Owners held February 5, 2003.



[Signature]
NOTARY PUBLIC
Residing at Salt Lake County,
State of Utah

My Commission Expires:

8/27/06

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RESTATED
DECLARATION OF CONDOMINIUM
OF
VILLAGE THREE

THIS DECLARATION OF CONDOMINIUM, hereinafter called the "Declaration", made on the date hereinafter set forth by RICHARD PROWS, INC., A Utah corporation, PRUDENTIAL FEDERAL SAVINGS & LOAN ASSOCIATION, a corporation of the United States of America, and PRUDENTIAL SERVICE CORPORATION, a Utah corporation, hereinafter collectively referred to as "Declarant", pursuant to the provisions of the Utah Condominium Ownership Act, witnesseth as follows:

WHEREAS, the Declarant is the owner of the following described real property, hereinafter referred to as the "Land", situate in the County of Salt Lake, State of Utah, to-wit:

Beginning at a point on the North line of Vine Street said point being North 655.79 feet and West 1007.03 feet from the South Quarter corner of Section 16, Township Two South, Range One East, Salt Lake Base and Meridian, said point of beginning also being North 89 degrees 15'45" West 1262.73 feet and North 1 degree 00' East 40.00 feet from a county monument on Vine Street and running thence North 82 degrees 12'27" West along the North line of said Vine Street 32.53 feet; thence North 89 degrees 01'15" West along the North line of said Vine Street 305.335 feet; thence South 88 degrees 14'18" West along the North line of said Vine Street 83.805 feet; thence North 89 degrees 01'45" West along the North line of said Vine Street 148.675 feet; thence North 227.015 feet; thence West 80.99 feet; thence North 1 degree 52'22" East 287.93 feet; thence South 89 degrees 46'04" East 158.72 feet; thence North 0 degrees 13'56" East 95.00 feet; thence South 89 degrees 46'04" East 71.01 feet; thence North 720.455 feet; thence East 387.75 feet; thence North 65 degrees 00' East 97.73 feet; thence East 39.16 feet to the West line of Fontaine Bleu Subdivision; thence South 783.40 feet; thence South 87 degrees 50'42" East 30.48 feet; thence South 63 degrees 15' West 140.25 feet; thence South 1 degrees 00' West 532.55 feet to the point of beginning. Contains 17.131 Acres.

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WHEREAS, the aforesaid property consists of the Land, together with certain residential buildings and certain other improvements heretofore constructed or hereafter to be constructed upon said premises; and

WHEREAS, the Declarant has constructed or will construct residential buildings and other improvements upon the Land in accordance with the plans and drawings set forth in the Record of Survey Map filed concurrently herewith, consisting of four sheets, prepared and certified by M. Carl Larsen, Registered Utah Land Surveyor; and

WHEREAS, Declarant desires by filing this Declaration and the aforesaid Record of Survey Map to submit the Land and the said buildings and other improvements being constructed or to be constructed thereon to the provisions of the Utah Condominium Ownership Act as a condominium project know as VILLAGE THREE; and

WHEREAS, Declarant desires and intends to sell the fee title to the individual units contained in said condominium project, together with the undivided ownership interests in the Common Areas and Facilities appurtenant thereto, to various purchasers, subject to the covenants, limitations, and restrictions contained.

NOW, THEREFORE, for such purposes, the Declarant hereby makes the following declarations:

1. Definitions. The terms used herein shall have the meaning stated in the Utah Condominium Ownership Act and as follows unless the context otherwise requires:

(a) The term "Act" shall mean and refer to the Utah Condominium Ownership Act as the same may be amended from time to time;

(b) The term "Condominium Project" or sometimes "Project" shall mean and refer to the Land, together with all improvements and appurtenances located thereon or thereunto belonging;

(c) The term "Map" shall mean and refer to the Record of Survey Map of VILLAGE THREE, filed for record herewith by Declarant as Exhibit "A";

(d) The term "Unit" shall mean and refer to a part of the property intended for any type of independent use as defined in the Act and as designated in the Map.

(e) The term "Unit Owner" shall mean and refer to the legal owner of a condominium unit and a proportionate share of the common areas and facilities as those terms are defined herein;

(f) The term "Common Areas and Facilities" (sometimes referred to as "Common Areas" only) shall mean and refer to:

(1) The Land;

(2) Those Common Areas and Facilities specifically set forth and designated as such in the Map;

(3) That part of the Condominium Project not specifically included in the respective units as hereinabove defined;

(4) All foundations, columns, girders, beams, supports, main walls, roof, exterior walkways, parking areas, service streets, stalls, the Social Center, pool

recreational areas and facilities, the maintenance facility, yards, gardens, fences, all installations of power, light and other utilities to the outlets, and in general all other apparatus, installations and other parts of the property necessary or convenient to the existence, maintenance and safety of the Common Areas, or normally in common use;

(5) All Common Areas and Facilities as defined in the Act, whether or not expressly listed herein;

(g) The words "Limited Common Areas and Facilities (or sometimes as "Limited Common Areas") mean and include those Common Areas and Facilities provided in the Declaration as reserved for use of a certain Unit to the exclusion of the other Units. Such Limited Common Areas of the Project are the patios, storage areas, and in the case of Townhouses, the carports, which are set aside and reserved for the use of the respective Units to which they are adjacent or appurtenant and as designated in the Map to the exclusion of the other Units.

(h) The term "Property" shall mean and refer to the Land, the buildings, all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles or personal property intended for use in connection therewith;

(i) The term "Common Expenses" shall mean and refer to all items, things and sums described in the Act which are lawfully assessed against the Unit Owners in accordance with the provisions of the Act, this Declaration, the By-Laws, such rules and regulations pertaining to the Condominium project as the Management Committee may from

time to time adopt, and such other determinations and agreements lawfully made and/or entered into by the Management Committee;

(j) The term "Management Committee" shall mean and refer to those persons duly elected thereto by the Unit Owners as provided by the Declaration in accordance with the By-Laws hereto attached as Exhibit "C";

(k) The term "Manager" shall mean and refer to the person, persons or corporation selected by the Management Committee to manage the affairs of the Condominium Project;

(l) To the extent applicable to the tenure hereof and not inconsistent herewith, definitions contained in The Act are incorporated herein by reference and shall have the same effect as if expressly set forth herein and made parts hereof.

2. Submission to Condominium Ownership. Declarant hereby submits the land, buildings, and other improvements constructed thereon or hereafter to be constructed, together with all appurtenances thereto, to the provisions of The Act as a Condominium Project to be known as VILLAGE THREE. This Declaration is submitted in accordance with the terms and the provisions of The Act and shall be construed in accordance therewith.

