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DECLARATION OF CONDOMINIUM

OF THE

IVY AT THE RIDGE CONDOMINIUMS

81/81

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EXHIBITS

Exhibit "A"	Units, Undivided Ownership Interests, and Votes
Exhibit "B"	Record of Survey Map for Ivy at the Ridge Condominiums, a Utah condominium Project
Exhibit "C"	Articles of Incorporation of Ivy at the Ridge Condominiums Owners' Association
Exhibit "D"	Bylaws of Ivy at the Ridge Condominiums Owners' Association

DECLARATION OF CONDOMINIUM
OF THE
IVY AT THE RIDGE CONDOMINIUMS

This Declaration of Condominium, hereinafter referred to as the "Declaration", is made and executed this 11th day of March, 1985, by Summerset Canyon Condominium Corporation, hereinafter referred to as the "Declarant".

RECITALS

A. Description of Land. The declarant is the owner of the following described parcels of land, hereinafter collectively referred to as the "Land", which are located in Provo, County of Utah, State of Utah:

REVISED IVY @ THE RIDGE
5-20-85

PHASE I

Commencing at a point located East 2122.71 feet and North 439.87 feet from the South one-quarter corner of Section 18, Township 6 South, Range 3 East, Salt Lake Base and Meridian; thence North 46°34'26" East 201.12 feet; thence along the arc of a 192.50 foot radius curve to the right 14.04 feet (chord bears North 29°35'16" West 14.04 feet); thence North 27°29'54" West 219.50 feet; thence along the arc of a 157.50 foot radius curve to the right 55.43 feet (chord bears North 17°24'57" West 55.15 feet); thence North 7°20' West 37.24 feet; thence North 82°40' East 25.00 feet; thence South 7°20' East 37.24 feet; thence along the arc of a 132.50 foot radius curve to the left 46.63 feet (chord bears South 17°24'57" East 46.39 feet); thence South 27°29'54" East 219.50 feet; thence along the arc of a 167.50 foot radius curve to the left 47.31 feet (chord bears South 35°35'23" East 47.15 feet); thence South 43°40'52" East 59.62 feet; thence along the arc of a 142.50 foot radius curve to the right 74.54 feet (chord bears South 28°41'44" East 73.69 feet); thence South 13°42'36" East 74.53 feet; thence along the arc of a 167.50 foot radius curve to the left 46.84 feet (chord bears South 21°43'15" East 46.69 feet); thence South 29°43'54" East 31.68 feet; thence South 41°12'36" East 31.89 feet; thence South 23°11'55" West 85.46 feet; thence along the arc of a 308.02 foot radius curve to the right 69.52 feet (chord bears South 29°39'50" West 69.37 feet); thence South 36°07'46" West 35.68 feet; thence along the arc of a 20.00 foot radius curve to the right 38.50 feet (chord bears North 88°43'12" West 32.83 feet); thence along the arc of a 686.41 foot radius curve to the right 150.58 feet (chord bears North 27°17'05" West 150.28 feet); thence along the arc of a 366.93 foot radius curve to the left 176.11 feet (chord bears North 34°45' West 174.43 feet); thence North 48°30' West 62.49 feet to the point of beginning.

AREA = 1.952 ACRES

B. Buildings and Improvements. The Declarant has constructed or will construct on the land certain buildings and other improvements as shown on the Map referred to below.

C. Record of Survey Map. The Declarant intends to execute, acknowledge, and record in the office of the County Recorder of Utah County, State of Utah, a certain instrument pertaining to the Project and entitled "Record of Survey Map for Ivy at the Ridge Condominiums, a Utah Condominiums Project".

D. Intent and Purpose. The Declarant intends by recording this Declaration and the Map to submit the land, the buildings, and all other improvements situated in or upon the land to the provisions of the Utah Condominium Ownership Act, as amended, Utah Code Annotated, Section 57-8-1, et. seq. (hereinafter referred to as the "Condominium Act") as a fee simple Condominium Project and to impose upon said property mutually beneficial restrictions under a general plan of improvement for the benefit of all Condominiums within said Project and the Owners thereof.

NOW , THEREFORE, the Declarant does hereby make the following declaration:

THIS SPACE LEFT INTENTIONALLY BLANK.

ARTICLE I
DEFINITIONS

1.01 Defined Terms. Unless the context clearly indicates otherwise, certain terms as used in this Declaration shall have the meanings set forth in this Article I.

1.02 "Additional Land" shall mean the real property described in Section 16.02 which has not yet been submitted to the provisions of the Act, but which may hereafter be added as a whole or in part to the Project as provided in Article XVI.

1.03 "Association" shall mean Ivy at the Ridge Condominiums Owners Association, a Utah nonprofit corporation, organized to be the Association referred to herein.

1.04 "Board of Trustees" shall mean the governing board of management committee of the Association, appointed or elected in accordance with the Declaration and in accordance with the Articles of Incorporation and Bylaws of Ivy at the Ridge Condominiums Owners Association, attached hereto as Exhibit "C" and Exhibit "D" respectively, and incorporated herein by this reference.

1.05 "Building" shall mean any one of the buildings in the Project containing one or more Units that have been or will hereafter be constructed on the land, as such buildings are shown on the Map.

1.06 "Common Areas" shall mean all physical portions of the Project, except all Units.

1.07 "Common Expense Fund" shall mean the fund created or to be created pursuant to the provisions of Article IX of this Declaration and into which all monies of the Association shall be deposited.

1.08 "Common Facilities" shall mean all furniture, furnishings, equipment, facilities, and other property (real, personal, or mixed) and interests therein at any time leased, acquired, owned, or held by the Association for the use and benefit of the Owners and all other property (real, personal or mixed) hereafter purchased in accordance with this Declaration with monies from the Common Expense Fund. Common Facilities shall be deemed to be part of the Common Areas, except to the extent otherwise expressly provided in this Declaration.

1.09 "Condominium" shall mean a Unit and the undivided interest (expressed as a percentage of the entire ownership interest) in the Common Areas appurtenant to such Unit, as set forth in Exhibit A attached hereto and by this reference made a part hereof.

1.10 "Condominium Act" shall mean the Utah Condominium Ownership Act, Utah cod Annotated (1953), as amended, Section 57-8-1, et. seq.

1.11 "Convertible Land" shall mean a building site; that is to say, a portion of the Land, described by metes and bounds, within which additional Units, or Limited Common Areas and Limited Common Facilities may be created in accordance with the provisions of Section 16.11 hereof.

1.12 "Convertible Space" shall mean a portion of a structure within the Project, which portion may be converted into one or more Units or common Areas of Common Facilities in accordance with the provisions of Section 16.10 hereof.

1.13 "Declarant" shall mean Summerset Canyon Condominium Corporation, and its successors and assigns.

1.14 "FHA" shall mean the Federal Housing Administration.

1.15 "FHLMC" shall mean the Federal Home Loan Mortgage Corporation.

1.16 "First Mortgagee" shall mean a Mortgagee which is a bank or savings and loan association or established mortgage company, or other entity chartered under federal or state laws, any corporation or insurance company, or any federal or state agency which has a first mortgage lien on any condominium in the Project.

1.17 "FNMA" shall mean the Federal National Mortgage Association.

1.18 "Land" shall mean the land upon which the Project is situated, as more particularly described in Paragraph A of the Recitals above.

1.19 "Lease" shall mean any agreement for the leasing or rental of the Property.

1.20 "Limited Common Areas" shall mean any Common Areas designated as reserved for use of a certain Unit or Units to the exclusion of the other Units in the Project. Structural separations between Units or the space which would be occupied by such structural separations may become Limited Common Areas for the exclusive use of the Owner or Owners of the Units on either side thereof as provided in Section 4.03 hereof. Any balconies, porches, parking stalls, or storage facilities that are identified on the Map with the same number or other designation by which a Unit is identified shall be Limited Common Areas for the exclusive use of the Owner of the Unit bearing the same number or designation.

1.21 "Manager" shall mean the person, firm, or company, if any, designated from time to time by the Association to manage, in whole or in part, the affairs of the Association and the Project.

1.22 "Map" shall mean the Record of Survey Map for Ivy at the Ridge Condominiums, a Utah Condominium Project, attached hereto as Exhibit "B" and

incorporated herein by this reference and any Supplemental Maps pertaining to the Project and recorded or to be recorded in the office of the County Recorder of Utah County, State of Utah.

1.23 "Mortgage" shall mean any mortgage, deed of trust, or other security instrument by which a Condominium or any part thereof is encumbered.

1.24 "Mortgagee" shall mean (i) any persons or entities named as the mortgagee or beneficiary under any Mortgage or Deed of Trust by which the interest of any Owner is encumbered, (ii) any successor to the interest of such person or entity under such Mortgage or Deed of Trust, or (iii) any insurer or guarantor of such person or entity under such Mortgage or Deed of Trust.

1.25 "Mortgage Insurer" shall mean FHA or VA.

1.26 "Mortgage Servicer" shall mean a Mortgagee who services any Mortgage or Deed of Trust on any individual Condominium in the Project on behalf of FHLMC and/or FNMA.

1.27 "Owner" shall mean the person or persons, including the Declarant, owning in fee simple a Condominium in the Project, as such ownership is shown by the records of the County Recorder of Utah County, State of Utah. The term "Owner" shall not refer to any Mortgagee (unless such Mortgagee has acquired title for other than security purposes by means of judicial or nonjudicial action, including without limitation, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure) or to any person or persons purchasing a Condominium under contract (until such contract is fully performed and legal title conveyed of record).

1.28 "Project" shall mean the land, the buildings, and all improvements submitted by this Declaration and the Map to the provisions of the Condominium Act.

1.29 "Total Votes of the Association" shall mean the total number of votes appertaining to all Condominiums in the Project, as shown in Exhibit "A" attached hereto.

1.30 "Unit" shall mean an individual air space unit, consisting of enclosed rooms occupying part of a building and bounded by the unfinished interior surfaces of the walls, floors, ceilings, windows, and doors along the perimeter boundaries of the air space, as said boundaries are shown on the Map, together with the all fixtures and improvements therein contained. Paint and other wall, ceiling, or floor coverings on interior surfaces shall be deemed to be part of the Unit. Notwithstanding the fact that they may be within the boundaries of such air space, the following are not part of a Unit insofar as they are necessary for the support or for the use and enjoyment of another Unit: Bearing walls, floors, ceilings, and roofs (except the interior surfaces thereof), foundations, ceiling equipment, tanks, pumps, pipes, vents, ducts, shafts, flues, chutes, conduits, wires, and other utility installations, except the outlets thereof when located within the Unit. The interior

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surfaces of a window or door mean the points at which such surfaces are located when the window or door is closed.

1.31 "VA" shall mean the Veteran's Administration.

1.32 "Withdrawable Land" shall mean one or more portions of the Land within the Project which may be withdrawn in accordance with the provisions of this Declaration and the Condominium Act.

ARTICLE II

SUBMISSION AND DIVISION OF PROJECT

2.01 Submission to Condominium Act. The Declarant hereby submits the Land, the Buildings, and all other improvements now or hereafter made in or upon the Land to the provisions of the Condominium Act. All of said property is and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, and improved as a fee simple Condominium Project to be known as Ivy at the Ridge Condominiums, a Utah Condominium Project. All of said property is and shall be subject to the covenants, conditions, restrictions, uses, limitations, and obligations set forth herein, each and all of which are declared and agreed to be for the benefit of said Project and in furtherance of a plan for improvement of said property and division thereof into Condominiums; further, each and all of the provisions hereof shall be deemed to run with the Land and shall be a burden and a benefit on the Land and shall be binding upon the Declarant, its successors and assigns, and to any person acquiring, leasing, or owning an interest in the real property and improvements comprising the Project, and to their respective personal representatives, heirs, successors, and assigns.

2.02 Division into Condominiums. The Project is hereby divided into Condominiums, each such Condominium consisting of a Unit and an appurtenant undivided interest in the Common Areas, as set forth in Exhibit "A" attached hereto and incorporated herein by reference.

ARTICLE III

BUILDINGS AND IMPROVEMENTS

3.01 Buildings and Improvements. The Buildings and other improvements constructed or to be constructed on the land are described on the Map. The following information regarding the Buildings is also contained on the Map: (i) the number of floors and basements in a Building; and (ii) the number of units on each floor of a Building.

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3.02 Description of Units. The Map contains the unit number, location, and dimensions of each Unit in the Project and all other information necessary to identify each such Unit. Each Unit shall have at least one parking space which is either part of the Unit or appurtenant to it and reserved for its exclusive use as a Limited Common Area which shall not be severed from such Unit.

3.03 Description of Common Areas. The Map contains a description of the Common Areas of the Project.

3.04 Description of Limited Common Areas. The Map contains a description of the Limited Common Areas of the Project. The Map also designates the Unit or Units to which each of the Limited common Areas is reserved.

3.05 Principal Construction Materials. The Buildings in the Project will rest on reinforced concrete footings and foundations. The walls of the Buildings are frame walls, the exterior surfaces of which are covered with brick veneer, and the interior surfaces of which are covered with gypsum sheetrock. The floors are covered with carpet, linoleum, asphalt tile or equivalent floor coverings. The Buildings are supported by wood support beams and the roof is pitched and covered with asphalt shingles.

ARTICLE IV

NATURE AND INCIDENTS OF CONDOMINIUM OWNERSHIP

4.01 Interior of Units. Each Owner shall have the exclusive right to paint, repaint, tile, wax, paper, carpet, or otherwise decorate the interior surfaces of the walls, ceilings, floors, and doors forming the boundaries of his Unit and the surfaces of all walls, ceilings, floors, and doors within such boundaries. Each Owner shall also have the right to construct partition walls, fixtures, and improvements within the boundaries of his Unit; provided, however, that such partition walls, fixtures and improvements (i) shall comply with all applicable laws, ordinances, and building codes, (ii) shall not interfere with facilities necessary for the support, use, or enjoyment of any other part of the Project, (iii) shall not impair the structural soundness or integrity of the Building in which it is located, and (iv) shall not encroach upon the Common Areas or any part thereof, unless the Board of Trustees shall consent in writing to such encroachment.

4.02 Maintenance of Units. Each Owner shall keep the interior of his Unit, including without limitation, interior walls, windows, ceilings, floors, and permanent fixtures and appurtenances thereto, in a clean and sanitary condition and in a state of good repair. In the event that any such Unit shall develop an unsanitary or unclean or unsafe condition or fall into a state of disrepair, and in the event that the Owner of such Unit shall fail to correct such condition or state of disrepair promptly following written notice

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from the Board of Trustees, the Board of Trustees in behalf of the Association shall have the right, at the expense of the Owner and without liability to the Owner for trespass or otherwise, to enter said Unit and correct or eliminate said unsanitary or unclean condition or state of disrepair; provided, however, that the Association shall in no event have the obligation to correct or eliminate any such condition or state of disrepair.

