

a.

ENABLING DECLARATION

OF

SWEETWATER PARK BEACH RESORT
CONDOMINIUM PROJECT NO. 1

THIS DECLARATION is made and executed this 20th day of September, 1972, by SWEETWATER INCORPORATED, a Utah corporation (hereinafter referred to as "Declarant"), pursuant to the provisions of the Utah Condominium Ownership Act (Sections 57-8-1 through 57-8-35, Utah Code Annotated (1953)).

RECITALS:

A. Declarant is the owner of that certain Parcel of real property more particularly described in Article II hereof.

B. Declarant has constructed, or is in the process of constructing, upon said Parcel a Condominium Project, including certain Units and other improvements. All of such construction has been, or is to be, performed in accordance with the plans and specifications contained in the Record of Survey Map.

C. Declarant desires, by filing this Declaration and the Survey Map, to submit said Parcel and all improvements now or hereafter constructed thereon to the provisions of the Act as a Condominium Project to be known as the "Sweetwater Park Beach Resort Condominium Project No. 1."

D. Declarant intends to sell to various purchasers the fee title to the individual Units contained in the Project,

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together with the undivided ownership interests in the Common Areas and Facilities appurtenant to such Units, subject to the covenants, restrictions, and limitations herein set forth.

NOW, THEREFORE, for the foregoing purposes, Declarant hereby makes the following Declaration:

I. DEFINITIONS

When used in this Declaration (including in that portion hereof headed "Recitals") the following terms shall have the meaning indicated. Any term used herein which is defined by the Act shall, to the extent permitted by the context hereof, have the meaning ascribed by the Act.

1. Act shall mean and refer to the Utah Condominium Ownership Act (Sections 57-8-1 through 57-8-35, Utah Code Annotated (1953)).
2. Declaration shall mean and refer to this Enabling Declaration.
3. Record of Survey Map and Survey Map shall mean and refer to the Record of Survey Map filed herewith, executed the 19th day of September, 1972, consisting of ten (10) sheets, and prepared and certified to by Alden N. Brewer, a duly registered Utah Land Surveyor holding Certificate No. 1386.
4. Management Committee and Committee shall mean and refer to the Management Committee of the Sweetwater Park Beach Resort Condominium Project No. 1.

5. Common Areas and Facilities shall mean, refer to, and include:

(a) The real property and interests in real property which this Declaration submits to the terms of the Act.

(b) All Common Areas and Facilities designated as such in the Survey Map.

(c) All Limited Common Areas and Facilities.

(d) All foundations, roofs, and lobbies constituting a portion of or included in the improvements which comprise a part of the Project, and any halls, corridors, stairs, stairways, entrances, and exits which are designed for the use of more than one Unit.

(e) All installations for and all equipment connected with the furnishing of Project central services such as electricity, gas, water, and heat, but only to the extent such facilities are located within the buildings contained within the Project.

(f) All tanks, pumps, motors, fans, compressors, ducts, and in general all apparatus, installations, and facilities included within the Project and existing for common use.

(g) All portions of the Project not specifically included within the individual Units.

(h) All other parts of the Project normally in common use or necessary or convenient to its use, existence, maintenance, safety, or management.

6. Limited Common Areas and Facilities shall mean and refer to those Common Areas and Facilities designated herein or in the Survey Map as reserved for the use of a certain Unit or Units to the exclusion of the other Units, including: (i) some

of the parking stalls which are included within the Project (one per each home Unit); (ii) each area labeled "Deck" on the Survey Map; (iii) each area labeled "Balcony" on the Survey Map; and (iv) that portion of Building A consisting of the two entrance and exit halls, the central fireplace area, and the "Community Deck."

7. Unit shall mean and refer to one of the home Units (Nos. 1-32), one of the attic Units (Nos. 6A-32A), or one of the storage Units (Nos. 33 and 34) which is designated as a Unit on the Record of Survey Map and in Exhibit A attached hereto (and incorporated herein by this reference). Unless a wall on the perimeter of a Unit separates and is common to two or more Units, such perimeter wall shall constitute a part of the Unit to which it relates. A wall on the perimeter of a Unit which separates such Unit from, and is common to, another Unit shall, from and including the surface of such wall to its center, constitute a part of the Unit to which it relates. A Unit shall include any walls, partitions, and floors which are wholly contained within its vertical and horizontal perimeters and the surfaces of any floors, ceilings, or coverings which bound it. A Unit shall not include pipes, wires, conduits, or other utility lines running through it which are utilized for or which serve more than one Unit.

8. Unit Number shall mean and refer to the number, letter, or combination thereof which designates a Unit in the attached Exhibit A and on the Record of Survey Map.