3. Covenants to Run With the Land. This Declaration and the covenants, restrictions, limitations, conditions, and uses therein provided, shall constitute covenants to run with the Land hereby submitted to the Condominium Project and shall be binding upon the Declarant, its successors and assigns, and upon all subsequent owners of

all or any part of the Condominium Project, and upon their grantees, successors, heirs, executors, administrators, devisees, and assigns.

4. Building Plans. The Project (in addition to recreational facilities and other improvements) consists of twenty-six (26) buildings containing a total of 112 units as shown on Sheet No. 1 of the Map.

The Buildings and the number of Units contained therein are as follows:

<u>Building Designation</u>	<u>Number of Units</u>
1 M	4
2 M	4
3 M	4
4 M	6
5 M	2
6 M	4
7 M	6
8 M	2
9 M	4
10 M	4
11 M	4
12 C	4
13 C	4
14 C	4
15 C	2
16 C	2
17 C	2
18 C	6
19 C	4
20 C	4
21 T	6
22 T	6
23 T	6
24 T	6
25 T	6
26 T	6
	<u>112</u>

Each Unit in the Project includes a basement, and each Unit in Building 1M to 11M, inclusive, and 12C to 20C, inclusive, includes a garage adjacent thereto. All carports as shown in the Map are Limited Common Areas.

Every Unit in the Manor B... es and Cameo Houses contains

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two bedrooms, two bathrooms and a kitchen-dining-living room area. Each Unit in the Townhouses contains 2 1/2 bathrooms, 2 bedrooms and a kitchen-dining-living room area.

All the buildings are structurally of frame construction with masonry veneer exterior.

5. Easement for Encroachments and Utilities. If any portion of the Common Areas Facilities encroaches upon any of the Units, a valid easement shall exist for such encroachment, and for the maintenance of the same, so long as such encroachment exists. In the event the Project, or any part thereof, is partially or totally destroyed, and then rebuilt, minor encroachments shall be permitted, as required, upon the individual Units and easements for such encroachments, and for the maintenance of same, shall exist for such period of time as may be reasonably required for the reconstruction or repair of the premises.

Easements are reserved through the condominium property as may be required for utility services.

The Management Committee shall have the power and authority to grant such easements over and across the Common Areas as shall be deemed by it to be in the best interests of the Unit Owners.

6. Ownership of Common Areas. The percentage of ownership in the Common Areas of the Unit Owners in the Project shall be for all purposes, including voting. The voting rights applicable to all unconstructed or unsold Units shall be vested in the Declarant. The Common Expenses

and Common Profits shall be allocated among the Unit Owners in accordance therewith. The percentage of ownership in the Common Areas shall be as set forth in Exhibit "B" hereto attached and made a part hereof.

The share of the Unit Owners in the Common Areas is based on the proportionate value that each of the Units bears to the total value of the property.

The value of each Unit, and the total value of the Property are as follows:

<u>Type of Unit</u>	<u>Number of Units</u>	<u>Value Per Unit</u>	<u>Total Value of Property</u>
Executive Townhouse	36	\$31,937.00	\$1,149,732.00
Cameo Houses	32	\$37,500.00	\$1,200,000.00
Manor Houses	44	\$42,988.00	<u>\$1,891,472.00</u>
			<u>\$4,241,204.00</u>

7. Management. The Business, property and affairs of Village Three shall be managed by the Management Committee consisting of not less than five nor more than nine members who are Unit Owners to be elected as provided in the By-Laws. Such Management Committee shall have all the powers, duties and responsibilities as are now or may hereafter be provided by the Act, this Declaration and/or any amendments subsequently filed thereto; provided, however, that the Management Committee may engage the services of a Manager and fix and pay a reasonable fee or compensation therefor. Notwithstanding anything herein contained to the contrary, the Declarant may, at its option, act as the Management Committee until the completion and sale of all Units of the Project, but in no event shall such right extend beyond two years after the completion of the last Unit.

The Management Committee shall be responsible for the control, operation and management of the Condominium in accordance with the provision of the Act, this Declaration and such administrative, management and operational rules, and regulations as it may adopt from time to time as herein provided, and all agreements and determinations lawfully made and entered into by it.

The Management Committee shall have the authority to provide such facilities, in addition to those for which provision has already been made, as it may deem to be in the best interest of the Unit Owners and to effect the necessary amendment of documents and maps in connection therewith.

8. Change in Ownership. Whenever there is a change of ownership of a Unit and it's appurtenant rights, for whatever reason, the Management Committee or the Manager may require as a condition to recognizing the new Unit Owner or Owners as such, that the new Unit Owner or Owners meet the following:

- (a) Furnish evidence substantiating the new ownership;
- (b) Sign an agreement accepting and agreeing to be bound by this Declaration, the By-Laws, and the rules and regulations and all amendments thereto.

9. Agreement To Pay Assessments. Each Unit Owner of any condominium by the acceptance of instruments of conveyance and transfer thereof, whether or not it be so expressed in said instruments, shall be deemed to covenant and agree with each other and with the Village Three Home Owners Association to

pay to the Association all assessments made by the Association " for the purposes provided in this Declaration. Such assessments shall be fixed, established, and collected from time to time as provided in Section 10.

10.1 Annual Assessments. Annual assessments shall be computed and assessed against all condominium units in Village Three as follows:

(a) Common Expense. Annual assessments shall be based upon advance estimates of the Association's cash requirements to provide for payment of all estimated expenses arising out of or connected with maintenance and operation of the common areas, including recreational facilities, and/or furnishing utility services and other common items to the units. Such estimated expenses may include, among other things, the following: expenses of management, taxes, premiums for all insurance that the Association is required or permitted to maintain; repairs and maintenance, lighting of common areas, landscaping and care of grounds, swimming pool maintenance, snow removal, wages for association employees, including fees for a manager, utility charges and special assessments including charges for utility services to the Units to the extent not separately metered and billed, legal and accounting fees, any deficit remaining from a previous period, creation of a reasonable contingency reserve and/or surplus, and any other expenses and liabilities which may be incurred by the association

for the benefit of all of the owners or the association under or by reason of this Amended Declaration.

(b) Apportionment. Expense attributable to the common expense or to the project as a whole shall be apportioned among and assessed to all owners in proportion to their respective undivided interests in the common areas.

(c) Annual Budget. Annual assessments shall be determined on a calendar basis. Each year, the Management Committee shall prepare or cause to be prepared an operating budget for the upcoming fiscal year. The budget shall itemize the estimated expenses for such fiscal year, anticipated receipts and any deficit or surplus from the prior operating period. The budget shall serve as the supporting document for the annual assessment for the upcoming fiscal year and as the guideline under which the condominium project shall be operated during such annual period.