4.03 Right to Combine Units. With the written consent of the Board of Trustees, which consent shall not be unreasonably withheld, two or more Units may be utilized by the Owner or Owners thereof as if they were one Unit. To the extent permitted in the written consent of the Association, any walls, floors, or other structural separations between any two such Units, or any space which would be occupied by such structural separations but for the utilization of the two Units as one Unit, may, for as long as the two Units are utilized as one Unit, be utilized by the Owner or Owners of the adjoining Units as Limited Common Areas, except to the extent that any such structural separations are necessary or contain facilities necessary for the support, use, or enjoyment of other parts of the Project. At any time, upon the request of the Owner of one of such adjoining Units, any opening between the two units which, but for joint utilization of the two Units, would have been occupied by structural separation, shall be closed at the equal expense of the Owner or Owners of each of the two Units and the structural separations between the two Units shall thereupon become Common Areas.

4.04 Title. Title to a condominium within the Project may be held or owned by any person or entity, or any combination thereof, and in any manner in which title to any other real property may be held or owned in the State of Utah, including without limitation joint tenancy or tenancy in common.

4.05 Ownership of Common Areas. The undivided interest in the Common Areas appurtenant to each Unit in the Project shall be as set forth in Exhibit A attached hereto. The undivided interest appurtenant to each Unit as shown in said Exhibit A shall have a permanent character and shall not be altered except with the unanimous written consent of all Owners expressed in an amendment to this Declaration duly recorded. Except as otherwise provided in this Declaration, any Owner shall be entitled to nonexclusive use of the Common Areas (other than Limited Common Areas) in any manner that does not hinder or encroach upon the rights of other Owners and is not contrary to any rules and regulations promulgated by the Association. Except as otherwise provided in this Declaration, any Owner shall have the exclusive right to use and enjoy any Limited Common Areas that may be designated for exclusive use by such Owner.

4.06 Inseparability. Title to no part of a Condominium within the Project may be separated from any other part thereof, and each Unit and the undivided interest in the Common Areas appurtenant to each Unit shall always be conveyed, devised, encumbered and otherwise affected only as a complete Condominium. Every devise, encumbrance, conveyance, or other disposition of a

Condominium, or any part thereof, shall be construed to be a devise, encumbrance, conveyance, or other disposition, respectively, or the entire Condominium, together with all appurtenant rights created by law or by this Declaration, including appurtenant rights created by law or by this Declaration, including appurtenant Membership in the Association as hereinafter set forth.

4.07 No Partition. The Common Areas shall be owned in common by all of the Owners, and no Owner may bring any action for partition thereof.

4.08 Separate Mortgages by Owners. Each Owner shall have the right separately to mortgage or otherwise encumber his Condominium. No Owner shall attempt to or shall have the right to mortgage or otherwise encumber the Common Areas or any part thereof, except the undivided interest therein appurtenant to his Condominium. Any mortgage or other encumbrance of any Condominium within the Project shall be subordinate to all of the provisions of this Declaration, and in the event of foreclosure the provisions of this Declaration shall be binding upon any Owner whose title is derived through foreclosure by private power of sale, judicial foreclosure, or otherwise.

4.09 Separate Taxation. Each condominium within the Project including each Unit and appurtenant undivided interest in the Common Areas, shall be deemed to be a parcel and shall be assessed separately for all taxes, assessments, and other charges of the State of Utah or of any political subdivision or of any special improvement district or of any other taxing or assessing authority. For purposes of such assessment, the valuation of the Common Areas shall be apportioned among the Units in proportion to the undivided interests in Common Areas appurtenant to such Units. All such taxes, assessments, and other charges on each respective Condominium shall be separately levied against the Owner thereof. No forfeiture or sale of any Condominium for delinquent taxes, assessments, or other governmental charges shall divest or in any way affect the title to any other Condominium.

4.10 Mechanics Liens. No labor performed or material furnished for use in connection with any Unit with the consent or at the request of an Owner or his agent or subcontractor shall create any right to file a statement of mechanic's lien against the Unit of any other Owner not expressly consenting to or requesting the same or against any interest in the Common Areas, except the undivided interest therein appurtenant to the Unit of the Owner for whom such labor shall have been performed and such materials shall have been furnished.

4.11 Description of Condominium. Every contract for the sale of a Condominium and every other instrument affecting title to a Condominium within the Project may describe a Unit by its identifying number or symbol as indicated in this Declaration or as shown on the Map. Such description will be construed to describe the Unit, together with its appurtenant undivided interest in the Common Areas, and to incorporate all of the rights incident to ownership of a condominium within the Project and all of the limitations on such ownership.

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ARTICLE V

EASEMENTS

5.01 Easements for Encroachments. If any part of the Common Areas encroaches or shall hereafter encroach upon any Unit, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Areas, or upon an adjoining Unit, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of the Common Areas or any part of a Unit shall hereafter encroach on real property now owned by the Declarant outside the boundaries of the land, an easement for such encroachment shall and does exist. Such encroachments shall not be considered to be encumbrances either on the Common Areas of the Units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of the Building or any improvements constructed or to be constructed within the Project, by error in the Map, by settling, rising, or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project, or any part thereof, in accordance with the provisions of this Declaration.

5.02 Easements for Maintenance, Cleaning and Repair. Some of the Common Areas are or may be located within the Units or may be conveniently accessible only through the Units. The Association shall have the irrevocable right to have access to each Unit and to all Common Areas from time to time during such reasonable hours as may be necessary for the maintenance, cleaning, repair or replacement of any Common Areas or for making emergency repairs at any time therein necessary to prevent damage to the common Area or to any Unit. In addition, agents of the Association may enter any Unit when necessary in connection with any cleaning, maintenance repair, replacement, landscaping, construction, or reconstruction for which the Association is responsible. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Association with funds from the Common Expense Fund.

5.03 Right to Ingress, Egress, and Support. Each Owner shall have the right to ingress and egress over, upon, and across the Common Areas as necessary for access to such Owner's Unit and to any Limited Common Areas appurtenant to such Unit, and shall have the right to horizontal, vertical, and lateral support of such Unit, and such rights shall be perpetual and shall be appurtenant to and pass with title to each Condominium.

5.04 Association's Right to Use Common Areas. The Association shall have an easement to make such use of the Common Areas as may be necessary or convenient to perform the duties and functions that it is obligated or permitted to perform pursuant to this Declaration, including without limitation the right to construct and maintain in the Common Areas (other than Limited Common Areas) facilities for use by Owners generally or by the Association and its agents exclusively.

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5.05 Easement for Completion of Project. The Declarant shall have a transferrable easement over and on the Common Areas for the purpose of completing construction of the Project and making improvements therein as shown on the Map and for the purpose of doing all things reasonable necessary or appropriate in connection therewith. To the extent that damage is inflicted on any part of the Project by any person utilizing said easement, the Declarant and the person causing the damage shall be liable to the Association for the prompt repair of such damage.

5.06 Easements Deemed Created. All conveyance of Condominiums within the Project thereafter made, whether by the Declarant or otherwise, shall be construed to grant and reserve such reciprocal easements as are provided herein, even though no specific reference to such easements appears in any such conveyance.

ARTICLE VI

RESTRICTIONS ON USE

6.01 Single Family Residential Use. All units are intended to be used for residential housing purposes as defined by the Provo City Zoning Ordinances and are restricted to such use.

6.02 No Noxious or Offensive Activity. No noxious, destructive or offensive activity shall be carried on or placed in or upon any Unit, or in the Common Areas, of Limited Common Areas, or any part thereof, which shall interfere with the legal rights of other Owners, nor shall anything be done therein which is or may become an annoyance or nuisance to any other Owner or to any person at any time lawfully residing in the Project. No activities shall be conducted, nor improvements constructed, in or upon any part of the Project which are or may become unsafe or hazardous to any person or property.

6.03 Restrictions on Signs. No signs, flags, or advertising devices of any nature, including without limitation, commercial, political, informational, or directional signs or devices, shall be erected or maintained on any part of the Project, without the prior inspection and written approval of the board of Trustees, except as may be necessary temporarily to caution or warn of danger. If the Association consents to the erection of any such signs or devices, the same shall be removed promptly at the request of the Association.

6.04 Pets and Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept in any Unit or in the Common Areas except that household pets may be kept or housed in Units when expressly permitted in writing by the Board of Trustees. Each owner who desires to keep a pet in his Unit shall apply in writing to the Board of Trustees for permission to keep

such pet. In no event shall any pet be permitted in any portions of the Common Areas unless carried or on a leash. Each owner who keeps a pet in a unit shall indemnify and hold all other owners harmless against any loss of liability of any kind or character whatsoever arising from or as a result of having such pet in the Project. If a pet disturbs other owners by barking or biting or in other ways becoming obnoxious, the Board of Trustees will give notice to the owner of such pet to cause such annoyance to be discontinued; and if such annoyance is not discontinued and corrected, the Board of Trustees may revoke its permission to keep the pet in the Project and the pet shall be removed therefrom.

6.05 No Alterations. No Owner shall, without the prior written consent of the Board of Trustees in each specific instance, make or cause to be made any alteration, addition, removal, or improvement in or to the Common Areas of any part thereof, or do any act that would impair the structural soundness or integrity of the Buildings or other improvements, or jeopardize the safety of persons or property or impair any easement or hereditament appurtenant to the Project; provided that the Owners shall have the right to landscape the Limited Common Areas appurtenant to their respective Units without obtaining in each specific instance the prior written consent of the Board of Trustees so long as any landscaping undertaken in such Limited Common Areas is completed in a timely fashion, does not create a harmful or unsafe condition, and does not result in an increase in the cost of insurance on the Common Areas of the Project.

6.06 No Obstructions. No Owner shall obstruct the Common Areas or any part thereof. No Owner shall store or cause to be stored in the common Areas any property whatsoever, unless the Board of Trustees shall consent thereto in writing.

6.07 No Overloading. No Owner shall bring anything into his Unit or permit anything to be done in his Unit that will cause damage to the Building. No Owner shall overload the floor of his Unit. No Owner shall permit the use or operation in his Unit of any equipment, machinery, or other apparatus that will in any manner injure, vibrate, or shake the Building or portions thereof.

6.08 Prohibition of Damage and Certain Activities. Except with the prior written consent of the Board of Trustees, nothing shall be done or kept in any Unit, in the Common Areas, or in any other part of the Project that would result in cancellation of the insurance on the Project or any part thereof, nor shall anything be done or kept in any Unit that would increase the rate of insurance on the Project or any part thereof over that which the Association, but for such activity, would pay. Nothing shall be done or kept in any Unit or in the Common Areas or any part thereof which would be in violation of any statute, rule, ordinance, regulation, permit, or other validly imposed requirement of any governmental authority. No damage to, or waste of, the Common Areas or any part thereof shall be committed by any Owner or guest of any Owner, and each Owner shall indemnify and hold harmless the Association and the other Owners from and against all loss resulting from any

such damage or waste caused by such Owner or by the guests, tenants, licensees, or invitees of such Owner.

6.09 No Commercial Business. No commercial business shall be permitted within the Project.

6.10 Leasing Restrictions. No Owner shall be permitted to lease his or her Condominium for a period of less than thirty (30) days. Any lease agreement shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration, the Articles, and the Bylaws, and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be in writing.

6.11 Rules and Regulations. Each Owner shall comply strictly with all rules and regulations adopted by the Association for the governance of the Units, the Common Areas, and the Project; as such rules and regulations may be modified, amended, and construed by the Association in the sole discretion of its Board of Trustees.

6.12 Construction Period Exemption. During the course of actual construction of any permitted structures or improvements within the Project, the provisions, covenants, conditions, and restrictions contained in this Declaration shall be deemed waived to the extent necessary or convenient to permit such construction; provided, however, that during the course of such construction, nothing shall be done which will result in a violation of any said provisions, covenants, conditions, or restrictions upon completion of the construction.

ARTICLE VII

THE ASSOCIATION

7.01 Membership. Each Owner shall be entitled and required to be a Member of the Association. Membership shall begin immediately and automatically upon becoming an Owner and shall terminate immediately and automatically upon ceasing to be an Owner. If title to a Condominium is held by more than one person, the Membership appurtenant to that Condominium shall be shared by all such persons in the same proportionate interest and by the same type of tenancy in which title to the Condominium is held. An Owner shall be entitled to one Membership for each Condominium owned by him. Each Membership shall be appurtenant to the Condominium to which it relates and shall be transferred automatically by conveyance of that Condominium. Ownership of a Condominium within the Project cannot be separated from Membership in the Association appurtenant thereto, and any devise, encumbrance, conveyance, or other disposition, respectively, of the Owner's Membership in the Association and rights appurtenant thereto. No person or entity other than an Owner may

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be a Member of the Association, and Membership in the Association may not be transferred except in connection with the transfer of a condominium. The Association shall make available to the Owners, Mortgagers and the holder, insurers and guarantors of the first mortgage on any Unit, current copies of the Declaration, Articles, Bylaws and other rules governing the Project and other books, records and financial statements of the Association. The Association also shall be required to make available to prospective purchasers of Units current copies of the Declaration, Articles, Bylaws, other rules governing the Project and the most recent annual audited financial statement of the Association, if such is prepared. "Available" shall mean available for inspection, upon request, during normal business hours or under other reasonable circumstances.

7.02 Board of Trustees. Until such time as the responsibility for electing the Trustees of the Association is turned over to the Owners in accordance with Utah law, the Declarant shall have the exclusive right to appoint and to remove all such trustees. This exclusive right shall terminate after the first to occur of the following:

(a) Five (5) years from the date on which the first Condominium in the Project is conveyed; or

(b) After seventy-five percent (75%) of the Condominiums in the Project have been conveyed by Declarant to the purchasers thereof.

7.03 Right of Board of Trustees to Bind Association. Until such time as the responsibility for electing the trustees of the Association is turned over to the Owners in accordance with Section 7.02, the Board of Trustees shall not have any authority to enter into any contracts, agreements, or leases on behalf of the Association, either directly or indirectly, unless such contracts, agreements or leases may be terminated by the Association at any time without cause or penalty at any time after such transfer of control, upon thirty (30) days prior written notice.