9. Unit Owner or Owner shall mean and refer to the owner of the fee in a Unit and the percentage of undivided interest in the Common Areas and Facilities which is appurtenant thereto. The Declarant shall be deemed the owner of all unconstructed or unsold Units. In the event a Unit is the subject of an executory contract of sale, the contract purchaser shall, unless the seller and the purchaser have otherwise agreed and have informed the Committee in writing of such agreement, be considered the Unit Owner for purposes of voting and Committee membership.

10. Common Expenses shall mean and refer to all sums which are expended on behalf of all the Unit Owners and all sums which are required by the Management Committee to perform or exercise its functions, duties, or rights under the Act, this Declaration, the Management Agreement for operation of the Project, and such rules and regulations as the Management Committee may from time to time make and adopt.

11. Parcel shall mean and refer to the real property which Article II of this Declaration submits to the terms of the Act.

12. Condominium Project or Project shall mean and refer to the Sweetwater Park Beach Resort Condominium Project No. 1.

II. SUBMISSION

Declarant hereby submits to the provisions of the Act, as the Parcel associated with Sweetwater Park Beach Resort Condominium Project No. 1, the following-described real property situated in Rich County, State of Utah:

BUILDING A PARCEL: Beginning at a point which lies North 799.71 ft. and East 401.33 ft. from the SE corner of Section 33, T. 14 N., R. 5 E., SLB&M and running thence N 68° 18' 42" W 146.74 ft.; thence N 21° 41' 18" E 67.45 ft.; thence S 68° 18' 42" E 19.30 ft.; thence N 21° 41' 18" E 15.00 ft.; thence N 67° 19' 46" E 33.69 ft.; thence S 68° 18' 42" E 103.36 ft.; thence S 21° 41' 18" W 106.00 ft. to the point of beginning. Also beginning at a point which lies North 753.67 ft. and East 395.93 ft. from the SE corner of Section 33, T. 14 N., R 5 E., SLB&M and running thence N 21° 41' 18" E 20.00 ft.; thence S 68° 18' 42" E 45.00 ft.; thence S 21° 41' 18" W 20.00 ft.; thence N 68° 18' 42" W 45.00 ft. to the point of beginning. Containing a total area of 0.35 acres more or less.

BUILDING B PARCEL: Beginning at a point which lies North 550.58 ft. and East 522.33 ft. from the SE corner of Section 33, T. 14 N., R. 5 E., SLB&M and running thence N 21° 41' 18" E 114.95 ft.; thence S 68° 18' 42" E 360.75 ft.; thence S 21° 41' 18" W 145.95 ft.; thence N 68° 18' 42" W 63.00 ft.; thence S 21° 41' 18" W 24.00 ft.; thence N 68° 18' 42" W 144.00 ft.; thence N 21° 41' 18" E 24.00 ft.; thence N 68° 18' 42" W 72.75 ft.; thence N 21° 41' 18" E 31.00 ft.; thence N 68° 18' 42" W 81.00 ft. to the point of beginning. Containing 1.23 acres more or less.

TOGETHER WITH a nonexclusive right-of-way for ingress and egress over the following-described land: Beginning at a point which lies North 401.54 ft. and East 365.38 ft. from the SE corner Section 33, T. 14 N., R. 5 E., SLB&M and running thence N 15° 54' 30" E 81.52 ft.; thence N 21° 41' 18" E 115.38 ft.; thence S 68° 18' 42" E 52.96 ft.; thence N 21° 41' 18" E 122.00 ft.; thence N 68° 18' 42" W 170.50 ft.; thence N 21° 41' 18" E 64.77 ft.; thence S 68° 18' 42" E 12.00

ft.; thence S 21° 41' 18" W 44.77 ft.; thence S 68° 18' 42" E 184.50 ft.; thence S 21° 41' 18" W 142.00 ft.; thence S 68° 18' 42" E 101.00 ft.; thence S 21° 41' 18" W 31.00 ft.; thence S 68° 18' 42" E 72.75 ft.; thence S 21° 41' 18" W 24.00 ft.; thence S 68° 18' 42" E 144.00 ft.; thence N 21° 41' 18" E 24.00 ft.; thence S 68° 18' 42" E 68.00 ft.; thence S 21° 41' 18" W 27.41 ft.; thence N 86° 45' 00" W 71.43 ft.; thence N 68° 18' 42" W 154.23 ft.; thence N 49° 44' 45" W 172.74 ft.; thence N 68° 18' 42" W 55.96 ft.; thence S 21° 41' 18" W 88.22 ft.; thence S 15° 54' 30" W 80.31 ft.; thence N 74° 14' 21" W 23.00 ft. to the point of beginning. Containing 0.63 acres more or less.