(d) Notice and Payment. Annual assessments shall be made on a calendar year basis. The Management Committee shall furnish to each owner a copy of the budget and notify each owner as to the amount of the annual assessment with respect to his/her condominium on or before December 20th of each year for the fiscal year commencing next following such date. Each annual assessment shall be payable in twelve (12) equal monthly installments due on the first day of each calendar month during the calendar year to which the assessment relates or, at the discretion of the Management Committee, in quarterly and/or

unequal installments. Any payment not made within ten (10) days of its due date shall subject the owner to a late payment charge of \$25.00, or such amount as the Management Committee shall establish from time to time. All unpaid or past due installments of any annual assessment or portion thereof shall additionally bear interest at the rate of one and one-half percent (1.5%) per month (or at the rate as the Management Committee shall establish from time to time) from the date each such installment is due until paid. Interest may be calculated and added to the past due balance monthly, and may, as a result, be compounded. In addition to other rights under this Amended Declaration, the Management Committee may charge a reasonable fee, to be established by Community Rule, for checks returned for non-sufficient funds.

The failure of the Management Committee to give timely notice of any annual assessment or portion thereof as provided herein shall not be deemed a waiver or modification in any respect of the provisions of the Amended Declaration, or a release of any owner from the obligation to pay such assessment or any other assessment, but the date when the payment shall become due in such case shall be deferred to a date fifteen (15) days after notice of such assessment shall have been given to the owner in the manner provided in this Amended Declaration.

(e) Acceleration. In the event an owner shall fail to pay any installment within one (1) month of the time when the same becomes due, the Management Committee may, at its option,

declare immediately due and payable all monthly or other regular installments which would otherwise fall due over a period of time up to the next twelve (12) months after such default, and unless said accelerated amount is paid within ten (10) days after written demand therefor, the entire accelerated amount shall become a delinquent assessment for all purposes under this article.

(f) Payment By Tenant. If the Unit Owner shall at any time rent or sublet the unit and shall default for a period of one (1) month in the payment of any assessments, the Management Committee may, at its option, so long as such default shall continue, demand and receive from any Tenant or Sub-tenant of the Unit Owner occupying the unit, the rent due or becoming due. Payment of such rent to the Management Committee shall be sufficient payment and discharge of such Tenant or Sub-tenant and of the Unit Owner to the extent of the amount so paid.

(g) Inadequate Funds. In the event the annual assessment funds prove inadequate at any time for whatever reason, including nonpayment of any owners' assessments, the Management Committee may levy additional assessments in accordance with the procedure set forth in section 10.2 below.

10.2 Special Assessments. In addition to the annual assessments authorized by this article, the Management Committee may levy, at any time and from time to time, special assessments, payable over such periods as the Management Committee may

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determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the condominium project or any part thereof, or for any other expenses incurred or to be incurred as provided in this Amended Declaration (including without limitation expenses ordinarily covered by annual assessments).

Any amounts assessed shall be apportioned among and assessed to all owners in proportion to their respective undivided interests in the common areas. Notice in writing of the amount of such Special Assessments and the time for payment thereof shall be given promptly to the owners. No payment shall be due less than fifteen (15) days after such notice shall have been given. All unpaid or past due portions of any Special Assessment shall incur late fees and interest in the same manner as unpaid or past due Annual Assessments. All funds received from assessments under this section shall be part of a Special Assessment Fund.

In assessing Unit Owners under this section for building improvements, construction or re-construction, no assessment for such expense in the nature of a capital expenditure exceeding the sum of eighteen thousand (\$18,000.00) dollars in cost shall be made without the same having been first approved by a vote of Unit Owners who own not less than seventy five percent (75%) of the undivided interest in the common areas. Such approval shall not be required for the cost of replacement or reconstruction occasioned by fire or other casualty. Capital

expenditures shall be defined as expenditures or debts incurred for additions and improvements properly chargeable to a capital asset as a permanent item as distinct from repairs or replacements. It is the prerogative of the Management Committee to determine methods and materials utilized for capital improvements as well as repairs and replacements.

10.3 Lien for Assessment. All sums assessed to owners of any condominium of Village III as an Annual Assessment or Special Assessment together with interest thereon, late fees and other charges as authorized by this Amended Declaration, shall be secured by a lien on such condominium in favor of the Association. To evidence a lien for sums assessed the Management Committee may prepare or have prepared a written notice of lien setting forth the amount of the assessment plus accrued interest and other charges, the date due, the amount remaining unpaid, the name of the owner and a legal description of the condominium. This notice of lien shall be signed and acknowledged by a duly authorized officer of the Association and may be recorded in the office of the County Recorder of Salt Lake County, State of Utah. A copy of the notice of lien shall be mailed to the owner at the owner's last registered address. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in the State of Utah. In any

such foreclosure, the owner shall be required to pay the costs and expenses of such proceeding (including reasonable attorneys' fees) and such costs and expenses shall be secured by the lien being foreclosed. The owner shall also be required to pay to the Association any assessments against the condominium which become due during the period of foreclosure and such assessments shall be secured by the lien being foreclosed. The Association shall have the right and power to bid in at any foreclosure sale, and to hold, lease, mortgage or convey the subject condominium. The rights of the Association in this section shall be in addition to any other rights provided by law with respect to liens for and collection of unpaid assessments.

10.4 Personal Obligation of Owner. The amount of any Annual or Special Assessment against any condominium shall be the personal obligation of the owner of such condominium to the Association. No owner shall be entitled to any deduction on account of any set-off or claim which the owner may have against the Management Committee or the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same. No owner may avoid or diminish any such personal obligation by waiver of the use and enjoyment of any of the common areas or by abandonment of his/her condominium or by waiving any services or amenities provided for in this Amended Declaration.

In the event of any legal action to recover a money judgment for unpaid assessments, the owner shall pay all costs and expenses incurred by the Association in connection therewith, including reasonable attorneys' fees, expert witness fees and costs of court, whether or not a suit is filed. Attorneys' fees and costs shall also be paid by such owner for proceedings in Federal Bankruptcy Court, whether or not they are contested matters, adversary proceedings or other actions reasonably necessary to protect the Association's rights.

10.5 Revocation of Vote. In addition to the forgoing, in the event of nonpayment or default in payment of annual or special assessments for a period in excess of sixty (60) days, the right of the defaulting owner to vote his share of common area ownership shall be suspended for all purposes until such delinquent assessments, together with late fees, interest, costs, expenses and a reasonable attorneys' fees shall have been paid. The Management Committee may require payment by U.S. currency, certified funds or collected funds to remove an owner's suspension under this section. During such suspension, an action requiring a stated percentage vote may be taken upon the vote of the stated percentage of non-suspended ownership interests.