7.04 Votes. The number of votes appurtenant to each respective Condominium shall be based on the square footage of each Unit, as set forth in Exhibit "A". Subject to revision upon each expansion of the Project as provided in Article XVI of this Declaration and the Condominium Act, the number of votes appurtenant to each Condominium as set forth in said Exhibit "A" shall have a permanent character and shall not be altered without the unanimous written consent of all Owners expressed in a duly recorded amendment to this Declaration.

7.05 Amplification. The provisions of this Article VII may be amplified by the Articles and the Bylaws; provided, however, that no such amplification shall substantially alter or amend any of the rights or obligations of the Owners set forth in this Declaration. The initial Bylaws of the Association shall be in the form of Exhibit D.

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ARTICLE VIII

CERTAIN RIGHTS AND OBLIGATIONS OF THE ASSOCIATION AND BOARD OF TRUSTEES

8.01 The Common Areas. The Board of Trustees, acting on behalf of the Association and, subject to the rights and duties of the Owners as set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Areas and all improvements thereon (including the Common Facilities), and shall keep the same in a good, clean, attractive, safe, and sanitary condition, order, and repair; provided, however, that unless otherwise stated herein, each Owner shall keep the Limited Common Areas designated for use in connection with his Unit, if any, in a clean, sanitary, and attractive condition. The Association shall be responsible for the maintenance and repair of the exterior of the Buildings, other improvements and grounds, including without limitation painting thereof, repair and replacement of exterior trim, roofs and fences, and maintenance of landscaping, walkways, driveways, and parking areas. The Board of Trustees shall also be responsible for maintenance, repair, and replacement of Common Areas within the Buildings, including, without limitation, landings, stairways, utility lines, Common Facilities, and all improvements and other items located within or used in connection with the Common Areas. The specification of duties of the Board of Trustees with respect to particular Common Areas shall not be construed to limit its duties with respect to other Common Areas. All goods and services procured by the Board of Trustees in performing its responsibilities under this Section shall be paid for with funds from the Common Expense Fund.

8.02 Manager. If required by a First Mortgagee, the Board of Trustees shall retain at all times the services of an experienced, professional Manager to manage the Project. Appropriate fidelity bond coverage shall be required for any employee of the Manager who handles funds of the Association. The Board of Trustees may by written contract delegate in whole or in part to a Manager such of the duties, responsibilities, functions and powers hereunder of the Board of Trustees as are delegable. The services of any Manager retained by the Board of Trustees shall be paid for with funds from the Common Expense Fund. Any management contract, employment contract, or lease of recreational or parking areas on facilities, or any contract or lease, including franchises or licenses, to which the Declarant is a party which binds the Association either directly or indirectly shall provide that without cause such agreement may be terminated by the Board of Trustees or the Association, without penalty at any time after transfer of control by the Declarant, upon not more than ninety (90) days written notice to the other party thereto. Any such agreement shall provide that it is terminable upon thirty (30) days written notice for cause or if it is an agreement negotiated by the Declarant. The terms of any such agreement may not exceed one year, renewable by agreement of the parties for successive one-year periods.

8.03 Miscellaneous Goods and Services. The Board of Trustees may, in behalf of the Association, obtain and pay for the services of such personnel as the Board of Trustees shall determine to be necessary or desirable for

the proper operation of the Project, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Board of Trustees may, in behalf of the Association, obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Declaration. In addition to the foregoing, the Board of Trustees may, in behalf of the Association, acquire and pay for out of the Common Expense Fund water, sewer, garbage collection, electrical, gas, and other necessary or desirable utility services for the Common Areas (and for the Units to the extent not separately metered or billed), insurance, bonds, and other goods and services common to the units.

8.04 Real and Personal Property. The Board of Trustees may acquire and hold on behalf of the Association real, personal, and mixed property of all types for the use or benefit of all of the Owners and may dispose of such property by sale or otherwise; provided that any acquisition or disposition of any real, personal or mixed property by the Board of Trustees wherein the value of such property exceeds \$5,000 must be approved by a vote of at least fifty-one percent (51%) of the Total Votes of the Association at a meeting duly called for that purpose. All such property, including Common Facilities, shall be paid for out of the Common Expense Fund and all proceeds from the disposition thereof shall be part of such fund.

8.05 Rules and Regulations. The Board of Trustees may make reasonable rules and regulations governing the use of the Units, the Common Areas, the Limited Common Areas, and all parts of the Project, which rules and regulations shall be consistent with the rights and duties established by this Declaration. The Board of Trustees in behalf of the Association may take judicial action against any Owner to enforce compliance with such rules and regulations or other obligations of such Owner arising hereunder, or to obtain damages for noncompliance therewith, as permitted by law. In the event of such judicial action, the Association shall be entitled to recover its costs, including reasonable attorneys' fees, from the offending Owner.

8.06 Granting Easements. The Board of Trustees may, without the vote or consent of the Owners or of any other person, grant or create, on such terms as it deems advisable, easements, licenses and rights-of-way over, under, across, and through the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance or operation of the Project.

8.07 Statutory Duties and Powers. All duties, responsibilities, rights, and powers imposed upon or granted to the "management committee" or to the "manager" under the Condominium Act shall be duties, responsibilities, rights, and powers of the Board of Trustees hereunder.

8.08 Implied Rights. The Association may exercise any right, power, or privilege given to it expressly by this Declaration or by law, and every other right or privilege reasonably implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

8.09 Power of Attorney and Amendments. Each Owner makes, constitutes and appoints the Association his true and lawful attorney in his name, place and stead to make, execute, sign, acknowledge and file with respect to the Project such amendments to this Declaration and the Map as may be required by law or by Vote taken pursuant to the provisions of the Declaration.

8.10 Owner Occupancy - FNMA/FHLMC. The board of trustees and members of the association recognize that it is in the best interests of all owners in the project to maintain continued FHLMC - FNMA project approval in order to ensure the availability of mortgage funding. The board of trustees have the obligation to encourage members of the association to use their best efforts to ensure that the majority of condominiums in the project are maintained as primary residences. The board of trustees shall monitor the project's occupancy and report their findings at each annual homeowner's meeting, at which time the association may vote on resolutions regarding the same.

ARTICLE IX

ASSESSMENTS

9.01 Agreement to Pay Assessments. The Declarant, for each Condominium owned by it within the Project, and for and as the owner of the Project and every part thereof, hereby covenants and each Owner of any Condominium by the acceptance of instruments of conveyance and transfer therefore, whether or not it be so expressed in said instruments, shall be deemed to covenant and agree with each other and with the 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 this Article IX.

9.02 Annual Assessments. Annual Assessments shall be computed and assessed against all Condominiums in the Project 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 the maintenance and operation of the Common Areas and Facilities and/or furnishing utility services and other common items to the Units. Such estimated expenses may include, without limitation, the following: Expenses of management; real property taxes and special assessments (unless and until the Condominiums are separately assessed); premiums for all insurance that the Association is required or permitted to maintain hereunder repairs and maintenance; wages for Association employees, including fees for a Manager (if any); utility charges, including charges for utility services to the Units to the extent not separately metered or billed; legal and accounting fees; any deficit remaining from a previous period; creation of an adequate contingency reserve, major maintenance reserve, and or sinking fund; creation of an adequate reserve fund for maintenance

repairs, and replacement of those Common Areas and Facilities that must be replaced on a periodic basis, and such reserve shall be funded by monthly payments rather than extraordinary special assessments; and any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under or by reason of this Declaration. Such shall constitute the Common Expense, and all funds received from assessments under this Section 9.02 shall be part of the Common Expense Fund.

(b) Apportionment. Expenses 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. The Declarant shall be liable for the amount of any assessments against Condominiums owned by it.

(c) Annual Budget. Annual Assessments shall be determined on the basis of a fiscal year beginning January 1 and ending December 31 next following; provided the first fiscal year shall begin on the date of this Declaration and on or before December 15 of each year thereafter, the Board of Trustees shall prepare and furnish to each Owner, or cause to be prepared and furnished to each Owner, an operating budget for the upcoming fiscal year. The budget shall itemize the estimated expenses of Common Expense for such fiscal year, anticipated receipts (if any), 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 major guideline under which the Project shall be operated during such annual period. Such budgets shall be unnecessary for Annual Assessments relative to, or for operation of the Project during, any operating period ending before January 1, 1985.

(d) Notice and Payment. Except with respect to the first fiscal year, the Board of Trustees shall notify each Owner as to the amount of the Annual Assessment against his or her Condominium on or before December 15 each year for the fiscal year beginning on January 1 next following. Each Annual Assessment shall be payable in twelve equal monthly installments, one such installment due on the first day of each calendar month during the fiscal year to which the assessment relates; provided, however, the Annual Assessment for the first fiscal year shall be based upon such portion of the first fiscal year. The Owners shall commence payment of the full monthly assessments against their respective Condominiums no later than sixty (60) days after the conveyance of the first Condominium in the Project or phase. All unpaid installments of any Annual Assessment shall bear interest at the rate of eighteen percent (18%) per annum from the date each such installment became due until paid. In addition, in the event that any installment of the Annual Assessment is not paid within fifteen (15) days of the date such installment becomes due, the Association may, at its option, and upon fifteen (15) days prior written notice to the Owner accelerate the due date for all remaining unpaid installments of the Annual Assessment for the remainder of the fiscal year and all accrued but unpaid interest thereon. Payment of the Annual Assessment installments so accelerated shall be due at the expiration of said fifteen (15) day notice period and interest shall accrue on the entire sum at the rate of eighteen percent (18%) per annum from such date until paid in full. The failure of the Board of Trustees to give timely notice of any Annual Assessment as provided herein shall not be deemed a waiver or modification in any respect of the provisions of this 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

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date fifteen (15) days after notice of such assessment shall have been given to the Owner in the manner provided in this Declaration.

(e) Inadequate Funds. In the event that the Common Expense Fund proves inadequate at any time for whatever reason, including non-payment of any Owner's assessment, the Board of Trustees may on behalf of the Association levy additional assessments in accordance with the procedure set forth in Section 9.03 below, except that the vote therein specified shall be unnecessary.

9.03 Special Assessments. In addition to the Annual Assessments authorized by this Article, the Board of Trustees may, on behalf of the Association, levy, at any time and from time to time, upon the affirmative vote of at least Fifty-One Percent (51%) of the Total Votes of the Association, Special Assessments, payable over such periods as the Board of Trustees may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Project or any part thereof, or for any other expenses incurred or to be incurred as provided in this Declaration (including without limitation Common Expenses). This Section shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections or Articles hereof. Any amounts assessed pursuant hereto shall be assessed to Owners in proportion to their respective undivided interests in the Common Areas. Notice in writing of the amount of each such Special Assessment 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 portions of any Special Assessment shall bear interest at the rate of eighteen percent (18%) per annum from the date such portions become due until paid. All funds received from assessments under this Section shall be part of the Common Expense Fund.

9.04 Lien for Assessments. All sums assessed to Owners of any Condominium within the Project pursuant to the provisions of this Article IX, together with penalties and interest thereon as provided herein, shall be secured by a lien on such Condominium in favor of the Association. To evidence a lien for sums assessed pursuant to this Article IX, the Board of Trustees may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Condominium, and a description of the Condominium. Such a notice 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 Utah County, State of Utah. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by sale or foreclosure conducted in accordance with the provisions of law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any other manner permitted by law by the Association in the same manner in which mortgages on real property may be foreclosed under the laws of 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 shall become due during the period of foreclosure, and all such assessments shall be secured by the lien being foreclosed. The Board of Trustees shall have the right and power in behalf of the Association to bid in at any foreclosure sale, and to hold, lease, mortgage, or convey the subject Condominium in the name of the Association.

9.05 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. 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 Condominium or by waiving any services or amenities provided for in this Declaration. In the event of any suit to recover a money judgment for unpaid assessments hereunder, the involved Owner shall pay the costs and expenses incurred by the Association in connection therewith, including reasonable attorneys' fees.

9.06 Statement of Account. Upon payment of a reasonable fee not to exceed \$10.00 and upon written request of any Owner, Mortgagee, or prospective purchaser of a Condominium, the Board of Trustees shall issue a written statement setting forth the following: The amount of the unpaid assessments, if any, with respect to such Condominium; the amount of the current Annual Assessment and the date or dates upon which installments thereof become due; credit for advanced payments or prepaid items, including without limitation the Owner's share of prepaid insurance premiums. Such statements shall be conclusive upon the Association in favor of persons who rely thereon in good faith. In the event that the Board of Trustees fails upon written request to issue such a written statement, any unpaid assessments with respect to such Condominium which became due prior to the written receipt of such written request by the Board of Trustees shall become subordinate to a lien held by the person or entity requesting such statement.

9.07 Personal Liability of Purchaser. Subject to the provisions of Sections 9.06 and 14.09, 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 provisions of this Section shall not prejudice the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

9.08 Reserves and Working Capital. The Association shall establish the following funds:

(a) Reserve Fund. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Areas and to the Limited

Common Areas the Association may be obligated to maintain. The reserve fund shall be maintained out of regular assessments for common expenses.

(b) Working Capital Fund. The Association shall also establish and maintain for the initial months of the Project, a working capital fund equal to at least two (2) monthly installments of the Annual Assessment for each Condominium. Each Condominium's share of the working capital fund must be collected and transferred to the Association at the time of the closing of sale of that Condominium. The working capital fund must be maintained in a segregated account for the use and benefit of the Association. The contribution to the working capital fund for unsold Condominium in a legal phase of the Project shall be paid to the Association within sixty (60) days after the date of conveyance of the first Condominium in such legal phase of the Project. The purpose of the working capital fund is to insure that the Association will have cash available to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the Association. Amounts paid into the working capital fund are not to be considered advance payments of any regular assessment.

9.09. Amendment of Article. This Article IX shall not be amended unless the Owners of Seventy-Five Percent (75%) of the Condominiums in the Project consent and agree to such amendment in a duly executed and recorded instrument.

ARTICLE X

INSURANCE

10.01 Types of Insurance. The Association shall obtain and keep in full force and effect at all times the following types of insurance coverage, provided by companies licensed to do business in the State of Utah:

(a) Hazard Insurance. The Association shall obtain, maintain and pay for as a Common Expense a "master" or "blanket" multi-peril policy of property insurance covering the entire Project, including, without limitation, fixtures and Building service equipment to the extent that they are part of the Common Areas and Facilities, Limited Common Areas, common personal property and supplies belonging to the Association, and any fixtures, equipment or other property owned by the Association and any such property that is within the Units which are encumbered by a Mortgage purchased by FNMA or FHLMC. Such master policy of hazard insurance shall provide, as a minimum, protection against the following:

(i) loss or damage by fire and other perils normally covered by the standard extended coverage endorsement; and

(ii) all other perils customarily covered with respect to projects similar to the Project in construction, location, and use, and any other perils for which coverage is commonly required by private institutional mortgage investors for such projects, including all perils normally covered by the standard "all risks" endorsement, where such is available.