PARTS OF CERTAIN DEDICATED STREETS or roads comprise portions (hereinafter referred to as the "Conflict Areas") of the tract contained within the immediately preceding right-of-way description. With respect to each of the Conflict Areas, the right-of-way created above is SUBJECT TO any and all rights which may exist by virtue of such Conflict Area comprising part of a dedicated street or road. Declarant currently has underway before the Board of County Commissioners of Rich County, Utah, proceedings seeking vacation of the streets or roads containing the Conflict Areas. Any title to the Conflict Areas now held or hereafter acquired by Declarant, including any title obtained through the referenced vacation proceedings, shall in all respects be subject to the right-of-way for ingress and egress created herein.

RESERVED FROM THE FOREGOING SUBMISSION are all presently existing or to be constructed sewer lines and water mains located beyond or outside the buildings contained within the Project.

ALSO RESERVED FROM THE FOREGOING SUBMISSION are such easements and rights of ingress and egress over, across, through, and under the above-described Parcel and any improvements now or hereafter constructed thereon as may be necessary for Declarant to fully develop, in any manner it may desire, all real property within a radius of five miles from the Project in which Declarant presently has, or in the future may

obtain, any interest. If, pursuant to this reservation, the above-described Parcel or any improvement thereon is traversed or partially occupied by a permanent improvement or utility line, a perpetual easement for such improvement or utility line shall exist. With the exception of such perpetual easements, the reservation hereby effected shall terminate 20 years after the date on which this Declaration is filed for record.

THE ABOVE-DESCRIBED TRACTS, EASEMENTS, AND INTERESTS ARE SUBJECT TO all Patent reservations and exclusions; all visible easements and rights-of-way; all easements and rights-of-way of record; an easement for each and every pipe, line, cable, wire, utility line, or similar facility which presently does or in the future may traverse or partially occupy the above-described Parcel; and all easements necessary for ingress to, egress from, maintenance of, and replacement of all such pipes, lines, cables, wires, utility lines, 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 improvements included in the Project are now or will be located upon the Parcel described above, and all of such improvements are described in the Survey Map. The Survey Map shows the basements (if any), the number of stories, and the number of Units which are to be contained in the buildings which comprise a part of such improvements. The buildings shall be principally constructed of the following materials:

BUILDING A: Wooden frames with both load-bearing and nonbearing walls studded with wood; Floors composed of wooden beams covered with plywood and particle board; Wood beam roofs covered with plywood; Roofs surfaced with cedar shingles; Interior walls surfaced with gypsum board; Rough-cut cedar plank exterior.

BUILDING B: Wooden frames with both load-bearing and nonbearing walls studded with wood; Lower floors composed of concrete; All other floors composed of wooden beams covered with plywood and mastic; Wood beam roofs covered with plywood; Roofs surfaced with cedar shingles; Interior walls surfaced with gypsum board; Rough-cut cedar plank exterior.

2. Description and Legal Status of Units. The Record of Survey Map shows the Unit Number of each Unit, its location,

dimensions from which its area may be determined, those Limited Common Areas and Facilities (if any) which are reserved for its use, and the Common Areas and Facilities to which it has immediate access. Units in the Project are either home Units (Nos. 1-32), attic Units (Nos. 6A-32A), or storage Units (Nos. 33 and 34). All Units shall be capable of being independently owned, encumbered, and conveyed.

3. Contents of Exhibit A. Exhibit A to this Declaration furnishes the following information with respect to each Unit in the Project: (a) The Unit Number; (b) The number of rooms (for home Units); (c) Those Limited Common Areas and Facilities having a numerical or letter designation which are reserved for use by the Unit (for home Units); and (d) The Unit's appurtenant percentage of undivided ownership interest in the Common Areas and Facilities.

4. Common and Limited Common Areas and Facilities. The Common and Limited Common Areas and Facilities contained in the Project are described and identified in Article I of this Declaration. The exclusive use of the following-described Limited Common Areas and Facilities is reserved to the Unit or Units indicated below:

<u>Limited Common Area and Facility</u>	<u>Unit(s) to Which Use is Reserved</u>
(a) Each parking stall with a numerical and letter designation which begins with the letter "p"	(a) As shown on Exhibit A

<u>Limited Common Area and Facility</u>	<u>Unit(s) to Which Use is Reserved</u>
(b) Each area labeled "Deck" on the Survey Map	(b) The home Unit with which the Deck is contiguous
(c) Each area labeled "Balcony" on the Survey Map	(c) The single home Unit or the two home Units with which the Balcony is contiguous
(d) The portion of Building A which is crosshatched on the Survey Map	(d) Unit Nos. 1, 2, 3, 4, 33, and 34

Neither the percentage of undivided interest in the Common Areas and Facilities nor the right of exclusive use of a Limited Common Area and Facility shall be separated from the Unit to which it appertains; and, even though not specifically mentioned in the instrument of transfer, such percentage of undivided interest and such right of exclusive use shall automatically accompany the transfer of the Unit to which they relate.