10.6 Utility Disconnection. In addition to the foregoing remedies for collection of delinquent unpaid assessments and without waiving any such remedies, the Management Committee

shall have discretionary authority, under specific guidelines adopted by the Management Committee and promulgated to all unit owners, to cause the water service to the delinquent unit owner's condominium to be discontinued and not allow it to be resumed until the entire delinquency has been paid, including interest, late fees and expenses of collection plus the cost of installing a water shut-off valve.

11. Statement of Account. Upon payment of a reasonable fee to be established by the Management Committee, which shall not exceed the fee authorized by the Condominium Act of Utah, and upon written request of any owner, mortgagee, prospective mortgagee, title insurer or prospective purchaser of a condominium, the Management Committee shall issue a written statement setting forth the following: The amount of the unpaid assessment(s), if any, with respect to such condominium, the amount of the current Annual and/or Special Assessment and the date or dates upon which installments thereof become due plus credit for advanced payments, if any. Such statement shall be conclusive upon the Association in favor of persons who rely thereon in good faith.

12. Personal Liability of Purchaser. A purchaser of a condominium shall be jointly and severally liable with the seller thereof for all unpaid assessments against such condominium up to the time of the grant or conveyance, provided, however,

that the provision of this Amended Declaration shall not prejudice the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

13. Destruction or Damage. In the event of fire or other casualty resulting in the destruction or damage to building or buildings, hereinafter referred to as "Damaged Building", the insurance proceeds, if sufficient to reconstruct the Damaged Building, shall be applied to such reconstruction. Reconstruction of the Damaged Building, as herein used, means restoring the Damaged Building to substantially the same condition in which it existed before the fire or other casualty, with each Unit and the Common Area, having the same vertical and horizontal boundaries as before. Such reconstruction shall be effected by the Management Committee.

In the event the insurance proceeds are insufficient to reconstruct the Damaged Building, damage or destruction thereof shall be promptly repaired and restored by the Management Committee, using proceeds of insurance, if any, on the damaged building for that purpose, and the Unit Owners shall be liable for assessment for any deficiency. However, if the damage involved constitutes substantial damage to or destruction of three-fourths or more of all buildings in the project, and if the Unit Owners, by a vote of at least eighty (80%) percent of such Unit Owners, do not voluntarily, within one hundred (100) days after such destruction or damage, make provision

for reconstruction, the Management Committee shall record, with the Salt Lake County Recorder, a notice setting forth such facts, and upon the recording of such notice:

(a) The property shall be deemed to be owned in common by the Unit Owners;

(b) The undivided interest in the property owned in common which shall appertain to each Unit Owner shall be the percentage of undivided interest previously owned by such Owner in the Common Areas;

(c) Any liens affecting any of the Units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the Unit Owner in the property; and

(d) The property shall be subject to an action for partition at the suit of any Unit Owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the Unit Owners in a percentage equal to the percentage of undivided interest owned by each owner in the property, after first paying out of the respective shares of the Unit Owners to the extent sufficient for the purposes, all liens on the undivided interest in the property owned by each Unit Owner.

13. Taxes. It is understood that under the Act each unit, and its percentage of undivided interest in the Common Areas

in the Project, are subject to separate assessment and taxation by each assessing authority and the special district for all types of taxes authorized by law, and that as a result thereof, no taxes will be assessed or payable against the project as such. Each Unit Owner will, accordingly, pay and discharge any and all taxes which may be assessed against him and his percentage of undivided interest in the Common Areas.

14. Insurance. The Management Committee shall secure and maintain the following insurance coverage on the Condominium Project:

(a) Fire and extended coverage. The fire insurance, with extended coverage endorsement, for the full insurable replacement value of the Units and Common Areas, which said policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagees of each Unit, if any.

(b) Liability Coverage. A policy or policies insuring the Management Committee, the Unit Owners and the Manager against any liability to the public or to the Unit Owners, Common Areas, and their invitees or tenants, incident to the ownership and/or use of the Project, and including the personal liability exposure of the Unit Owners. Limits of liability under such insurance shall not be less than \$100,000.00/\$300,000.00 for bodily injury; and shall not be less than \$10,000.00 for property damage for each occurrence. Such limits and coverage shall be reviewed at least annually by the Management Committee and changed at

its discretion. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross-liability endorsement wherein the rights of named insured under the policy or policies shall not be prejudiced as in respect to his, her or their action against another named insured.

(c) Workmen's compensation to the extent necessary to comply with any applicable laws.

(d) 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.

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

(f) Each Unit Owner may obtain additional insurance at his own expense; provided, however, that no such 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 the Unit Owners, may realize under any insurance policy which the Management Committee may have in force on the Project at any particular time.

15. Mortgage Protection. Notwithstanding all other provision herein:

(a) The liens created hereunder upon any Unit shall

be subject and subordinate to, and shall not affect the rights of the holder of the indebtedness secured by any recorded first mortgage (meaning a mortgage or a trust deed with first priority over other mortgages) upon such interest made in good faith and for value, provided that after the foreclosure of any such mortgage there may be a lien created pursuant to Paragraph 10.3 hereof on the interest of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such purchaser as an Owner after the date of such foreclosure sale, which said lien, if any claimed, shall have the same effect and be enforced in the same manner as provided herein;

(b) No amendment to this paragraph shall affect the rights of the holder of any such mortgage recorded prior to recordation of such amendment who does not join in the execution thereof;

(c) By subordination agreement executed by a majority of the Management Committee, the benefits of (a) and (b) above may be extended to mortgages not otherwise entitled thereto.

16. Maintenance of Units. Each Unit Owner at his expense shall 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 and painting which may at any time be necessary to maintain the good appearance of his Unit. Except to the extent that the Management Committee is protected by insurance against such injury, the Unit Owner shall repair all injury or damages to the building or buildings caused by the act, negligence or carelessness of the Unit Owner or that of any lessee or sublessee or any member

of the Unit Owner's family or of the family of any lessee or sublessee or any agent, employee or guest of the Unit Owner or his lessee or sublessee and all such repairs, redecorating and painting shall be of a quality and kind equal to the original work. In addition to decorating and keeping the interior of the Unit in good repair, the Owner shall be responsible for the maintenance or replacement of any plumbing fixtures, refrigerators, air conditioning and heating equipment, dishwashers, disposals, ranges, etc., that may be in or connected with the Unit. The Unit Owner shall be entitled to the exclusive use and possession of the patios, carports and storage rooms attached or appurtenant to his Unit and shall be responsible for the maintenance and upkeep of same, provided however, that without the written permission of the Management Committee first had and obtained, the Unit owner shall not make or permit to be made any structural alterations, improvement or addition in or to the Unit, patios, carports, and storage rooms, or in or to the exterior of the building, and shall not paint or decorate any portion of the exterior of the building in which his Unit is located.