The policy shall be in an amount equal to 100% of the insurable value of the Project (based upon the current replacement cost of the Project and all property covered by the policy). In addition, such master policy of hazard insurance shall include the following endorsements, if available: an Agreed Amount and Inflation Guard Endorsement; and, if the Project each should hereafter become subject to a construction code provision which would require the Association to incur a significant expense in order to effect code required changes in the undamaged portions of the Project in the event of the partial destruction of the Project by an insured peril, Construction Code Endorsements (e.g., a Demolition Cost Endorsement, a Contingent Liability from Operation of Building Laws Endorsement and an Increased Cost of Construction Endorsement).

(b) Public Liability Insurance. The Association shall obtain and maintain a comprehensive policy of public liability insurance covering all of the Common Areas and Common Facilities, commercial spaces and public ways (if any) in the Project, whether or not they are leased to a third party. Such insurance policy shall contain a Severability of Interest Endorsement or equivalent coverage which shall preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or other Owners. The scope of coverage shall include, without limitation:

(i) legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the Common Areas and Facilities and legal liability arising out of law suits related to employment contracts of the Association; and

(ii) additional coverages as may be required to include protection against such other risks as are customarily covered with respect to projects similar to the Project in construction, location and use, any other coverage in the kinds and amounts required by private institutional mortgage investors for such projects, including, but not limited to, host liquor liability, contractual and all-written contract insurance, and comprehensive automobile liability insurance.

Coverage limits shall be in amounts generally required by private institutional mortgage investors for projects similar to the Project in construction, location and use; provided, however, that such coverage shall be for at least \$1,000,000 for bodily injury, including deaths of persons, and property damage arising out of a single occurrence.

(c) Workmen's Compensation Insurance. The Association shall obtain and maintain workmen's compensation and employer's liability insurance and all other similar insurance with respect to employees of the Association in the amounts and in the forms now or hereafter required by law.

(d) Fidelity Insurance or Bond. The Association shall obtain and maintain blanket fidelity bonds against dishonest acts on the part of all officers, directors, trustees, managers, and employees of the Association and all other persons, including without limitation, volunteers, handling or responsible for funds of or administered by the Association. Furthermore, where the Association has designated some or all of the responsibility for the handling of funds to a management agent, such bonds shall be required for such management agent's officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association. Such fidelity bonds shall meet the following requirements:

(i) all shall name the Association as an obligee and the named insured;

(ii) all shall be based on the best business judgment of the Association and shall not be written in an amount less than one and one-half times the amount of the Associations' estimated annual operating expenses and reserves, or the estimated maximum of funds, including reserve funds in the custody of the Association or the Manager at any time during the term of each fidelity bond, whichever is greater. However, in no event may the aggregate amount of such bonds be less than a sum equal to three (3) months' aggregate assessments on all Condominiums plus reserve funds.

(iii) all shall contain waivers by the issuers of the bonds or policies of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar terms or expressions, or shall contain an appropriate endorsement to the policy to cover any persons who serve without compensation if the policy would not otherwise cover volunteers;

(iv) all shall provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days prior written notice to the Association or any Insurance Trustee and each Mortgage Servicer on behalf of FMA, or FHLMC; and

(v) the premiums shall all be paid by the Association as a common expense, except for premiums on fidelity bonds or insurance maintained by a management agent for its officers, employees and agents.

(e) Flood Insurance. The Project is not located in either an area identified by the Secretary of Housing and Urban Development or the Federal Emergency Management Agency as an area having special flood hazards for which flood insurance is not available because the community in which the Project is located is ineligible for participation in the National Flood Insurance Program or an area having special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program. In the event that at some future time the Project should be declared to be an area having special flood hazards and for which flood insurance is available under the National Flood Insurance Program, the Association shall at that time obtain and maintain at all times a blanket policy of flood insurance that meets the then existing FHLMC/FNMA flood insurance requirements for similar condominium projects.

(f) Notwithstanding any other provisions contained herein to the contrary, the Association shall continuously maintain in effect such casualty, flood and liability insurance and a fidelity bond meeting the insurance and fidelity bond requirements for condominium development projects established by FHA, VA, FNMA and the Government National Mortgage Association, so long as any of them is a mortgagee, Mortgage Insurer, or owner of a Condominium within the Project, except to the extent such coverage is not available or has been waived in writing by FHA, VA, FNMA or the Government National Mortgage Association.

10.02 Insurance Policy Requirements. The Hazard, Public Liability and Flood Insurance policies obtained by the Association pursuant to Section 10.01 (a), (b), and (e) shall be subject to the following:

(a) The named insured under any such policies shall be set forth therein substantially as follows: "Cambridge Condominiums Owners Association for the use and benefit of the individual Owners (designated by name if required by law)." The policies may also be issued in the name of an authorized representative of the Association, including any Insurance Trustee with whom the Association has entered into an Insurance Trust Agreement, or any successor to such trustee (each of which shall be referred to as "Insurance Trustee"), for the use and benefit of the individual Owners. Loss payable shall be paid in favor of the Association (or Insurance Trustee), as a trustee for each Owner and each such Owner's Mortgagee. Each Owner and each such Owner's Mortgagee, if any, shall be beneficiaries of the policies according to the undivided interest in the Common Areas appurtenant to each Owner's respective Condominium in the percentage of common ownership. Evidence of insurance shall be issued to each Owner and Mortgagee upon request.

(b) Insurance coverage obtained and maintained pursuant to the requirement of Section 10.01 (a), (b) and (e) shall be primary in the event any Owner has insurance covering the same loss;

(c) Insurance coverage must not be prejudiced by an act or neglect of individual Owners when such act or neglect is not within the control of either such Owners collectively or the Association.

(d) Coverage may not be cancelled, changed in a way which is adverse to a Mortgagee, or substantially reduced or modified (including cancellation for nonpayment of premium) without at least ten (10) days prior written notice in advance of the effective date of any reduction in or cancellation of the policy to any and all insured parties, including any Mortgage Servicer on behalf of FNMA or FHLMC, and any First Mortgagee; and

(e) All policies must contain a waiver of subrogation by the insurer as to any and all claims against the Association, any Owner and/or their respective agents, employees or tenants;

(f) Each hazard insurance policy shall be written by a hazard insurance carrier which has a current financial rating by Best's Insurance Reports of Class B+/VI or better;

(g) Policies shall be deemed unacceptable where (i) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the Association, an Owner, FNMA, FHLMC or any designee of FNMA or FHLMC; or (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders, or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent FNMA or an Owner from collecting insurance proceeds;

(h) All policies shall contain or have attached the standard mortgagee clause, or equivalent endorsement (without contribution), which is commonly accepted by private institutional mortgage investors in the area in which the Project is located and which appropriately names FHLMC, FNMA or FHLMC's or FNMA's Mortgage Servicer in the policy if such corporations are holders of one or more first mortgages on Units within the Project. If Mortgage Servicer is named as Mortgagee in the mortgagee clause, Mortgage Servicer's name shall be followed by the phrase "its successors and assigns." The standard mortgagee clause in each policy must be endorsed to provide that any proceeds shall be paid to the Association, or any Insurance Trustee named to represent the Association as provided in Section 10.07, for the use and benefit of the Owners and their first mortgage holders as their interests may appear, or must be otherwise endorsed to fully protect FNMA's and FHLMC's interests;

(i) Policy contracts shall provide that no assessment may be made against FNMA, FHLMC (or their designees), and that any assessment made against others may not become a lien on the Mortgaged Premises superior to the first mortgage; and

(j) Policies shall be in compliance with and consistent with applicable local and State insurance law. Each insurer and any reinsurer must be specifically licensed or authorized by law to transact business within the State of Utah.

10.03 Evidence of Insurance. The Board of Trustees shall provide the Mortgage Servicer with a copy of the "master" or "blanket" policy of Multi-Peril property insurance, including copies of endorsements to such policy as required by FHLMC or FNMA, and where applicable, a copy of any flood insurance policy, a copy of the comprehensive policy of public liability insurance, an appropriate certificate or memorandum of insurance as to each Condominium in the Project which is the subject of a mortgage being serviced for FHLMC or FNMA, any other insurance drafts, policies, notices, invoices and other similar documents.

10.04 Additional Coverage. The provisions of this Declaration shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage in addition to any insurance coverage required by this Declaration, in such amounts and in such forms as the Association may deem appropriate from time to time.

10.05 Owner's Own Insurance. Each Owner, at his own expense, may procure and maintain at all times fire and extended coverage insurance covering personal property of such owner and additional fixtures and improvements added by such Owner against loss by fire and other casualties, including without limitation vandalism and malicious mischief. All policies providing such casualty insurance shall provide that they do not diminish the insurance carrier's coverage for liability arising under insurance policies obtained by the Association pursuant to this Article. Notwithstanding the provisions hereof, each Owner may obtain insurance at his own expense providing such other coverage upon his Condominium, his personal property, for his personal liability, and covering such other risks as he may deem appropriate; provided that each such policy shall provide that it does not diminish the insurance carrier's coverage for liability arising under insurance policies obtained by the Association pursuant to this Article. If obtainable under industry practice without an unreasonable additional charge for such waiver, all such insurance shall contain a waiver of the insurance company's right of subrogation against the Association, the Declarant, the Manager, other Owners, and their respective servants, agents and guests.

10.06 Review of Insurance. The Association shall review annually the coverage and policy limits of all insurance on the Project and adjust the same at its discretion. Such annual review may include an appraisal of the improvements in the Project by a representative of the insurance carrier or carriers providing the policy or policies on the Project, or by such other qualified appraisers as the Association may select.

10.07 Insurance Trustee, Power of Attorney. Notwithstanding anything to the contrary in this Declaration, the Hazard, Public Liability, and Flood Insurance policies obtained by the Association pursuant to Section 10.01(a), (b), and (e) may name as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee"). All such policies obtained by the Association must provide for

recognition of any Insurance Trust Agreement, and the Insurance Trustee, or such other authorized representative, shall have exclusive authority to negotiate losses under any such policy. Each Owner appoints the Association, or the Insurance Trustee (in the event a trustee is designated hereafter to represent the Association), as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association or any Insurance Trustee must hold or otherwise properly dispose of any proceeds of insurance in trust for the Owners and their first mortgage holders, as their interests may appear.

ARTICLE XI

DAMAGE OR DESTRUCTION

11.01 Association as Attorney in Fact. All of the Owners irrevocably constitute and appoint the Association their true and lawful attorney in fact in their name, place, and stead for the purpose of dealing with the Project upon its damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from the Declarant or from any Owner shall constitute an appointment by said grantee of the Association as his attorney in fact as herein provided. As attorney in fact, the Association shall have full and complete authorization, right and power to make, execute, and deliver any contract, deed, or other instrument with respect to the interest of an Owner which may be necessary or appropriate to exercise the powers herein granted.

11.02 Definition of Repair and Reconstruction. Repair and reconstruction of the improvements as used herein means restoring the Project to substantially the same condition in which it existed prior to the damage or destruction, with each Unit and the Common Areas having substantially the same vertical and horizontal boundaries as before.

11.03 Procedures. In the event all or any part of the Project is damaged or destroyed and subject to the provisions of Article XIV below, the Association shall proceed as follows:

(a) Notice to First Mortgagees. The Association shall give timely written notice to any institutional holder of any first mortgage on a unit in the event of substantial damage to or destruction of any unit or any part of the Common Areas.

(b) Estimate of Costs. As soon as practicable after an event causing damage to or destruction of any part of the Project, the Association shall obtain complete and reliable estimates of the costs to repair and reconstruct that part of the Project damaged or destroyed.

(c) Sufficient Insurance. If the proceeds of the insurance maintained by the Association exceed the estimated costs to repair and reconstruct the damaged or destroyed part of the Project, such repair and reconstruction shall be carried out.

(d) Insufficient Insurance--Less than 75% Destruction. If the proceeds of the insurance maintained by the Association are less than the estimated costs to repair and reconstruct the damaged or destroyed part of the Project and if less than seventy-five percent (75%) of the Project is damaged or destroyed, such repair and reconstruction shall nevertheless be carried out. The Association shall levy a Special Assessment sufficient to provide funds to pay the actual costs of such repair and reconstruction to the extent that such insurance proceeds are insufficient to pay such costs. Such Special Assessment shall be allocated and collected as provided in Section 9.03 hereof, except that the vote therein specified shall be unnecessary. Further levies may be made in like manner if the amounts collected (together with the proceeds of insurance) are insufficient to pay all actual costs of such repair and reconstruction.

(e) Insufficient Insurance--75% or More Destruction. If the proceeds of the insurance maintained by the Association are less than the estimated costs to repair and reconstruct the damaged or destroyed part of the Project and if seventy-five percent (75%) or more of the Project is damaged or destroyed, such damage or destruction shall be repaired and reconstructed as provided in Section 11.03(c) hereof if, but only if, either not enough Eligible First Mortgagees approve the termination of the Project pursuant to Section 14.02(a) or, within one hundred (100) days following the damage or destruction, the Owners shall elect by a vote of at least seventy-five percent (75%) of the Total Votes of the Association to carry out such repair and reconstruction. If, however, the termination of the Project is approved a sufficient number of Eligible First Mortgagees pursuant to Section 14.02(a) and the Owners do not, within one hundred (100) days after such damage or destruction, elect by a vote of at least seventy-five percent (75%) of the Total Votes of the Association to carry out such repair and reconstruction, the Association shall record in the office of the County Recorder of Utah County, State of Utah, a notice setting forth such facts. Upon the recording of such notice, the following shall occur:

(i) the Project shall be deemed to be owned in common by the Owners;

(ii) the undivided interest in the Project owned in common which shall appertain to each Owner shall be the percentage of the undivided interest previously owned by such Owner in the Common Areas;

(iii) any liens affecting any of the Condominiums shall be deemed to be transferred, in accordance with the existing priorities, to the undivided interest of the respective Owner in the Project; and

(iv) the Project shall be subject to an action for partition at the suit of any Owner, in which event the net proceeds of any sale resulting from such suit for partition, together with the net proceeds of the insurance of the Project, if any, shall be considered as one fund and shall be divided among all Owners in a percentage equal to the percentage of undivided interest owned by each respective Owner in the Common Areas, as set forth in Exhibit "A" hereto, after first paying out of the respective share of each Owner, to the extent sufficient for the purposes, all liens on the undivided interest in the Project owned by such Owner.