5. Computation of Undivided Interests. The percentage of undivided interest in the Common Areas and Facilities which is appurtenant to each Unit has been computed by taking as a basis the value of such Unit in relation to the value of the Project as a whole. The percentage of undivided interest in the Common Areas and Facilities appurtenant to each Unit is the ratio between the value of such Unit and the total value of all Units included within the Project.

6. Permissible Use of Units and Common Areas. Home Units are intended to be used for residential housing and are restricted to such use. Storage Units may be used for the storage

of material, equipment, or supplies (whether or not such items are used in connection with the Project or elsewhere) or for any purpose not incompatible with their location and the interests of the Project as a whole. Each attic Unit may be used as follows: (a) if owned by the Owner of the home Unit whose Unit Number is identical to the numerals comprising a part of the attic Unit's designation, to effect an expansion of such home Unit (if thus employed an attic Unit shall be restricted in use to residential housing); or (b) if owned by any other person, in any manner which will not adversely affect the full use and enjoyment of any other Unit or any portion of the Common Areas and Facilities; or (c) not at all. No Unit shall be used, occupied, or altered in violation of law, so as to detract from the appearance or value of any other Unit, so as to jeopardize the support of any other Unit, so as to create a nuisance or interfere with the rights of any Unit Owner, or in a way which would result in an increase in the cost of any insurance covering the Project as a whole. The Common Areas and Facilities shall be used only in a manner consistent with their community nature. No animals other than small household pets shall be kept or allowed in any Unit or in any part of the Common Areas and Facilities.

7. Condition and Maintenance of Units. Each Unit shall be maintained so as not to detract from the appearance of the Project and so as not to affect adversely the value or use of any other Unit.

8. Status and General Authority of Committee. The Condominium Project shall be managed, operated, and maintained by the Management Committee as agent for the Unit Owners. The Committee shall, in connection with its exercise of any of the powers delineated in subparagraphs (a) through (i) 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) The authority, without the vote or consent of the Unit Owners or of any other person(s), to grant or create, on such terms as it deems advisable, utility and similar easements over, under, across, and through the Common Areas and Facilities.

(b) The authority to execute and record, on behalf of all the Unit Owners, any amendment to the Declaration or Record of Survey Map which has been approved by the vote or consent necessary to authorize such amendment.

(c) The power to sue and be sued.

(d) The authority to enter into contracts which in any way concern the Project, so long as any vote or consent of the Unit Owners necessitated by the subject matter of the agreement has been obtained.

(e) The power and authority to convey or transfer any interest in real property, so long as any vote or consent necessary under the circumstances has been obtained.

(f) The power and authority to purchase, otherwise acquire, and accept title to, any interest in real property, so long as such action has been authorized by any vote or consent which is necessary under the circumstances.

(g) The power and authority to add any interest in real property obtained pursuant to subparagraph (f) above to the Condominium Project, so long as such action has been authorized by the necessary vote or consent.

(h) The authority to promulgate such reasonable rules, regulations, and procedures as may be necessary or desirable to aid the Committee in carrying out any of its functions or to insure that the Project is maintained and used in a manner consistent with the interests of the Unit Owners.

(i) The power and authority to perform any other acts and to enter into any other transactions which may be reasonably necessary for the Management Committee to perform its functions as agent for the Unit Owners.

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.

9. Manager. The Committee may carry out any of its functions which are capable of delegation through a Project Manager. Any Manager so engaged shall be an independent contractor and not an agent or employee of the Committee, shall be responsible for managing the Project for the benefit of the Committee and the Unit Owners, and shall, to the extent permitted by law and the terms of the agreement with the Committee, be authorized to perform any of the functions or acts required or permitted

to be performed by the Management Committee itself. It is anticipated that the Committee and Sweetwater Incorporated, the Declarant, will enter into a Management Agreement for an initial five-year period to begin on or about the date this Declaration is filed for record.