Any improvement, structural alteration or addition made by the Unit Owner shall thereafter become the responsibility of the Unit Owner, his successors or assigns to maintain, replace, repair and assume all liability associated with such improvement, structural alteration or addition. Any change from the original plans and "As Built" drawings of the project shall constitute such improvement, structural alteration or addition for the purpose of this paragraph.

17. Use Restriction. The use of the Property shall

be in accordance with the following provisions:

(a) Each of the Units shall be occupied only by a family, its servants, and guests, as a private residence and for no other purpose. No Unit may be divided or subdivided into a smaller unit nor any portion thereof sold or otherwise transferred without first amending this Declaration to show the changes in the Units to be affected thereby.

(b) The Common Areas shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the units.

(c) No use or practice shall be permitted which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Property by its residents. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage allowed to accumulate nor any fire hazard allowed to exist. No Unit Owner shall permit any use of his Unit or of the Common Areas which will increase the rate of insurance upon the Condominium Project. No immoral, improper, offensive, or unlawful use shall be made of the Project or any part thereof.

(d) Until the Declarant has completed and sold all of the Units, neither the Unit Owners nor the Management Committee shall interfere with the completion of the contemplated improvements and sale of the Units. The Declarant may make such use of the unsold Units and Common Areas as may facilitate such completion and sale, including but not limited to the maintenance of a sales office, the showing of the property, and the display of signs.

18. Right of Entry. The Management Committee and its duly authorized agents shall have the right to enter any and all of the Units in case of an emergency originating in or threatening such Unit or any other part of the Project, whether or not the Unit Owner or occupant thereof is present at the time. The Management Committee and its duly authorized agents shall also have the right to enter into any and all of said Units at all reasonable times as required for the purpose of making necessary repairs upon the Common Areas of the Project, for the purpose of performing emergency installations, alterations, or repairs to the mechanical or electrical devices or installations located therein or thereon; provided, however, that such emergency installations, alterations, or repairs are necessary to prevent damage or threatened damage to other Units in the Project; and provided further, that the apartment owner affected by such entry shall first be notified thereof if available and if time permits.

19. Administrative Rules and Regulations. The Management Committee shall have the power to adopt and establish by resolution, such building, management, and operational rules as it may deem necessary for the maintenance, operation, management and control of the Project. The Management Committee may, from time to time by resolution, alter, amend and repeal such rules. When a copy of any amendment or alteration or provision for repeal of any rule or rules has been furnished to the Unit Owners such amendment, alteration and provision shall be taken to be a part of such rules. Unit Owners shall at all times obey such rules and see that they are faithfully observed by those persons over whom they

have or may exercise control and supervision, it being understood that such rules shall apply and be binding upon all Unit Owners and/or occupants of the Units.

20. Obligation to Comply Herewith. Each Unit Owner, tenant, or occupant of a Unit shall comply with the provisions of the Act, this Declaration, the By-Laws, and the rules and regulations, all agreements and determinations lawfully made and/or entered into by the Management Committee or the Unit Owners, when acting in accordance with their authority, and any failure to comply with any of the provisions thereof, shall be grounds for an action by the Management Committee to recover any loss or damage resulting therefrom or injunctive relief.

21. Indemnification of Management Committee. Each member of the Management Committee shall be indemnified and held harmless by the Unit Owners against all cost, expenses and liabilities whatsoever, including, without limitation, attorney's fees, reasonably incurred by him in connection with any proceeding to which he may become involved by reason of his being or having been a member of said Committee.

22. Amendment. The Unit Owners shall have the right to amend this Declaration and/or the Map upon the approval and consent of Unit Owners representing not less than two-thirds (2/3) of the undivided interests in the Common Areas, which approval and consent shall be by duly recorded instruments.

23. Transfer or Lease of Units. Any Unit Owner in Village Three who sells, leases or rents his Unit must, within three (3)

days from the date of any such sale, lease or rental agreement, furnish in writing to the President, Secretary or Manager of Village Three Condominium Association, a written notice to the Association of the full names and addresses (residence and business) as well as the telephone numbers (residence and business) of the purchaser, lessee or renter of his Unit.

24. Reserved Easements -- Use Restrictions of "Boat/Camper Storage". (a) Richard Prows, Inc., (Prows), the Declarant herein, is the owner of the following described real property in Salt Lake County, Utah, to-wit:

Beginning at a point North 1275.10 feet and West 1645.44 feet from the South Quarter corner of Section 16, Township Two South, Range One East, Salt Lake Base and Meridian and running thence South 89 degrees 46'04" East 156.00 feet; thence South 0 degrees 13'56" West 95.00 feet; thence North 89 degrees 46'04" West 158.72 feet; thence North 1 degree 52'22" East 95.04 feet to the point of beginning.

(which real property is located adjacent to the Project as shown in the Map and therein designated as "Boat/Camper Storage"), hereinafter referred to as the "Storage Property". The Storage Property is not included as a portion of the Project. Prows, its successors and assigns, hereby irrevocably reserve a perpetual, non-exclusive

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... easement to use the streets of the Project for egress and ingress to the Storage Property, together with a right of egress and ingress over and across the Common Areas of the Project designated in the Map as "Maintenance Facility" located immediately to the East of the Storage Property.

(b) With further reference to the Storage Property, Prows does hereby further declare that such Property shall henceforth be used only for the purpose of storing boats and campers, and other uses incidental thereto, by the Unit Owners of the Project, subject to the payment to Prows by Unit Owners using the same of such reasonable rental as Prows may arrange with the Management Committee, and subject, also, to compliance by such users of such reasonable rules and regulations as the Management Committee may prescribe. Such use restriction of the Storage Property shall continue for so long as the Project shall exist as a condominium project under this Declaration or any amendment or amendments thereof, and the same shall constitute a covenant running with the land.

25. Pedestrian Right of Way. The Project is subject to a right of way for school pedestrian traffic. As herein used, the words "school pedestrian traffic" mean pedestrian traffic to and from the Cottonwood High School located to the West of the Project by the students, teachers and other personnel of said High School over and across the area herein mentioned. Such right of way shall begin at approximately 130.88 feet north of the north line of "5935 South Street" indicated in the Map,

and run thence Northerly along the West line of the Project; thence Easterly to the East line thereof; and thence Southerly to the North line of a street referred to in the Map as "Monaco Avenue". Said right of way is granted to such pedestrians when said High School is in session. Accordingly, the Management Committee is hereby granted the authority to prescribe such rules and regulations as it may deem reasonable, necessary or proper to regulate such traffic, which authority includes, but is not limited to, the closing of such traffic before and after school hours and during all weekends, holidays and school vacations.