(f) In no event shall an owner of a unit or any other party have priority over the institutional holder of any first mortgage on such unit with respect to the distribution to such unit of any insurance proceeds.

11.04 Repair or Reconstruction. If the damage or destruction is to be repaired and reconstructed as provided above, the Association shall, as soon as practicable after receiving the said estimate of costs, commence and diligently pursue to completion the repair and reconstruction of that part of the Project damaged or destroyed. The Association may take all necessary or appropriate action to effect repair and reconstruction, as attorney-in-fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith, except as otherwise expressly provided herein. The Project shall be restored or repaired to substantially the same condition in which it existed prior to the damage or destruction, with each Unit and the Common Areas having the same vertical and horizontal boundaries as before. Any restoration or repair of the Project, after a partial condemnation or damage due to an insurable hazard, shall be performed substantially in accordance with the Declaration and the original architectural plans and specifications, unless other action is first approved in writing by a sufficient number of Eligible First Mortgagees pursuant to Section 14.02.

11.05 Disbursement of Funds for Repair and Reconstruction. If repair or reconstruction is to occur, the insurance proceeds held by the Association and any amounts received from assessments made pursuant to Sections 11.03(c) and (d) hereof shall constitute a fund for the payment of costs of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for cost of repair and reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair and reconstruction, such balance shall be distributed to the Owners in proportion to their respective percentages of Ownership of the Common Areas.

11.06 Amendment of Article. This Article XI shall not be amended unless the Owners of Seventy-Five Percent (75%) of the Condominiums in the Project consent and agree to such amendment in a duly executed and recorded instrument.

ARTICLE XII

CONDEMNATION

12.01 Condemnation. If at any time or times all or any part of the Project shall be taken or condemned by any public authority under power of eminent domain, the provisions of this Article shall apply. A voluntary sale or conveyance of all or any part of the Project in lieu of condemnation, but under threat of condemnation, shall be deemed to be a taking by power of eminent domain. If any Unit or portion thereof or the Common Areas and facilities or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Board of Trustees shall give prompt written notice of any such proceeding or proposed acquisition to each Owner in the Project and to any First Mortgagee. The Association shall represent the Owners in any condemnation proceedings or in negotiations, settlements, and agreements with the condemning authority for acquisition of the Common Areas, or any part thereof, and each Owner hereby appoints the Association as such Owners's attorney-in-fact for the purposes of such representation.

12.02 Proceeds. All compensation, damages, and other proceeds from any such taking by power of eminent domain (hereinafter the "condemnation award") shall be made payable to the Association and shall be distributed by the Board of Trustees, on behalf of the Association as herein provided.

12.03 Complete Taking. In the event the entire Project is taken by power of eminent domain, condominium ownership pursuant hereto shall terminate and the condemnation award shall be allocated among and distributed to the Owners in proportion to their respective undivided interests in the Common Areas. Such distribution shall be made by check payable jointly to the respective Owners and their respective Mortgagees, as appropriate.

12.04 Partial Taking. In the event less than the entire Project is taken by power of eminent domain, the following shall occur:

(a) Allocation of Award. As soon as practicable, the Board of Trustees shall, on behalf of the Association, reasonably and in good faith, apportion the condemnation award between compensation, severance damages, or other proceeds, and shall allocate such apportioned amounts and pay the same to the Owners as follows:

(i) the total amount apportioned to taking of or injury to the Common Areas shall be allocated among and distributed to all Owners (including Owners whose entire Units have been taken) in proportion to their respective undivided interests in the Common Areas;

(ii) the total amount apportioned to severance damages shall be allocated among and distributed to the Owners of those Condominiums that have not been taken, in proportion to their respective undivided interests in the Common Areas;

(iii) the respective amounts apportioned to the taking of or injury to a particular Unit shall be allocated and distributed to the Owner of such Unit;

(iv) the total amount apportioned to consequential damages and any other takings or injuries shall be allocated and distributed as the Association determines to be equitable under the circumstances;

(v) if apportionment or allocation is already established by negotiation, judicial decree, statute, or otherwise, the Association shall employ such apportionment and allocation to the extent it is relevant and applicable;

(vi) distribution of allocated proceeds shall be made by check payable jointly to individual Owners and their respective Mortgagees, as their interests may appear; and

(vii) no provision of this Article XII or any other provisions in this Declaration, the Articles, or the Bylaws shall entitle the owner of a unit or other party to priority over any First Mortgagee holding such Unit with respect to the distribution to such Unit of the proceeds of any award, settlement, or proceeds from any eminent domain or condemnation proceeding.

(b) Continuation and Reorganization. If less than the entire Project is taken by power of eminent domain, condominium ownership pursuant hereto shall not terminate, but shall continue. In such event the Project shall be reorganized as follows:

(i) if any partial taking results in the taking of an entire Unit, then the Owner thereof shall cease to be a Member of the Association and all voting rights and the undivided interest in the Common Areas appertaining to such Unit shall be reallocated to, and shall appertain to, the remaining Units in proportion to their respective undivided interests in the Common Areas;

(ii) if any partial taking results in the taking of a portion of a Unit and if no determination is made by the Board of Trustees, after duly considering any recommendations, proposals or other input from the Owners, that such taking does not make it impractical to use the remaining portion of such Unit for any lawful purpose permitted by this Declaration, then all voting rights and the undivided interest in the Common Areas appertaining to such Unit shall be reduced in proportion to the reduction in square footage of floor area of such Unit resulting from the taking. The voting rights and undivided interest in the Common Areas so divested from such Unit shall be reallocated to, and shall appertain to, such Unit and the other Units in the Project in proportion to their respective undivided interests in the Common Areas; provided, however, that

such Unit shall participate in such reallocation on the basis of the undivided interest reduced in accordance with the preceding sentence;

(iii) if any partial taking results in the taking of a portion of a Unit and if there is a determination made by the Board of Trustees, after duly considering any recommendations, proposals, or other input from the Owners, that such taking makes it impractical to use the remaining portion of such Unit for any lawful purpose permitted by this Declaration, then all voting rights and the entire undivided interest in the Common Areas appertaining to such Unit shall be reallocated to, and shall appertain to, the remaining Units in proportion to their respective undivided interests in the Common Areas, and the remaining portion of such Unit shall thenceforth be part of the Common Areas;

(iv) the Board of Trustees, after duly considering any recommendations, proposals or other input from the Owners, shall have the duty and authority to make all determinations and to take all actions necessary or appropriate to effectuate reorganization of the Project under the provisions of this Section 12.04(b); provided, however, that if any such determination shall have been or such action taken by judicial decree, the Board of Trustees shall defer thereto and proceed in accordance therewith.

(c) Repair and Reconstruction. Any repair and reconstruction necessitated by condemnation shall be governed by its provisions specified in Article XI hereof for cases of Damage or Destruction; provided, however, that the provisions of said Article dealing with sufficiency or insufficiency of insurance proceeds shall not be applicable.

ARTICLE XIII

OBSOLESCENCE

13.01 Adoption of Plan. Subject to the provisions of Section XIV hereof, Owners holding seventy-five percent (75%) or more of the Total Votes of the Association may agree that the Project is obsolete and adopt a written plan for the renewal and reconstruction of the Project. Written notice of adoption of such a plan shall be given to all Owners and First Mortgagees.

13.02 Payment for Renewal and Reconstruction. The Association shall levy a Special Assessment sufficient to provide funds to pay the estimated expenses of renewal or reconstruction. Such Special Assessment shall be allocated and collected as provided in Section 9.03 hereof, except that the vote therein specified shall be unnecessary. Further levies may be made in like manner if the amounts collected prove insufficient to pay the actual

expenses of such renewal or reconstruction. In the event amounts collected pursuant hereto are in excess of the amounts required for renewal or reconstruction, such excess shall be distributed to the Owners in proportion to their respective percentages of ownership of the Common Areas.

13.03 Sale of Project. Subject to the provisions of Section XIV hereof, the Owners may at any time, by an affirmative vote of at least seventy-five percent (75%) of the Total Votes of the Association, at a special meeting of the Members of the Association duly called for such purpose, elect to sell or otherwise dispose of the Project. In such event, the Board of Trustees shall forthwith record in the office of the County Recorder of Utah County, State of Utah, a notice setting forth such facts, and upon the recording of such notice by the Board of Trustees, the Project shall be sold or otherwise disposed of by the Board of Trustees as attorney in fact for all of the Owners. Such action shall be binding upon all Owners and each Owner shall have the duty to execute and deliver such instruments and to perform all acts in such manner and form as may be necessary or appropriate to effect such sale or other disposition of the Project. The proceeds of such sale or disposition shall be apportioned among the Owners in proportion to their respective undivided interests in the Common Areas, and such apportioned proceeds shall be paid into separate accounts, each such account representing one Condominium. Each such account shall remain in the name of the Association, and shall be further identified by the Condominium designation and the name of the Owner. The Board of Trustees, as attorney in fact, shall use and disburse the total amount of each such account, without contribution from one account to another, first to the payment of valid tax and special assessment liens on the Condominium in favor of any governmental assessing authority, second to the payment of any First Mortgagee holding a first mortgage lien on the Condominium, third to the payment of assessments made pursuant to this Declaration, fourth to the payment of other holders of liens or encumbrances on the Condominium in the order of priority of their liens, and the balance remaining, if any, to the respective Owners.

13.04 Amendment of Article. This Article XIII shall not be amended unless the Owners of Seventy-Five Percent (75%) of the Condominiums in the Project and at least Seventy-Five Percent (75%) of First Mortgagees which have a first mortgage lien on any unit in the Project, based on one vote for each Mortgage, consent and agree to such amendment by duly executed and recorded instruments.

ARTICLE XIV

MORTGAGE PROTECTION

14.01 Notice of Action. Upon written request made to the Association by a First Mortgagee, or an issuer or governmental guarantor of a First Mortgage, which written request shall identify the name and address of such First Mortgagee, issuer or governmental guarantor, and the Unit number or

address of the Unit, any such First Mortgagee, issuer or governmental guarantor shall be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Project or any Condominium on which there is a first mortgage held, insured, or guaranteed by such First Mortgagee, issuer or governmental guarantor;

(b) Any default in the performance by the Owner of a Condominium which is held or is subject to a First Mortgage held, insured, or guaranteed by such First Mortgagee, insurer, or governmental guarantor, of any obligation under this Declaration, including, without limitation, any delinquency in the payment of assessments or charges owed by such Owner, which default remains uncured for a period of 60 days;

(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

(d) Any proposed action which would require the consent of a specified percentage of Eligible First Mortgagees as specified in Section 14.02 below.

Matters Requiring Prior Mortgage Insurer and Eligible First Mortgagee Approval. Except as provided under the Condominium Act in case of condemnation or substantial loss to the limits and/or Common Areas, may be required to give effect to the provisions of Article XVI relating to the expansion and phased development of the Project, the prior written consent of Owners entitled to vote at least Sixty-Seven Percent (67%) of the Total Votes in the Association (unless pursuant to a specific provision of this Declaration the consent of Owners entitled to vote a greater percentage of the Total Votes in the Association is required, in which case such specific provisions shall control), Mortgage Insurers to the extent they have guaranteed the Mortgage of any Condominium in the Project, and First Mortgagees holding First Mortgages on Condominiums having at least Sixty-Seven Percent (67%) of the votes of the Condominiums subject to First Mortgages held by First Mortgagees shall be required to:

(a) Abandon or terminate the legal status of the Project (whether by act or omission);

(b) Sell or otherwise dispose of the Project pursuant to Section 13.03 of this Declaration;

(c) Establish self-management of the Project by the Association when professional management has been previously required by any Eligible First Mortgagee, Mortgage Insurer, insurer, or guarantor;

(d) Add or amend any material provision of the Declaration, Articles, Bylaws or Map, which establishes, provides for, governs or

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regulates any of the following (an addition or amendment to such documents shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only):

- (i) voting;
 - (ii) assessments, assessment liens or subordination of such liens;
 - (iii) reserves for maintenance, repair and replacement of the Common Areas;
 - (iv) Fidelity Bonds or Insurance;
 - (v) rights to use of Common Areas and Common Facilities;
 - (vi) responsibility for maintenance and repair of the several portions of the Project;
 - (viii) boundaries of any Unit;
 - (viii) the undivided ownership interests in the Common Areas, the Common Facilities or Limited Common Areas.
 - (xi) imposition of any right of first refusal or similar restriction on the right of an Owner to sell, transfer or otherwise convey his or her Condominium; and
 - (xii) any provisions which are for the express benefit of First Mortgagees.
- (e) Change the pro rata interest or obligations of any individual Condominium for the purpose of:
- (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards; or
 - (ii) determining the pro rata ownership interest of each Condominium in the Common Areas.
- (f) Partition or subdivide any Condominium;
- (g) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas. (The granting of easements by the Association for public utilities or for other public purposes consistent with the intended use of the Common Areas by the Owners shall not be deemed a transfer within the meaning of this clause);

(h) Use hazard insurance proceeds for losses to any portion of the Project (whether to Units or to Common Areas) for other than the repair, replacement or reconstruction of the Project.

In addition, the prior written approval of Mortgage Insurers, to the extent they have guaranteed the Mortgage of any Condominium in the Project, and Eligible First Mortgagees holding First Mortgages on Condominiums having at least Fifty-One Percent (51%) of the votes of Condominiums subject to First Mortgages held by Eligible First Mortgagees shall be required to (i) effect any restoration or repair of the Project, after a partial condemnation or damage due to an insurable hazard, which will not be substantially in accordance with the Declaration and the original architectural plans and specifications of the Project, (ii) expand or contract the Project or add to or withdraw any property from the Project, or (iii) convert any of the Units in the Project into Common Areas or Common Areas into Units. Any Mortgage Insurer or Eligible First Mortgagee who receives a written request from the Association to approve additions or amendments to the constituent documents and who fails to deliver or post to the Association a negative response within thirty (30) days shall be deemed to have approved such request.

14.03 Prior Liens Relate Only to Individual Condominiums. All taxes, assessments and charges which may become liens prior to the first mortgage under local law shall relate only to the individual Condominiums and not to the Project as a whole.

14.04 Subordination of Common Expense Lien. To the extent permitted by the Condominium Act, any lien which the Association may have on any Condominium in the Project for the payment of common expense assessments attributable to such Condominium and any fees, late charges, taxes or interest levied by the Association in connection therewith shall be subordinate to the lien or equivalent security interest of any First Mortgage on the Condominium recorded prior to the date on which any such common expense assessments became due.