10. Composition of Management Committee. The Committee shall be composed of five members. At the first regular Owners meeting three Committee members shall be elected for two-year terms and two members for one-year terms. At each annual Owners meeting thereafter any vacant seat on the Committee shall be filled with a member elected for a two-year term. Only Unit Owners and officers and agents of Owners other than individuals shall be eligible for Committee membership. At the annual meeting each Unit Owner may vote his percentage of undivided ownership interest in favor of as many candidates for Committee membership as there are seats on the Committee to be filled; provided, however, that until the annual Owners meeting held in May of 1975 Declarant alone shall be entitled to select three Committee members. Until the first annual meeting of the Owners the members of the Committee, although numbering less than five, shall be the following persons and each shall hold the office indicated opposite his name:

Stephen G. Morgan
Kent Arbuckle
Stephen D. Swindle

President
Vice President
Secretary-Treasurer

Any Committee member who fails on three successive occasions to attend Committee meetings (whether regular or special) or who has failed to attend at least 25% of all Committee meetings (whether regular or special) held during any 12-month period shall automatically forfeit his seat. In the event a Committee seat which was filled by Declarant becomes vacant, whether by reason of forfeiture or due to another cause, Declarant shall have the right to select a replacement member to sit on the Committee for the balance of the term associated with the vacated seat. In all other cases of vacancy the remaining Committee members shall elect a replacement to sit on the Committee until the expiration of the term for which the member being replaced was elected. Unless he forfeits his seat as herein provided, a member shall serve on the Committee until his successor is elected and qualifies. Committee members shall be reimbursed for all expenses reasonably incurred in connection with Committee business. The Committee may fix such compensation for any member as may be reasonable in light of the Committee duties which that member is required to perform.

11. Committee Officers and Agents. The Committee shall perform its functions through those members who are elected as officers by the Committee and through such agents or employees as the Committee may appoint. Any Committee officer, agent, or employee may at any time be removed with or without cause by the vote of a majority of the Committee members. The officers of the Committee, and their respective powers and functions, shall be as follows:

(a) President. The President shall be the chief executive of the Committee and shall exercise general supervision over the property and affairs of the Project. He shall preside over all meetings of the Committee and of the Unit Owners. He shall execute all instruments on behalf of the Committee.

(b) Vice President. The Vice President shall have all the powers of the President in the event of the latter's absence or inability to act.

(c) Secretary. The Secretary shall keep minutes of meetings of the Committee and of the Unit Owners and shall keep all records which are required or made necessary by the Act, this Declaration, or the Committee.

(d) Treasurer. The Treasurer shall have custody and control of the funds available to the Committee. He shall furnish the Committee with a bond, in the amount specified by the Committee, conditioned upon the faithful performance of his duties. The offices of Secretary and Treasurer or of Vice President and Treasurer may be held by the same Committee member.

12. Committee Meetings. A regular meeting of the Committee shall be held immediately after the adjournment of each annual Owners meeting. Other regular meetings shall be held at regular intervals at such time and place as the Committee may provide. No notice need be given of regular Committee meetings. Special Committee meetings shall be held whenever called by the President or a majority of the Committee. Either oral or written notice of special meetings shall, unless a waiver of such notice is signed by all members, be given to each Committee member at least 24 hours before the time fixed for the meeting. Any meeting

attended by all Committee members shall be valid for all purposes. A quorum for the transaction of business at any Committee meeting shall consist of a majority of all the members then in office.

13. Owners Meetings. The regular meeting of the Unit Owners shall be held at 7:30 p.m. on the first Wednesday in May, 1973, and on the first Wednesday in May of each succeeding year. Whenever such day is a legal holiday, the meeting shall occur on the first business day thereafter. The place of meeting shall be at a location in Salt Lake County, Utah specified in the notice of meeting. At least 10 days before the date of the regular meeting a written notice thereof shall be personally delivered or mailed postage prepaid to each Unit Owner at his last known address. Such notice shall state the time, place, and general purpose of the meeting.

Special meetings of the Owners may be called by the President, by a majority of the Committee members, by the Manager, or by Unit Owners cumulatively holding at least one-fourth of the undivided ownership interest in the Project. At least seven days before the date set for a special meeting written notice such as that described in the immediately preceding Paragraph shall be personally delivered or mailed postage prepaid to each Unit Owner at his last known address.

No notice of any Owners meeting shall be required if a waiver of such notice is signed by all of the Owners. Whenever

all the Owners meet in person or by proxy such meeting shall be valid for all purposes. A quorum for the transaction of business at an Owners meeting shall consist of 25% of all the undivided ownership interest in the Project. In the event a quorum is not present at an Owners meeting, whether regular or special, the meeting may be adjourned and rescheduled for a time no earlier than 48 hours, and no later than 30 days, after the time set for the original meeting. No notice of such rescheduled meeting shall be required. A quorum for the transaction of business at the rescheduled meeting shall be 20% of all the undivided ownership interest in the Project.