26. Area Reserved for Possible Public Street.

Reference is made in the Map to a street known as "Deauville Avenue" located near the Northeast corner of the Project. As shown in the Map, two dotted parallel lines, hereinafter called "Reserved Area", begin near Deauville Avenue and run thence Westerly, and thence Southerly to a point designated as "5935 South Street". It is hereby declared that the Reserved Area represents an area reserved for possible installation of a public street by the Salt Lake County (the County). Accordingly, it is declared that if the County elects so to do, then the Management Committee shall execute, in behalf of all Unit Owners of the Project, dedication deed and/or such other documents as the County may request or require to implement the said purpose. Until such time as a public street is developed by the County within the Reserved Area, the same shall constitute a part of the Common Areas of the Project.

27. Irrigation Easements and Agreements. The Project

is subject to easements for irrigation ditches and to certain covenants set forth in the two agreements both dated June 23, 1972 (herein called the "Agreements") made by Little Cottonwood Tanner Ditch Company and Big Cottonwood Tanner Ditch Company, of the one part, and Richard S. Prows, Inc. (Prows), of the other part, providing for the installation and maintenance by Prows of certain pipes for transmission of irrigation water over and across the areas described therein. The Agreements were recorded on June 27, 1972, in the Office of the County Recorder of Salt Lake County, Utah, in Book 3096, Page 65, as Entry No. 2466286, and in Book 3096, Page 70, as Entry No. 2466287, to which reference is hereby made for all purposes. The irrigation pipes specified in the Agreements have been installed by Prows pursuant thereto. The Unit Owners, through the Management Committee, shall observe and perform all and singular the covenants contained in the Agreements on the part of Prows to be performed.

28. Severability. The invalidity of any one or more phrases, sentences, clauses, paragraphs, or sections hereof shall not affect the remaining portions of this instrument or any part thereof, all of which are inserted conditionally on their being held valid in law and in the event that one or more of the phrases, sentences, clauses, paragraphs or sections contained therein should be invalid or should operate to render this agreement invalid, this instrument shall be construed as if such invalid phrase or phrases, sentence or sentences, clause or clauses, paragraph or paragraphs, section or sections had not been inserted.

29. Gender. The singular, wherever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply, either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

30. Waivers. No provision contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.

31. Topical Headings. The topical headings of the paragraphs contained in the Declaration are for convenience only and do not define, limit or construe the contents of the paragraphs or of this declaration.

32. Service of Process. The name of the person to receive service of process in the cases contemplated by the Act and his place of residence are:

Robert W. Wood
2330 Cottonwood Lane
Salt Lake City, Utah

33. Role of Named Institutions as Declarant. Notwithstanding anything to the contrary herein contained, it is declared that Prudential Federal Savings & Loan Association and Prudential Service Corporation have joined with Richard Prows, Inc., as Declarant, for the purpose of submitting their interests to the Act either as lienholders or partial owner of the Land, and that neither of them has made any representations or warranties herein.

34. Effective Date. This Declaration shall take effect upon recording.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, have signed this instrument and affixed thereto their seals this 27th day of June 1972.

ATTEST:

RICHARD PROWS, INC.

/S/ Mas Yano
Secretary

By /S/ Richard S. Prows
President

ATTEST:

PRUDENTIAL FEDERAL SAVINGS &
LOAN ASSOCIATION

/S/ John B. Anderson
Secretary

By /S/ G. J. Bluth
Vice President

ATTEST:

PRUDENTIAL SERVICE CORPORATION

/S/ John B. Anderson
Secretary

By /S/ Robert R. Murray
Vice President

STATE OF UTAH)
: SS.
COUNTY OF SALT LAKE)

On this _____ day of June, 1972, personally appeared before me, RICHARD S. PROWS and MAS YANO, who being by me duly sworn, did say that they are the President and Secretary, respectively, of Richard Prows, Inc., a Utah Corporation, and that the within and foregoing instrument was signed by them in behalf of said Corporation by authority of a resolution of its Board of Directors and the said Richard S. Prows and Mas Yano each duly acknowledged to me that said Corporation executed the same and that the seal affixed is the seal of said Corporation.

My Commission Expires:

Notary Public, Residing
at Salt Lake City, Utah

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

On this 27th day of June, 1972, personally appeared before me G.J. BLUTH and JOHN B. ANDERSON, who being by me duly sworn, did say that they are the President and Secretary, respectively, of Prudential Federal Savings & Loan Association, a corporation of the United States of America, and that the within and foregoing instrument was signed by them in behalf of said Corporation by authority of a resolution of its Board of Directors and the said G.J. Bluth and John B. Anderson each duly acknowledged to me that said Corporation executed the same and that the seal affixed is the seal of said Corporation.

My Commission Expires: _____
Notary Public, Residing
at Salt Lake City, Utah

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

On this 27th day of June 1972, personally appeared before me, ROBERT R. MURRAY and JOHN B. ANDERSON, who being by me duly sworn, did say that they are the President and Secretary, respectively, of Prudential Service Corporation, a Utah Corporation, and that the within and foregoing instrument was signed by them in behalf of said Corporation by authority of a resolution of its Board of Directors and the said Robert R. Murray and John B. Anderson each duly acknowledged to me that said Corporation executed the same and that the seal affixed is the seal of said Corporation.

My Commission Expires: _____
Notary Public, Residing
at Salt Lake City, Utah

EXHIBIT "B"

VILLAGE THREE CONDOMINIUM

<u>Unit No.</u>	<u>Building No.</u>	<u>% Ownership of Common Areas</u>
1	1M	1.0137%
2	"	"
3	"	"
4	"	"
5	2M	"
6	"	"
7	"	"
8	"	"
9	3M	"
10	"	"
11	"	"
12	"	"
13	4M	"
14	"	"
15	"	"
16	"	"
17	"	"
18	"	"
19	5M	"
20	"	"
21	6M	"
22	"	"
23	"	"
24	"	"
25	7M	"
26	"	"
27	"	"
28	"	"
29	"	"
30	"	"
31	8M	"
32	"	"
33	9M	1.0138%
34	"	"
35	"	"
36	"	"
37	10M	"
38	"	"
39	"	"
40	"	"
41	11M	"
42	"	"
43	"	"
44	"	"
45	12C	.8840%
46	"	"
47	"	"
48	"	"
49	13C	"