14.05 Information Made Available to Owners, Lenders, and Holders, Insurers and Guarantors of any First Mortgages. Any Owner, lender, or holder, insurer, or guarantor of any First Mortgage shall, upon request, be entitled to inspect current copies of the Declaration, Bylaws, other rules and regulations concerning the Project, and the books, records and financial statements of the Association during normal business hours or under other reasonable circumstances.

14.06 Additional Information Made Available to Holders, Insurers, and Guarantors of First Mortgages. In addition to the rights granted in Section 14.05, any holder, insurer, or guarantor shall, upon request, be entitled written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

14.07 Priority of First Mortgagee in Event of Damage. In the event of substantial damage to or destruction of any Unit or any part of the Common

Area, no provision of the Declaration, Articles, or Bylaws or any amendment thereto shall entitle the owner of a Unit or other party to priority over any First Mortgagee with respect to the distribution to such Owner of any insurance proceeds.

14.08 Priority of First Mortgagee in Event of Condemnation. If any Unit or portion thereof or the Common Areas or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, no provision of the Declaration, Articles, or Bylaws or any amendment thereto, shall entitle the Owner of a Unit, or any other party, to priority over any First Mortgagee with respect to the distribution to such Unit of the proceeds of any award or settlement.

14.09 First Mortgagee Rights in Event of Foreclosure. To the extent permitted by the Condominium Act, each First Mortgagee who obtains title to a Unit pursuant to the remedies provided in the Mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Unit free of any claims for unpaid assessments and charges against the Unit which accrue prior to the acquisition of title to such Unit by the First Mortgagee.

14.10 No Right of First Refusal. No "right of first refusal" shall be included in or added by amendment to the Declaration, Articles or Bylaws.

ARTICLE XV

COMPLIANCE WITH DECLARATION AND BYLAWS

15.01 Compliance. Each Owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation and Bylaws of the Association, rules and regulations promulgated by the Association, and the decisions and resolutions of the Association adopted pursuant thereto, as the same may lawfully be modified and amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due for damages or for injunctive relief or for both, maintainable by the Association or, in a proper case, by an aggrieved Owner.

15.02 Enforcement and Remedies. The obligations, provisions, covenants, restrictions, and conditions contained in this Declaration, or in any Supplemental or Amended Declaration, with respect to the Association or Condominiums within the Project shall be enforceable by the Declarant or by any Owner of a Condominium within the Project, subject to this Declaration, by a proceeding for a prohibitive or mandatory injunction or by a suit or action to recover damages or to recover any amount due or unpaid. The obligations, provisions, covenants, restrictions, and conditions contained in this

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Declaration, or in any Supplemental or Amended Declaration, with respect to a person or entity or property of a person or entity other than the Association shall be enforceable by the Declarant or by the Association or, in a proper case, by an aggrieved Owner by a proceeding for a prohibitive or mandatory injunction or by a suit or action to recover damages or to recover any amount due or unpaid. No summary abatement or similar procedure may be utilized through non-judicial means to alter or demolish items or construction.

ARTICLE XVI

EXPANDABLE CONDOMINIUM

16.01 Reservation of Right to Expand. The Declarant hereof expressly reserves the option and right to expand the Ivy at the Ridge Condominiums pursuant to the provisions of this Article:

(a) Consent of Owners Not Required. The consent of the Owners in the Project shall not be required for such expansion and the Declarant may proceed with such expansion at its sole option.

(b) Liability Insurance. Declarant shall obtain at Declarant's expense if requested to do so by any Mortgage Insurer, a liability insurance policy in an amount determined by the Mortgage Insurer, in the event and to the extent there are any guaranteed Mortgages in the Project, to cover any exposure of the Owners to any liability resulting from the expansion of the Project. The policy shall be endorsed "as owner's interest might appear."

(c) Preparation and Recording of Supplemental Map and Amendment. Prior to adding all or any portion of the Additional Land to the Project, the Declarant shall:

(i) substantially complete or cause the substantial completion of any intended improvements to be constructed upon the Additional Land to be added to the Project;

(ii) pay or provide for the payment of all taxes, assessments, mechanic's liens and other charges affecting or relating to the Additional Land to be added to the Project covering any period of time prior to the date upon which such Additional Land is added to the Project;

(iii) record, with regard to the Additional Land or any portion thereof that is being added to the Project, a supplemental record of survey map (the "Supplemental Map") which shall describe the land added to the Project and comply in all respects with this Article XVI. Each such Supplemental Map shall be certified as to

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its accuracy and compliance with the requirements of the Act by the land surveyor who prepared or supervised the preparation thereof; and

(iv) prepare, execute and record simultaneously with each Supplemental Map an amendment to the Declaration (the "Amendment") which shall contain a legal description by metes and bounds of the land added to the Project and shall reallocate individual interests in the Common Areas so that the Units created in the land added to the Project shall be allocated undivided interests in the Common Areas on the same basis as Units initially constructed in the Project as reflected in Exhibit "A" attached hereto. Each such Amendment shall assign an identifying number to each Unit, if any, formed out of the land added to the Project. Each such Amendment shall describe or delineate the Limited Common Areas and Limited Common Facilities, if any formed out of the Additional Land added to the Project.

(d) Submission of Supplemental Map and Amendment to Mortgage Servicer. Prior to expanding the Project by adding all or any portion of the Additional land to the Project, the Declarant shall provide the Mortgage Servicer with a copy of the Supplemental Record of Survey Map and the Amendment to the Declaration describing each such expansion of the Project.

(e) Approval of Mortgage Insurer Required. The condominium regime contemplated herein may not be amended or merged with a successor condominium regime without the prior written approval of any Mortgage Insurer, in the event there are mortgages in the Project guaranteed by such Mortgage Insurer.

(f) Expiration of Right to Expand. This option to expand the Project shall expire seven (7) years after the recording of this Declaration; however, the Declarant may, at any time prior to the expiration of such period, terminate its option to expand by recording among the land records wherein this Declaration is recorded an executed and notarized document terminating this option.

16.02 Description of Additional Land. The additional land which may, at the option of Declarant, be made part of the Project is located in the City of Provo, Utah County, State of Utah, and is more particularly described as follows, to-wit:

PHASE II, PARCEL "A"

Commencing at a point located East 2122.71 feet and North 439.87 feet from the South one-quarter corner of Section 18, Township 6 South, Range 3 East, Salt Lake Base and Meridian; thence North 48°30' West 116.37 feet; thence along the arc of a 922.77 foot radius curve to the right 28.05 feet (chord bears North 47°37'45" West 28.05 feet); thence along the arc of a 20.00 foot radius curve to the right 32.35 feet (chord bears North 0°25'30" West 28.94 feet); thence along the arc of a 64.00 foot radius curve to the left 76.82 feet (chord bears North 11°31'12" East 72.29 feet); thence North 22°52'06" West 164.35 feet; thence along the

arc of a 20.00 foot radius curve to the right 25.79 feet (chord bears North 14°03'57" East 24.04 feet); thence North 51°00' East 52.00 feet; thence along the arc of a 100.00 foot radius curve to the right 55.27 feet (chord bears North 66°50' East 54.57 feet; thence North 82°40' East 78.27 feet; thence South 7°20' East 37.24 feet; thence along the arc of a 157.50 foot radius curve to the left 55.43 feet (chord bears South 17°24'57" East 55.15 feet); thence South 27°29'54" East 219.50 feet; thence along the arc of a 192.50 foot radius curve to the left 14.04 feet (chord bears South 29°35'16" East 14.04 feet); thence South 46°34'26" West 201.12 feet to the point of beginning.

AREA = 1.733 ACRES

PHASE II, PARCEL "B"

Commencing at a point located East 1778.63 feet and North 814.15 feet from the South one-quarter corner of Section 18, Township 6 South, Range 3 East, Salt Lake Base and Meridian; thence North 51°00' East 218.85 feet; thence North 7°20' West 144.36 feet; thence North 82°40' East 80.00 feet; thence South 7°20' East 202.86 feet; thence along the arc of a 144.00 foot radius curve to the left 58.67 feet (chord bears South 62°40'22" West 58.27 feet); thence South 51°00' West 52.00 feet; thence along the arc of a 64.00 foot radius curve to the left 82.51 feet (chord bears South 14°03'57" West 76.92 feet); thence South 22°52'06" East 164.35 feet; thence along the arc of a 20.00 foot radius curve to the right 56.35 feet (chord bears South 57°51'12" West 39.48 feet); thence along the arc of a 922.77 foot radius curve to the right 39.06 feet (chord bears North 40°12'46" West 39.06 feet); thence North 39°00' West 240.34 feet to the point of beginning.

AREA = 1.10 ACRES

PHASE III

Commencing at a point located East 2266.40 feet and North 635.72 feet from the South one-quarter corner of Section 18, Township 6 South, Range 3 East, Salt Lake Base and Meridian; thence North 27°29'54" West 181.34 feet; thence along the arc of a 132.50 foot radius curve to the right 46.63 feet (chord bears North 17°24'57" West 46.39 feet); thence North 7°20' West 37.24 feet; thence North 82°40' East 55.89 feet; thence South 42°44'06" East 189.28 feet; thence South 36°30' West 137.04 feet to the point of beginning.

AREA = 0.503 ACRE

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PHASE IV

Commencing at a point located East 2266.40 feet and North 635.72 feet from the South one-quarter corner of Section 18, Township 6 South, Range 3 East, Salt Lake Base and Meridian; thence North 36°30' East 27.06 feet; thence South 53°30' East 215.31 feet; thence along the arc of a 219.43 foot radius curve to the left 118.82 feet (chord bears South 3°58'11" East 117.37 feet); thence along the arc of a 170.21 foot radius curve to the right 126.79 feet (chord bears South 1°51'29" West 123.88 feet); thence North 41°12'36" West 31.89 feet; thence North 29°43'54" West 31.68 feet; thence along the arc of a 167.50 foot radius curve to the right 46.84 feet (chord bears North 21°43'15" West 46.69 feet); thence North 13°42'36" West 74.53 feet; thence along the arc of a 142.50 foot radius curve to the left 74.54 feet (chord bears North 28°41'44" West 73.69 feet); thence North 43°40'52" West 59.62 feet; thence along the arc of a 167.50 foot radius curve to the right 47.31 feet (chord bears North 35°35'23" West 47.15 feet); thence North 27°29'54" West 38.16 feet to the point of beginning.

AREA = 0.555 ACRE

THIS SPACE LEFT INTENTIONALLY BLANK.

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16.03 Declarant's Right to Add All or Portions of Additional Land. The Declarant need not add all or any portion of the Additional Land to the Project; however, the Declarant may, at its sole discretion and without limitation, add all or any portion or portions of the Additional Land to the Project and may do so at different times.

16.04 Location of Improvements. Declarant makes no assurances as to the locations of any improvements that may be made on any portions of the Additional Land added to the Project.

16.05 Maximum Number of Units. The improvements to be placed on the Additional Land shall contain no more than twenty-three (23) residential Condominiums; and no more than 5.83 Units per acre, including dedicated rights-of-way within the Project, may be created on any portion of the Additional Land hereafter added to the Project. The minimum number of Units to be built shall be adequate to support reasonably the Common Areas. The maximum number of Units to be built in the Project, as expanded, thirty-five (35) units, shall not overload the Common Areas. In the event the Project is fully expanded as provided herein, the minimum undivided fractional interest of each Unit in the Common Areas shall not be less than 1/35 and the maximum percent interest of each Unit in the Common Areas shall be 1/12.

16.06 Compatibility with Structures in Initial Project. Declarant intends to erect structures on any portion of the Additional Land added to the Project that will be compatible with the structures on the land initially within the Project. However, Declarant hereby reserves the right to select the design and configuration of any improvements erected on any portion of the Additional Land added to the Project that in the judgment of the Declarant may be required to achieve the best development of the Project provided that such improvements are consistent with the improvements on the land initially within the Project and meet the conditions imposed upon the project when approved by Provo City, Application #083-110 (PPA) or amended hereafter. Declarant must build said improvements in accordance with an approved plan for the total development of the Project supported by detailed plats and plans.

16.07 Other Improvements. Other improvements to be placed on the additional land shall be limited to parking, recreational and service facilities.

16.08 Units Not Identical to Initial Units. Although Declarant intends to create Units in the improvements on the additional land that

will be compatible with the Units initially constructed within the Project, Declarant makes no assurances as to whether units that may be created in the improvements on the additional land will be identical to Units initially constructed within the Project; provided, however, that the units that may be created on the additional land shall be consistent with the units initially constructed in the Project in terms of quality of construction.

16.09 Limited Common Areas. The Declarant reserves the right, in its sole discretion and without limitation, to create Limited Common Areas within any portion of the additional land and to designate Common Areas and Common Facilities therein which may subsequently be assigned as Limited Common Areas for the purpose of making parking spaces, carports, patios, decks, entries, and such other traditional types of Limited Common Areas as the Declarant may see fit to create.

16.10 Convertible Spaces. The Declarant hereby reserves the right, in its sole discretion and without limitation, to create Convertible Spaces within any structure constructed on any portion of the Additional Land which may hereafter be added to the Project according to the requirements of the Condominium Act and those established by any First Mortgagee, FHA, VA, FHLMC or FNMA. Declarant shall not be required to obtain the consent of the Owners or mortgagees prior to creating such Convertible Spaces. Further, the Declarant reserves the sole and exclusive right to convert any Convertible Spaces so created to Units, Common Areas and Limited Common Areas; provided that Declarant does so in compliance with any requirements of the Condominium Act and any requirements established by any First Mortgagee, FHA, VA, FHLMC or FNMA.

16.11 Convertible Land. The Declarant hereby reserves the right, in its sole discretion and without limitation, to create Convertible Land according to the requirements of the Condominium Act and those established by any First Mortgagee, FHA, VA, FHLMC or FNMA within any portion of the Additional Land which may hereafter be added to the Project. Declarant shall not be required to obtain the consent of the Owners or Mortgagees prior to creating such Convertible Land. Further, the Declarant reserves the sole and exclusive right to convert all or any portion of the Convertible Land so created to Units, Common Areas and Limited Common Areas; provided that Declarant does so in compliance with the requirements of the Condominium Act and those established by any First Mortgagee, FHA, VA, FHLMC, or FNMA.