14. Capital Improvements. Additions or capital improvements to the Project which cost no more than \$5,000.00 may be authorized by the Management Committee alone. Additions or capital improvements the cost of which will exceed such amount must, prior to being constructed, be authorized by at least a majority of the undivided ownership interest in the Project. Any addition or capital improvement which would materially alter the nature of the Project must, regardless of its cost and prior to being constructed, be authorized by at least 75% of the Project's undivided ownership interest.

15. Operation and Maintenance. The Management Committee shall, as a portion of the Common Expenses, pay for all utility services furnished to each Unit except telephone and any other

services which are separately billed to individual Units by the utility or other party furnishing such service. The Committee shall provide for such maintenance and operation of the Common and Limited Common Areas and Facilities as may be reasonably necessary to keep them clean, functional, attractive, and generally in good condition and repair. The Committee shall have no obligation regarding maintenance or care of Units.

16. Payment of Expenses. Before May 1 of each year the Committee shall prepare a budget which sets forth an itemization of the Common Expenses which are anticipated for the 12-month period commencing with the following June 1. Such budget shall take into account any deficit or surplus realized during the current fiscal year. The total of such expenses shall be apportioned among all the Units on the basis of their appurtenant percentages of undivided ownership interest. Prior to the first day of each month during the fiscal year covered by the budget each Unit Owner shall pay to the Committee as his share of the Common Expenses one-twelfth of the amount so apportioned to his Unit. If such monthly payments are too large or too small as a result of unanticipated income or expenses, the Committee may effect an equitable change in the amount of said payments. The dates and manner of payment shall be determined by the Committee. The foregoing method of assessing the Common Expenses to the Unit Owners may be altered by the Committee so long as the method it adopts is

consistent with good accounting practice and requires that the portion of Common Expenses borne by each Owner during a 12-month period be determined on the basis of his undivided ownership interest.

17. Remedies for Nonpayment. Should any Unit Owner fail to pay when due his share of the Common Expenses, the Committee may enforce any remedy provided in the Act or otherwise available for collection of delinquent Common Expense assessments. Regardless of the terms of any agreement to which the Committee is not a party, liability for the payment of Common Expense assessments shall be joint and several, and any remedy for the collection of such assessments may be enforced against any person holding an ownership interest in the Unit concerned, against the interest which is held by him, against either or both the seller or purchaser under an executory contract of sale covering the Unit concerned, against the interests in the Unit which are held by any such seller or purchaser, and against any combination or all of such persons and interests. Any relief obtained, whether or not through foreclosure proceedings, shall include the Committee's costs and expenses and a reasonable attorney's fee. In the event of foreclosure, after institution of the action the Committee shall, without regard to the value of the Unit or the extent of the Owner's equity therein, be entitled to the appointment of a receiver to collect any income or rentals which may be produced by the Unit concerned.

18. Insurance. The Management Committee shall secure and at all times maintain the following insurance coverages:

(i) A policy or policies of fire and casualty insurance, with extended coverage endorsement, for the full insurable replacement value of the entire Project. Such policy or policies shall be made payable to the Committee and all persons holding an interest in the Project or any of the Units, as their interests may appear.

(ii) A policy or policies insuring the Committee, the Manager, and the Unit Owners against any liability incident to the ownership, use, or operation of the Project or of any Unit which may arise among themselves, to the public, and to any invitees or tenants of the Project or of the Unit Owners. Limits of liability under such insurance shall be not less than \$300,000.00 for any one person injured, \$1,000,000.00 for all persons injured in any one accident, and \$100,000.00 for property damage resulting from one occurrence. Such policies shall be issued on a comprehensive liability basis and shall provide a cross liability endorsement pursuant to which the rights of the named insureds as between themselves are not prejudiced.

The following additional provisions shall apply with respect to insurance:

(a) In addition to the insurance described above, the Committee shall secure and at all times maintain insurance against such risks as are or hereafter may be customarily insured against in connection with condominium projects similar to the Project in construction, nature, and use.

(b) All policies shall be written by a company holding a rating of "AA" or better from Best's Insurance Reports.

(c) The Committee shall have the authority to adjust losses.

(d) Insurance secured and maintained by the Committee shall not be brought into contribution with insurance held by the individual Unit Owners or their mortgagees.

(e) Each policy of insurance obtained by the Committee shall, if possible, provide: A waiver of the insurer's subrogation rights with respect to the Committee, the Manager, the Unit Owners, and their respective servants, agents, and guests; That it cannot be cancelled, suspended, or invalidated due to the conduct of any particular Unit Owner or Owners; That it cannot be cancelled, suspended, or invalidated due to the conduct of any member, officer, or employee of the Committee or of the Manager without a prior written demand that the defect be cured; That any "no other insurance" clause therein shall not apply with respect to insurance held individually by the Unit Owners.