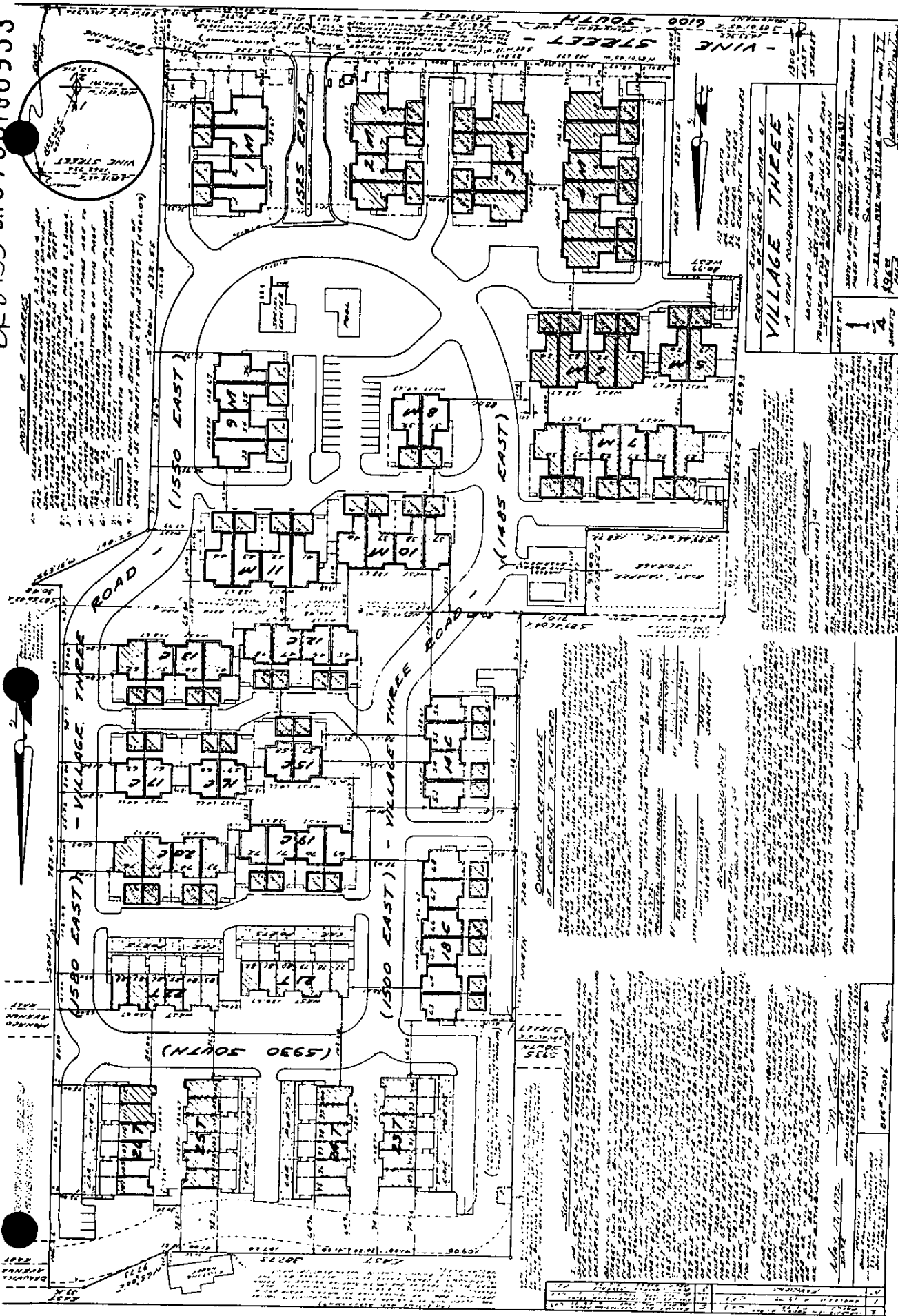
BK 8755PG0950

<u>UNIT NO.</u>	<u>BUILDING NO.</u>	<u>% OWNERSHIP OF COMMON AREAS</u>
50	13C	.8840%
51	"	"
52	"	"
53	14C	"
54	"	"
55	"	"
56	"	"
57	15C	"
58	"	"
59	16C	"
60	"	"
61	17C	"
62	"	"
63	18C	"
64	"	"
65	"	"
66	"	"
67	"	"
68	"	"
69	19C	"
70	"	"
71	"	"
72	"	"
73	20C	"
74	"	"
75	"	"
76	"	"
77	21T	.7530%
78	"	"
79	"	"
80	"	"
81	"	"
82	"	"
83	22T	"
84	"	"
85	"	"
86	"	"
87	"	"
89	23T	"
90	"	"
91	"	"
92	"	"
93	"	"
94	"	"
95	24T	"
96	"	"
97	"	"
98	"	"
99	"	"
100	"	"

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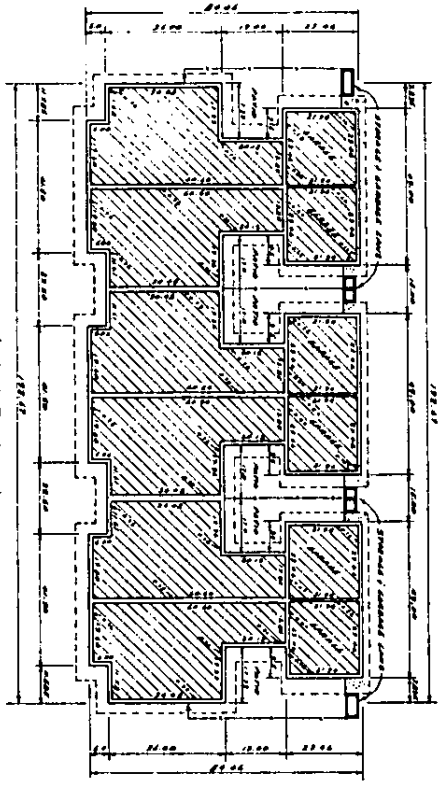
<u>UNIT NO.</u>	<u>BUILDING NO.</u>	<u>% OWNERSHIP OF COMMON AREAS</u>
101	25T	.7530%
102	"	"
103	"	"
104	"	"
105	"	"
106	"	"
107	26T	"
108	"	"
109	"	"
110	"	"
111	"	"
112	"	"
		<u>100.0000%</u>

BK 8755 BK 8755 PG 0953

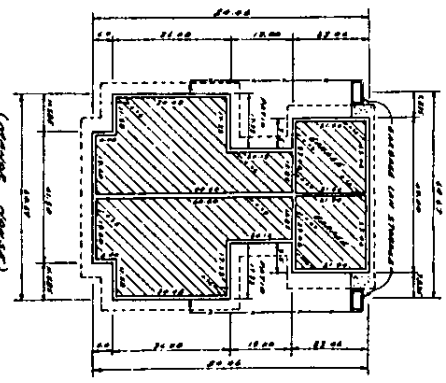


SECTED EXHIBIT MAP OF
VILLAGE THREE
 IN CITY OF CHICAGO
 PLANNED AND DEVELOPED BY
 THE CHICAGO TRUST COMPANY
 110 N. WABASH ST. CHICAGO, ILL.
 4953
 1 4
 1 4
 1 4
 1 4