16.12 Withdrawable Land. The Declarant hereby reserves the right, in its sole discretion and without limitation, to create Withdrawable Land according to the requirements of the Condominium Act and those established by any First Mortgagee, FHA, VA, FHLMC or FNMA within any portion of the Additional Land which may hereafter be added to the Project. Declarant shall not be required to obtain the consent of the Owners or Mortgagees prior to creating such Withdrawable Land. Further, the Declarant reserves the sole and exclusive right to withdraw all or any portion or portions of any Withdrawable Land so created from the Project; provided that Declarant does so in compliance with the requirements of the Condominium Act and those established by any First Mortgagee, FHA, VA, FHLMC or FNMA.

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16.13 Reservation for Residential Use. Any portion of the Additional Land which is hereafter added to the Project and any Units created thereon shall be restricted primarily to residential purposes, including, but not limited to, both owner and tenant occupied condominium structures. Not more than 20% of the aggregate land and floor area of all of the Units that may be created on any portion of the additional land which is hereafter added to the Project shall be used for any purpose other than for residential purposes.

16.14 Votes and Common Expenses. The Owners of the Condominiums created within any portion of the Additional Land that is added to the Project shall be entitled to vote the votes in the Association appurtenant to each such Condominium. Each additional Condominium that is added to the Project shall be allocated an undivided fractional interest in the Common Areas equal to the undivided fractional interest allocated to each other Condominium in the Project, as expanded. For example, if the Project, as expanded, ultimately includes 35 condominiums, each of the 35 condominiums in the Project will be allocated a fractional undivided interest in the Common Areas equal to 1/35. Expenses attributable to the common Expense or to the Project as a whole shall be apportioned among and assessed to the existing Owners and to the Owners of the additional Condominiums in proportion to their respective undivided interests in the Common Areas of the Project, as expanded.

ARTICLE XVII

GENERAL PROVISIONS

17.01 Intent and Purpose. The provisions of this Declaration, and any Supplemental or Amended Declaration, shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of a Condominium Project. Failure to enforce any provision, restriction, covenant, or condition contained in this Declaration, or in any Supplemental or Amended Declaration, shall not operate as a waiver of any such provision, restriction, covenant, or condition or of any other provisions, restrictions, covenants, or conditions.

17.02 Construction. The provisions of this Declaration shall be in addition and supplemental to the provisions of the Condominium Act and all other provisions of law. Whenever used herein, unless the context shall otherwise require, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both genders. The Article and Section headings set forth herein are for convenience and reference only and are not intended to expand, limit, or otherwise affect the meaning or interpretation of this Declaration or any provision hereof. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provisions hereof.

17.03 Notices and Registration of Mailing Address. Each Owner shall register from time to time with the Association his current mailing address. All notices, demands, and other communications to any Owner as provided for in this Declaration shall be in writing and shall be sufficient for all purposes if personally served or if sent by first class U.S. mail, postage prepaid, addressed to the Owner at his registered mailing address or, if no address has been registered to the Unit of such Owner. All notices, demands and other communications to the Association as provided for in this Declaration shall be in writing and shall be sufficient for all purposes if personally served or if sent by first class U.S. mail, postage prepaid, addressed to the Association at its offices at 2696 North University Avenue #290 Provo, Utah 84604, or to such other address as the Association may hereafter specify to the Owners in writing. Any notice, demand, or communication referred to in this Declaration shall be deemed to have been given and received when personally served or when deposited in the U.S. mail, postage prepaid, and in the form provided for in this section, as the case may be.

17.04 Audit. Any Owner may at any reasonable time, upon appointment and at his own expense, cause an audit or inspection to be made of the books and records maintained by the Association. The Association, at the expense of the Common Expense Fund, shall obtain an audit, by certified public accountants, of all books and records pertaining to the Project at no greater than annual intervals, and copies thereof shall be furnished to the Owners.

17.05 Amendment. Except as otherwise provided herein, this Declaration may be amended if owners holding at least two-thirds (2/3) of the Total Votes in the Association consent and agree to such amendment by instruments which are duly recorded in the office of the County Recorder of Utah County, State of Utah.

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

17.07 Agent for Service. The name and address of the person to receive service of process in all cases provided by the Condominium Act, shall be the registered agent and address of the Association as shown on the official corporate records maintained in the office of the Secretary of State of the State of Utah. On the date of this Declaration, the registered agent of the Association is Harrison H. Horn, 2696 North University Avenue #290, Provo, Utah 84604.

17.08 Limitation on Association's Liability. The Association shall not be liable for any failure of water service or other utility service (if any) to be obtained and paid for by the Association hereunder, or for injury or damage to any person in or upon the Project, or resulting from electricity, water, rain, snow, or ice which may leak or flow from outside or from any parts of the Building or its drains, pipes, conduits, appliances, or equipment, or from any other place, unless caused by the grossly negligent or willful misconduct of the Association. No diminution or abatement of any

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assessments under this Declaration shall be claimed or allowed for inconvenience or discomfort arising from the making of any repairs or improvements to or maintaining the Project or any part thereof, or from any action taken to comply with the provisions of this Declaration or with the laws, ordinances, regulations, rules, or order of any governmental authority.

17.09 Owner's Obligations. All obligations of an Owner, under and by virtue of the provisions contained in this Declaration shall continue, notwithstanding that he may be leasing, renting, or selling under contract his Condominium. The Owner of a Condominium within the Project shall have no obligation for expenses or other obligations accruing after he conveys such Condominium.

17.10 Model Units, Sales Offices and Advertising Signs. Declarant and Declarant's duly authorized agents, representatives and employees shall have the right to establish and maintain model units and sales offices on the land within the Project, and the right to use such model units and sales offices during the period that Condominiums in the Project remain unsold. No more than two model units and one sales office will be established and maintained by Declarant in the Project. Declarant reserves the right to relocate the same from time to time within the Project. Declarant further reserves the right to maintain advertising signs on the Project and to place the same in any location, and to relocate, replace and remove the same at the sole discretion of Declarant during the period that units in the Project remain unsold.

17.11 Termination. In addition to the prior written approval of the percentage of Eligible First Mortgagees specified in Section 4.02, the Total Votes in the Association shall be required before the Project may be abandoned or terminated, except as provided by law and in this Declaration in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain.

IN WITNESS WHEREOF, the undersigned declarant has executed this Declaration the day and year first above written.

DECLARANT:

SUMMERSET CANYON CONDOMINIUM CORPORATION,
a Utah corporation

ATTEST:

By: Wesley F. Yamashita
Wesley F. Yamashita,
Secretary

By: Harrison H. Hoff
Harrison H. Hoff, President

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STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

On this 10th day of May, 1985, personally appeared before me Harrison H. Horn and Wesley F. Yamashita, who, being by me duly sworn, did say that they are the President and Secretary, respectively, of Summerset Canyon Condominium Corporation, a Utah corporation, and that the within and foregoing instrument was signed in behalf of said corporation by authority of its Board of Directors, and said Harrison H. Horn and Wesley F. Yamashita acknowledged to me that said Corporation executed the same.

My Commission Expires:

Aug 23 1986

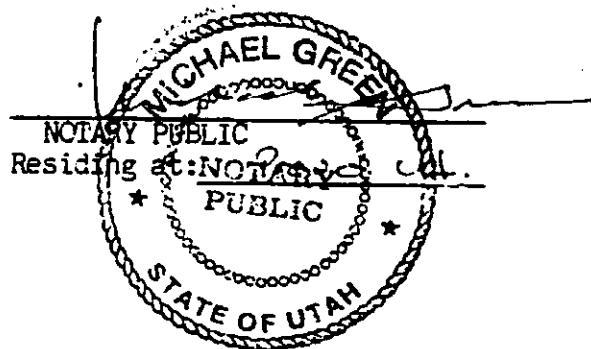


EXHIBIT "A"

(Attached to and forming a part of the Declaration of Condominium of the Ivy At The Ridge Condominiums, a Utah Condominium Project.)

UNITS, UNDIVIDED OWNERSHIP INTERESTS, AND VOTES:

<u>Unit</u>	<u>UNDIVIDED OWNERSHIP INTERESTS (FRACTIONS)*</u>	<u>VOTES</u>
A-5	1/12	1
B-3	1/12	1
C-4	1/12	1
B-4	1/12	1
A-6	1/12	1
A-9	1/12	1
B-8	1/12	1
C-8	1/12	1
A-10	1/12	1
A-11	1/12	1
B-9	1/12	1
A-12	1/12	1

* All Units in the Project have been allocated equal Undivided Ownership Interests as shown above.

BYLAWS
OF
IVY AT THE RIDGE CONDOMINIUMS OWNERS' ASSOCIATION
A Utah Nonprofit Corporation

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BYLAWS
OF
IVY AT THE RIDGE CONDOMINIUMS OWNERS' ASSOCIATION
A Utah Nonprofit Corporation

Pursuant to the provisions of the Utah Nonprofit Corporation and Cooperative Association Act, the Board of Trustees of Ivy At The Ridge Condominium Owners' Association, a Utah nonprofit corporation, hereby adopts the following Bylaws for such nonprofit corporation.

ARTICLE I
NAME AND PRINCIPAL OFFICE

1.01 Name. The name of the nonprofit corporation is Ivy At The Ridge Condominiums Owners' Association, hereinafter referred to as the "Association".

1.02 Offices. The initial principal office of the Association shall be at 2696 North University Avenue #290, Provo, Utah 84604.

ARTICLE II
DEFINITIONS

2.01 Definitions. Except as otherwise provided herein or as may be required by the context, all terms defined in Article I of the Declaration (hereinafter referred to as the "Declaration") of Condominium for Ivy At The Ridge Condominiums, a Utah Condominium Project (hereinafter referred to as the "Project") shall have such defined meanings when used in these Bylaws.

ARTICLE III
MEMBERS

3.01 Annual Meetings. The meeting of Members shall be held on the first Tuesday of September of each year at the hour of 7:00 o'clock p.m., beginning with the year following the year in which the Articles of Incorporation are filed, for the purpose of electing Trustees and transacting such other business as may come before the meeting. If the election of Trustees shall not be held on the day designated herein for the annual meeting of the Members, or at any adjournment thereof, the Board of Trustees shall

cause the election to be held at a special meeting of the Members to be convened as soon thereafter as may be convenient. The Board of Trustees may from time to time by resolution change the date and time for the annual meeting of the Members.

3.02 Special Meetings. Special meetings of the Members may be called by the Board of Trustees, the President, or upon the written request of Members holding not less than ten percent (10%) of the Total Votes of the Association, such written request to state the purpose or purposes of the meeting and to be delivered to the Board of Trustees or the President.

3.03 Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place in Utah County, State of Utah, as may be designated by the Board of Trustees and stated in the notice of the meeting.

3.04 Notice of Meetings. The Board of Trustees shall cause written or printed notice of the time, place, and purposes of all meetings of the Members (whether annual or special) to be delivered, not more than fifty (50) nor less than ten (10) days prior to the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail addressed to the Member at his registered address, with first-class postage thereon prepaid. Each Member shall register with the Association such Member's current mailing address for purposes of notice hereunder. Such registered address may be changed from time to time by notice in writing to the Association. If no address is registered with the Association, a Member's Unit address shall be deemed to be his registered address for purposes of notice hereunder.

3.05 Members of Record. Upon purchasing a Condominium in the Project, each Owner shall promptly furnish to the Association a certified copy of the recorded instrument by which ownership of such Condominium has been vested in such Owner, which copy shall be maintained in the records of the Association. For the purpose of determining Members entitled to notice of or to vote at any meeting of the Members, or any adjournment thereof, the Board of Trustees may designate a record date, which shall not be more than fifty (50) nor less than ten (10) days prior to the meeting, for determining Members entitled to notice of or to vote at any meeting of the Members. If no record date is designated, the date on which notice of the meeting is mailed shall be deemed to be the record date for determining Members entitled to notice of or to vote at the meeting. The persons or entities appearing in the records of the Association on such record date as the Owners of record of Condominiums in the Project shall be deemed to be the Members of record entitled to notice of and to vote at the meeting of the Members.

3.06 Quorum. At any meeting of the Members, the presence of Members holding, or holders of proxies entitled to cast, more than fifty-one percent (51%) of the Total Votes of the Association shall constitute a quorum for the transaction of business. In the event a quorum is not present at a meeting, the Members present (whether represented in person or by proxy), though less than a quorum, may adjourn the meeting to a date no later than

seven (7) days from the date of the originally scheduled meeting. Notice thereof shall be delivered to the Members as provided above. At the reconvened meeting, the Members and proxy holders present shall constitute a quorum for the transaction of business.

3.07 Proxies. At each meeting of the Members, each Member entitled to vote shall be entitled to vote in person or by proxy; provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been executed by the Member himself or by his attorney thereunto duly authorized in writing. If a Membership is jointly held, the instrument authorizing a proxy to act must have been executed by all holders of such Membership or their attorneys thereunto duly authorized in writing. Such instrument authorizing a proxy to act shall be delivered at the beginning of the meeting to the Secretary of the Association or to such other officer or person who may be acting as secretary of the meeting. The secretary of the meeting shall enter a record of all such proxies in the minutes of the meeting.

3.08 Votes. With respect to each matter submitted to a vote of the Members, each Member entitled to vote at the meeting shall have the right to cast, in person or by proxy, the number of votes appertaining to the Condominium of such Member, as shown in the Declaration. The affirmative vote of a majority of the votes entitled to be cast by the Members present or represented by proxy at a meeting at which a quorum was initially present shall be necessary for the adoption of any matter voted on by the Members, unless a greater proportion is required by the Articles of Incorporation, these Bylaws, the Declaration, or Utah law. The election of Trustees shall be by secret ballot. If a membership is jointly held, all or any holders thereof may attend each meeting of the Members. Where Membership is jointly held by two individuals, such holders must act unanimously to cast the votes relating to such Membership. Where three or more individuals jointly hold the Membership, such holders shall cast the votes relating to such Membership as the majority of said holders shall agree among themselves.

3.09 Waiver of Irregularities. All inaccuracies and irregularities in calls or notices of meetings and in the manner of voting form of proxies, and method of ascertaining Members present shall be deemed waived if no objection thereto is made at the meeting.

3.10 Informal Action by Members. Any action that is required or permitted to be taken at a meeting of the Members may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

ARTICLE IV
BOARD OF TRUSTEES

4.01 General Powers. The property, affairs, and business of the Association shall be managed by its Board of Trustees. The Board of Trustees may exercise all of the powers of the Association, whether derived from law or the Articles of Incorporation, except such powers as are by law, by the Articles of Incorporation, by these Bylaws, or by the Declaration vested solely in the Members. The Board of Trustees may by written contract delegate, in whole or in part, to a professional management organization or person such of its duties, responsibilities, functions, and powers as are properly delegable.