(f) Any Unit Owner may obtain additional insurance at his own expense, so long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Committee. Any Unit Owner who individually obtains insurance covering any portion of the Project shall supply the Committee with a copy of his policy within 30 days after he acquires such insurance.

19. Damage to Project. In the event of damage to or destruction of part or all of the improvements in the Condominium Project, the following procedures shall apply:

(a) If proceeds of the insurance maintained by the Management Committee are alone sufficient to repair or reconstruct the damaged or destroyed improvement, such repair or reconstruction shall be carried out.

(b) If less than 75% of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Committee are not alone sufficient to accomplish repair or reconstruction,

restoration shall be carried out and all the Unit Owners shall be assessed for any deficiency on the basis of their respective percentages of undivided interest in the Common Areas and Facilities.

(c) If 75% or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Management Committee are not alone sufficient to accomplish restoration, and if the Unit Owners within 100 days after the destruction or damage by a vote of at least 75% elect to repair or reconstruct the affected improvements, restoration shall be accomplished in the manner directed under subparagraph (b) above.

(d) If 75% or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance maintained by the Committee are insufficient to accomplish restoration, and if the Unit Owners do not, within 100 days after the destruction or damage and by a vote of at least 75%, elect to repair or reconstruct the affected improvements, the Management Committee shall promptly record with the Rich County Recorder a notice setting forth such facts. Upon the recording of such notice the provisions of subsections (1) through (4) of Section 57-8-31, Utah Code Annotated (1953), shall apply and shall govern the rights of all parties having an interest in the Project or any of the Units.

Any reconstruction or repair which is required to be carried out by this Paragraph 19 shall be accomplished at the instance and direction of the Management Committee. Any determination which is required to be made by this Paragraph 19 regarding the extent of damage to or destruction of Project improvements shall be made as follows: The Management Committee shall select three MAI appraisers; each appraiser shall independently arrive at a figure

representing the percentage of Project improvements which have been destroyed or substantially damaged; the percentage which governs the application of the provisions of this Paragraph 19 shall be the average of the two closest appraisal figures.

20. Consent Equivalent to Vote. In those cases in which the Act or this Declaration requires the vote of a stated percentage of the Project's undivided ownership interest for the authorization or approval of a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Unit Owners who collectively hold at least the necessary percentage of undivided ownership interest.

21. Configuration of Attic Units. As appears more fully in the Survey Map and Exhibit A to this Declaration, on the third floor level of Building B are 14 attic Units (Nos. 6A through 32A). The Survey Map shows complete horizontal and vertical dimensions therefor. Each of such Units is, however, enclosed by only a roof, a floor, and three walls, and Declarant shall have no obligation to accomplish any further enclosure.

In the event the Owner of an attic Unit desires to do so, he may erect a fourth wall so as to further enclose such Unit, so long as: (a) The interior surface of the new wall substantially corresponds with the attic Unit's southerly boundary as shown on the Survey Map; and (b) The wall as constructed does

not result in any adverse effects for any other Unit Owner or the Project as a whole. Any structure which, pursuant to this Paragraph, is erected in connection with the further enclosure of an attic Unit may permanently intrude upon any part of the Common Areas and Facilities so long as such intrusion does not materially detract from the use, occupancy, and enjoyment of the Common Areas affected.

22. Relationship With Balance of Development. Declarant is presently engaged in the development of a recreational area known as Sweetwater Park (hereinafter the "Development"). The Development is located near Bear Lake and is situated in Rich County, State of Utah. Sweetwater Park Beach Resort Condominium Project No. 1 comprises a portion of the Development. Ownership of a Unit shall carry with it access to and the right to the use and enjoyment of the marina and other resort and recreational facilities in the Development owned by Declarant, in accordance with such rules and regulations as may be established from time to time by Declarant and upon paying such dues or charges, if any, as may be required by Declarant. A Unit Owner shall not, however, be entitled either to membership in the Sweetwater Park Homeowners' Association, Inc. (a Utah nonprofit corporation) or to use those recreational facilities, parks, or common areas which are contained within any subdivision heretofore or hereafter created within the Development.

23. Amendment. Except as provided below, the vote of at least 65% of the undivided ownership interest in the Common Areas and Facilities shall be required to amend this Declaration or the Record of Survey Map. Any amendment so authorized shall be accomplished through the recordation of an instrument executed by the Management Committee. In such instrument the Committee shall certify that the vote required by this Paragraph for amendment has occurred. The foregoing right of amendment shall be subject, however, to the following paramount right: Until Units representing 70% of the undivided ownership interest in the Project have been sold, Declarant shall have, and is hereby vested with, the right to amend this Declaration or the Record of Survey Map. Such right shall obtain without regard to the subject matter of amendment, so long as the amendment involved is consistent with law.