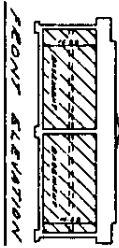
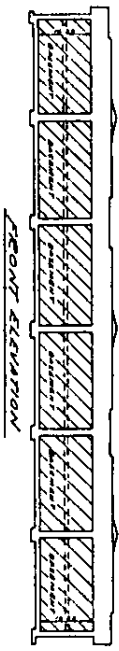
BK 8755 PG 0953 777



BUILDINGS 25 12 25 25 25 25
 (HOUSE NUMBER)
 FRONT VIEW



BUILDINGS 30 30 30
 (HOUSE NUMBER)
 FRONT VIEW



Room	Area	Area	1st Floor	1st Floor
1st Floor	4392.28	4392.66	4400.50	4408.50
2nd Floor	4392.28	4392.66	4400.50	4408.50
3rd Floor	4392.28	4392.66	4400.50	4408.50
4th Floor	4392.28	4392.66	4400.50	4408.50

- LEGEND**
- 1- ALL INTERIOR DIMENSIONS ARE TO FINISHED SURFACES
 - 2- ALL EXTERIOR DIMENSIONS ARE TO FINISHED SURFACES
 - 3- ALL HEIGHTS ARE TO FINISHED SURFACES
 - 4- ALL DIMENSIONS ARE TO FINISHED SURFACES
- ROOM LINE
 - - - - - ROOF OVERLAP
 [] COMMON AREA
 [] TERRACE
 [] GARAGE AREA

CERTIFICATION

I CERTIFY THAT THE BUILDING SPECIFICATIONS AND PLANS FOR THE BUILDING DESCRIBED IN THESE PLANS AND SPECIFICATIONS WERE PREPARED BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND THAT I AM A LICENSED ARCHITECT IN THE STATE OF CALIFORNIA.

DATE: 11/17/78

BY: [Signature]

(RANGE HOUSES)

VILLAGE THREE

SECOND COURSE, 1st FLOOR OF
 A BIRTH COLONIAL/INDIAN MARKET

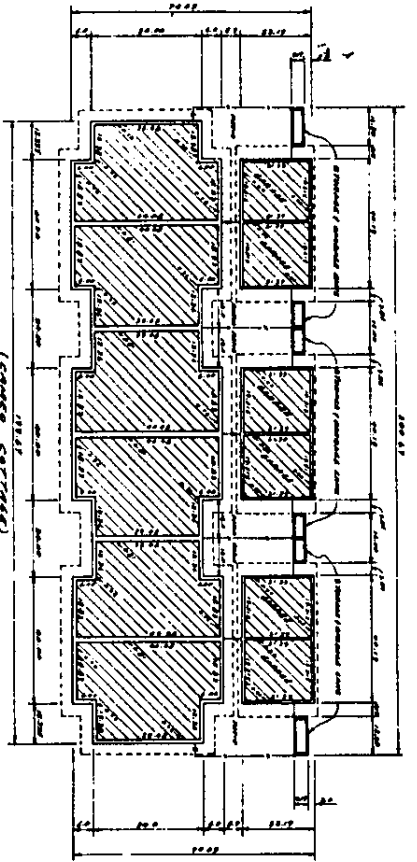
NO.	DESCRIPTION	DATE
1	REVISED PLANS	11/17/78
2	REVISED PLANS	11/17/78
3	REVISED PLANS	11/17/78
4	REVISED PLANS	11/17/78

APPROVED BY: [Signature]

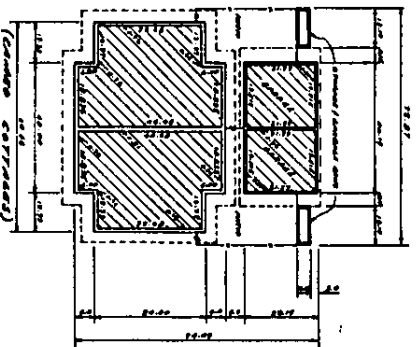
DATE: 11/17/78

APPROVED BY: [Signature]

DATE: 11/17/78

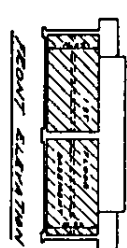
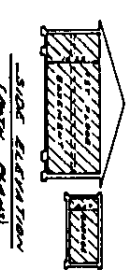
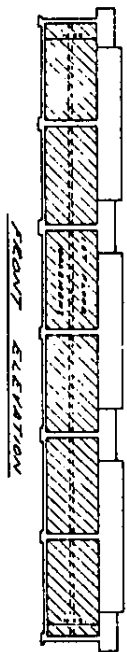


SECTION - ELEVATION OF BUILDING
10'-0" 48 47 46 45 44 43



SECTION - ELEVATION OF BUILDING
30'-0" 33 32 31

WALL THICKNESS
EXTERIOR WALLS 12" THICK
INTERIOR WALLS 8" THICK
PARTITION WALLS 6" THICK
CEILING 4" THICK
FLOOR 4" THICK



1- ALL INTERIOR DIMENSIONS ARE TO FINISHED SURFACES.
2- ALL CORNER ROUNDED UNLESS NOTED AS SHARP CORNER DIMENSION.
3- ALL MATERIALS AND FINISHES SHOWN ON THIS PLAN ARE COMMON ITEMS.
4- ALL DIMENSIONS SHOWN ARE FOR EXTERIOR WALLS UNLESS NOTED OTHERWISE.

--- FINISH
--- PARTITION WALL
--- EXTERIOR WALL
--- ROOF

1. VERIFY THAT THE BUILDING IS CONFORMING TO ALL APPLICABLE CODES AND REGULATIONS.
2. VERIFY THAT THE BUILDING IS CONFORMING TO ALL APPLICABLE CONTRACT DOCUMENTS.
3. VERIFY THAT THE BUILDING IS CONFORMING TO ALL APPLICABLE PERMITS AND ORDINANCES.
4. VERIFY THAT THE BUILDING IS CONFORMING TO ALL APPLICABLE STANDARDS AND PRACTICES.

Room No.	1st Floor	2nd Floor	Basement	Basement
101	4398.50	4405.50	4390.88	4372.62
102	4399.00	4407.00	4400.70	4388.16
103	4399.00	4407.00	4400.70	4388.16
104	4398.00	4405.00	4400.70	4397.16

No.	Description	Quantity	Unit	Remarks
1	CONCRETE	4	sq. ft.	FOR FLOOR FINISH
2	CEMENT	4	sq. ft.	FOR WALL FINISH
3	BRICK	4	sq. ft.	FOR EXTERIOR WALL
4	ROOFING	4	sq. ft.	FOR ROOF FINISH

LL 77