24. Effect of Invalidity. The invalidity or unenforceability of any portion of this Declaration shall not affect the validity or enforceability of the remainder hereof.

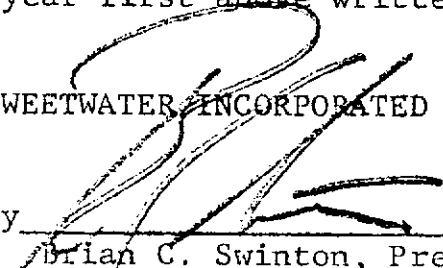
25. Interpretation. To the extent the provisions of the Act are consistent with this Declaration, such provisions shall supplement the terms hereof and are incorporated herein. This Declaration shall be liberally construed to effect its purpose. The captions which precede the Paragraphs of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed.

26. Covenants to Run with Land; Compliance. 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 Declarant, all parties who hereafter acquire any interest in a Unit or in the Project, and their respective grantees, transferees, heirs, devisees, personal representatives, successors, and assigns. Each Owner or occupant of a Unit shall comply with, and all interests in all Units shall be subject to, the terms of the Act, the terms of this Declaration, and the provisions of any rules, regulations, agreements, instruments, and determinations contemplated by this Declaration. By acquiring any interest in a Unit or in the Project, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration.

27. Agent for Service of Process. Mr. Gerry Brown, whose address is Garden City, County of Rich, State of Utah, is the person to receive service of process in the cases authorized by the Act. The Management Committee shall, however, have the right to appoint a successor or substitute process agent. Such successor or substitute agent and his address shall be specified by an appropriate instrument filed in the Office of the County Recorder of Rich County, State of Utah.

EXECUTED the day and year first above written.

SWEETWATER INCORPORATED

By 
Brian C. Swinton, President

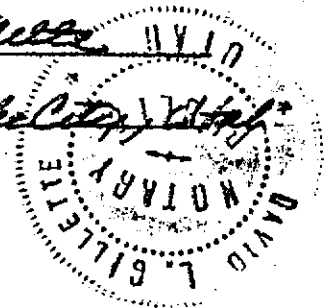
ATTEST:


Stanley S. Cheever,
Secretary

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

On this 20th day of September, 1972, personally appeared before me BRIAN C. SWINTON and STANLEY S. CHEEVER, who being by me duly sworn, did say that they are the President and Secretary, respectively, of SWEETWATER INCORPORATED, a Utah corporation, and that the foregoing Enabling Declaration was signed on behalf of said corporation by authority of its Bylaws or a resolution of its Board of Directors, and said Brian C. Swinton and Stanley S. Cheever acknowledged to me that said corporation executed the same.

David R. Gillette
Notary Public
Residing at: *Salt Lake City, Utah*



My Commission Expires:

9-15-74

EXHIBIT A

TO

ENABLING DECLARATION OF SWEETWATER PARK
BEACH RESORT CONDOMINIUM PROJECT NO. 1

<u>Unit #</u>	<u>Appurtenant Parking Area</u>	<u>No. of Rooms</u>			<u>% Ownership</u>
		<u>Total</u>	<u>Bed</u>	<u>Bath</u>	
1	P-1	5	2	2	2.6567
2	P-2	5	2	2	2.6567
3	P-3	5	2	2	2.6567
4	P-4	5	2	2	2.6567
5	P-5	5	2	2	2.7984
6	P-6	7	3	3	3.5070
7	P-7	5	2	2	2.7984
8	P-8	7	3	3	3.5070
9	P-9	5	2	2	2.7984
10	P-10	7	3	3	3.5070
11	P-11	5	2	2	2.7984
12	P-12	7	3	3	3.5070
13	P-13	5	2	2	2.7984
14	P-14	7	3	3	3.5070
15	P-15	5	2	2	2.7984
16	P-16	7	3	3	3.5070
17	P-17	5	2	2	2.7984
18	P-18	7	3	3	3.5070
19	P-19	5	2	2	2.7984
20	P-20	7	3	3	3.5070
21	P-21	5	2	2	2.7984
22	P-22	7	3	3	3.5070
23	P-23	5	2	2	2.7984
24	P-24	7	3	3	3.5070
25	P-25	5	2	2	2.7984
26	P-26	7	3	3	3.5070
27	P-27	5	2	2	2.7984
28	P-28	7	3	3	3.5070
29	P-29	5	2	2	2.7984
30	P-30	7	3	3	3.5070
31	P-31	5	2	2	2.7984
32	P-32	7	3	3	3.5070