4.02 Number, Tenure and Qualifications. The number of Trustees of the Association shall be three (3). The initial Board of Trustees specified in the Articles of Incorporation shall serve until either Declarant elects substitute Trustees for such initial Board or the Declarant turns over to the Members, as provided in Section 7.02 of the Declaration, the responsibility for electing Trustees whichever first occurs. At the first annual meeting of the Members held after the Declarant turns over to the members responsibility for electing Trustees, the Members shall elect three (3) Trustees to replace all of the then serving Trustees and to serve for the following respective terms: two (2) Trustees to serve for a term of two (2) years each; and one (1) Trustee to serve for a term of one (1) year. At each annual meeting thereafter, the Members shall elect for terms of two (2) years each the appropriate number of Trustees to fill all vacancies created by expiring terms of Trustees. All Trustees, except Trustees appointed by the Declarant, shall be Members of the Association.

4.03 Regular Meetings. The regular annual meeting of the Board of Trustees shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of the Members. The Board of Trustees may provide by resolution the time and place, within Utah County, State of Utah, for the holding of additional regular meetings without other notice than such resolution.

4.04 Special Meetings. Special meetings of the Board of Trustees may be called by or at the request of any Trustee. The person or persons authorized to call special meetings of the Board of Trustees may fix any place, within Utah County, State of Utah, as the place for holding any special meeting of the Board of Trustees called by such person or persons. Notice of any special meeting shall be given at least five (5) days prior thereto by written notice delivered personally, or mailed to each Trustee at his registered address, or by Telegram. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail so addressed, with first-class postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to have been delivered when the telegram is delivered to the telegraph company. Any Trustee may waive notice of a meeting.

4.05 Quorum and Manner of Acting. A majority of the then authorized number of Trustees shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees. The act of a majority of the Trustees present at any meeting at which a quorum is present shall be the act of the Board of Trustees. The Trustees shall act only as a Board, and individual Trustees shall have no powers as such.

4.06 Compensation. No Trustee shall receive compensation for any services that he may render to the Association as a Trustee; provided, however, that a Trustee may be reimbursed for expenses incurred in performance of his duties as a Trustee to the extent such expenses are approved by the Board of Trustees and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as a Trustee.

4.07 Resignation and Removal. A Trustee may resign at any time by delivering a written resignation to either the President or the Board of Trustees. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any Trustee, except a Trustee appointed by the Declarant, may be removed at any time, for or without cause, by the affirmative vote of seventy-five percent (75%) of the Total Votes of the Association at a special meeting of the Members duly called for such purpose.

4.08 Vacancies and Newly Created Trusteeships. If vacancies shall occur in the Board of Trustees by reason of the death, resignation or disqualification of a Trustee (other than a Trustee appointed by Declarant), the Trustees then in office shall continue to act, and such vacancies shall be filled by a vote of the Trustees then in office, though less than a quorum, in any way approved by such Trustees at the meeting. Any vacancy in the Board of Trustees occurring by reason of removal of a Trustee by the Members may be filled by election at the meeting at which such Trustee is removed. If the authorized number of Trustees shall be increased, such newly created Trusteeships shall be filled by election of the Members at a special meeting or annual meeting of the Members. If vacancies shall occur in the Board of Trustees by reason of death, resignation or removal of a Trustee appointed by the Declarant, such vacancies shall be filled by appointments to be made by the Declarant. Any Trustee elected or appointed hereunder to fill a vacancy shall serve for the unexpired term of his predecessor or for the term of the newly created Trusteeship, as the case may be.

4.09 Informal Action by Trustees. Any action that is required or permitted to be taken at a meeting of the Board of Trustees, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Trustees.

ARTICLE V
OFFICERS

5.01 Officers. The officers of the Association shall be a President, Vice President, Secretary, Treasurer and such other officers as may from time to time be appointed by the Board of Trustees.

5.02 Election, Tenure and Qualifications. The officers of the Association shall be chosen by the Board of Trustees annually at the regular annual meeting of the Board of Trustees. In the event of failure to choose officers at such regular annual meeting of the Board of Trustees, officers may be chosen at any regular or special meeting of the Board of Trustees. Each such officer (whether chosen at a regular annual meeting of the Board of Trustees or otherwise) shall hold his office until the next ensuing regular annual meeting of the Board of Trustees and until his successor shall have been chosen and qualified, or until his death, or until his resignation, disqualification, or removal in the manner provided in these Bylaws, whichever first occurs. Any one person may hold any two or more of such offices, except that the President may not also be the Secretary. No person holding two or more offices shall act in or execute any instrument in the capacity of more than one office. The President, Secretary and Treasurer shall be and remain Trustees of the Association during the entire term of their respective offices. No other officer need be a Trustee.

5.03 Subordinate Officers. The Board of Trustees may from time to time appoint such other officers or agents as it may deem advisable, each of whom shall have such title, hold office for such period, have such authority, and perform such duties as the Board of Trustees may from time to time determine. The Board of Trustees may from time to time delegate to any officer or agent the power to appoint any such subordinate officers or agents and to prescribe their respective titles, terms of office, authorities, and duties. Subordinate officers need not be Members or Trustees of the Association.

5.04 Resignation and Removal. Any officer may resign at any time by delivering a written resignation to the President or the Board of Trustees. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any officer may be removed by the Board of Trustees at any time, for or without cause.

5.05 Vacancies and Newly Created Offices. If any vacancy shall occur in any office by reason of death, resignation, removal, disqualification, or any other cause, or if a new office shall be created, such vacancies or newly created offices may be filled by the Board of Trustees at any regular or special meeting.

5.06 The President. The President shall preside at meetings of the Board of Trustees and at meetings of the Members. He shall sign on behalf of the Association all conveyances, mortgages, documents, and contracts, and shall do and perform all other acts and things that the Board of Trustees may require of him.

5.07 The Vice President. The Vice President shall act in the place and stead of the President in the event of the President's absence or inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Trustees.

5.08 The Secretary. The Secretary shall keep the minutes of the Association and shall maintain such books and records as these Bylaws, the Declaration, or any resolution of the Board of Trustees may require him to keep. The Secretary shall also act in the place and stead of the President in the event of the absence of both President and Vice President or their inability or refusal to act. He shall be the custodian of the seal of the Association, if any, and shall affix such seal, if any, to all papers and instruments requiring the same. He shall perform such other duties as the Board of Trustees may require of him.

5.09 The Treasurer. The Treasurer shall have the custody and control of the funds of the Association, subject to the action of the Board of Trustees, and shall, when requested by the President to do so, report the state of the finances of the Association at each annual meeting of the Members and at any meeting of the Board of Trustees. He shall perform such other duties as the Board of Trustees may require of him.

5.10 Compensation. No officer shall receive compensation for any services that he may render to the Association as an officer; provided, however, that an officer may be reimbursed for expenses incurred in performance of his duties as an officer to the extent such expenses are approved by the Board of Trustees and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as an officer.

ARTICLE VI COMMITTEES

6.01 Designation of Committees. The Board of Trustees may from time to time by resolution designate such committees as it may deem appropriate in carrying out its duties, responsibilities, functions, and powers. The membership of each such committee designated hereunder shall include at least one (1) Trustee. No committee member shall receive compensation for services that he may render to the Association as a committee member; provided, however, that a committee member may be reimbursed for expenses incurred in performance of his duties as a committee member to the extent that such expenses are approved by the Board of Trustees and (except as otherwise provided in these Bylaws) may be compensated for services rendered to the Association other than in his capacity as a committee member.

6.02 Proceedings of Committees. Each committee designated hereunder by the Board of Trustees may appoint its own presiding and recording

officers and may meet at such places and times and upon such notice as such committee may from time to time determine. Each such committee shall keep a record of its proceedings and shall regularly report such proceedings to the Board of Trustees.

6.03 Quorum and Manner of Acting. At each meeting of any committee designated hereunder by the Board of Trustees, the presence of members constituting at least a majority of the authorized membership of such committee (but in no event less than two members) shall constitute a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which a quorum is present shall be the act of such committee. The members of any committee designated by the Board of Trustees hereunder shall act only as a committee, and the individual members thereof shall have no powers as such.

6.04 Resignation and Removal. Any member of any committee designated hereunder by the Board of Trustees may resign at any time by delivering a written resignation to the President, the Board of Trustees, or the presiding officer of the committee of which he is a member. Unless otherwise specified therein, such resignation shall take effect upon delivery. The Board of Trustees may at any time, for or without cause, remove any member of any committee designated by it hereunder.

6.05 Vacancies. If any vacancy shall occur in any committee designated by the Board of Trustees hereunder, due to disqualification, death, resignation, removal, or otherwise, the remaining members shall, until the filling of such vacancy, constitute the then total authorized membership of the committee and, provided that two or more members are remaining, may continue to act. Such vacancy may be filled at any meeting of the Board of Trustees.

ARTICLE VII INDEMNIFICATION

7.01 Indemnification Third Party Actions. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a Trustee or officer of the Association, or is or was serving at the request of the Association as a director, trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no

reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by an adverse judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

7.02 Indemnification Association Actions. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a Trustee or officer of the Association, or is or was serving at the request of the Association as a director, trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against expenses (including attorney's fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association and except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

7.03 Determinations. To the extent that a person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Sections 7.01 or 7.02 hereof, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith. Any other indemnification under Sections 7.01 or 7.02 hereof shall be made by the Association only upon a determination that indemnification of the person is proper in the circumstances because he has met the applicable standard of conduct set forth respectively in Sections 7.01 or 7.02 hereof. Such determination shall be made either (i) by the Board of Trustees by a majority vote of disinterested Trustees or (ii) by independent legal counsel in a written opinion, or (iii) by the Members by the affirmative vote of at least fifty percent (50%) of the Total Votes of the Association at any meeting duly called for such purpose.

7.04 Advances. Expenses incurred in defending a civil or criminal action, suit, or proceeding as contemplated in this Article may be paid by the Association in advance of the final disposition of such action, suit, or proceeding upon a majority vote of a quorum of the Board of Trustees and upon receipt of an undertaking by or on behalf of the person to repay such amount or amounts unless it ultimately be determined that he is entitled to be indemnified by the Association as authorized by this Article or otherwise.

7.05 Scope of Indemnification. The indemnification provided for by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any provision in the Association's Articles of Incorporation, Bylaws, agreements, vote of disinterested Members or Trustees, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. The indemnification authorized by this Article shall apply to all present and future Trustees, officers, employees, and agents of the Association and shall continue as to such persons who cease to be Trustees, officers, employees, or agents of the Association and shall inure to the benefit of the heirs and personal representatives of all such persons and shall be in addition to all other rights to which such persons may be entitled as a matter of law.

7.06 Insurance. The Association shall purchase and maintain insurance on behalf of any person who was or is a Trustee, officer, employee, or agent of the Association, or who was or is serving at the request of the Association as a trustee, director, officer, employee, or agent of another corporation, entity, or enterprise (whether for profit or not for profit), as may be required by Article X of the Declaration.

7.07 Payments and Premiums. All indemnification payments made, and all insurance premiums for insurance maintained, pursuant to this Article shall constitute expenses of the Association and shall be paid with funds from the Common Expense Fund referred to in the Declaration.

ARTICLE VIII FISCAL YEAR AND SEAL

8.01 Fiscal Year. The fiscal year of the Association shall begin on the first day of January each year and end on the 31st day of December next following, except that the first fiscal year shall begin on the date of incorporation.

8.02 Seal. The Board of Trustees may by resolution provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association, the state of incorporation, and the words "Corporate Seal".

ARTICLE IX RULES AND REGULATIONS

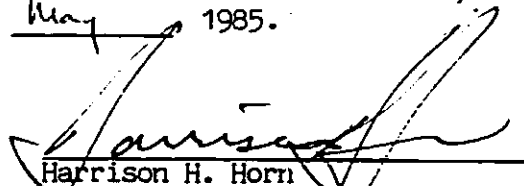
9.01 Rules and Regulations. The Board of Trustees may from time to time adopt, amend, repeal, and enforce reasonable rules and regulations governing the use and operation of the Project, to the extent that such rules

and regulations are not inconsistent with the rights and duties set forth in the Articles of Incorporation, the Declaration, or these Bylaws. The Members shall be provided with copies of all rules and regulations adopted by the Board of Trustees, and with copies of all amendments and revisions thereof.

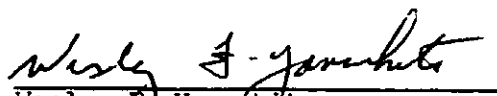
ARTICLE X
AMENDMENTS

10.01 Amendments. Except as otherwise provided by law, by the Articles of Incorporation, by the Declaration, or by these Bylaws, these Bylaws may be amended, altered, or repealed and new bylaws may be made and adopted by the Members upon the affirmative vote of at least fifty-one percent (51%) of the Total Votes of the Association; provided, however, that such action shall not be effective unless and until a written instrument setting forth (i) the amended, altered, repealed, or new bylaw, (ii) the number of votes cast in favor of such action, and (iii) the Total Votes of the Association, shall have been executed and verified by the current President of the Association and recorded in the office of the County Recorder of Utah County, State of Utah.

IN WITNESS WHEREOF, the undersigned, constituting all of the Trustees of Ivy At The Ridge Condominiums Owners' Association, have executed these Bylaws on the 10 day of May 1985.


Harrison H. Horn


Michael G. Green


Wesley D. Yamashita

CONSENT OF DECLARANT

On this 10 day of May 1985, the undersigned Harrison H. Horn, dba Summeret Canyon Condominiums Inc., as the Declarant, does hereby consent to and execute these Bylaws in accordance with the provisions of the Utah Condominium Ownership Act.

DECLARANT:

SUMMERSET CANYON CONDOMINIUMS
INC., a Utah corporation

ATTEST:

By:

Wesley F. Yamashita
Wesley F. Yamashita, Secretary

By:

Harrison H. Horn
Harrison H. Horn, President

STATE OF UTAH)

COUNTY OF Utah)

:ss.

On the 10 day of May 1985, personally appeared before me Harrison H. Horn, Michael G. Green, and Wesley F. Yamashita, who, being by me duly sworn, did say that they are the members of the board of trustees of Ivy At The Ridge Condominiums Owners' Association, and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its board of trustees, and said Harrison H. Horn, Michael G. Green, and Wesley F. Yamashita duly acknowledged to me that they executed the same.

Cindy Meacham
NOTARY PUBLIC

Residing at: Orem, Utah

My Commission Expires:

3/28/88

STATE OF UTAH)
COUNTY OF Utah) :ss.

On this 10 day of May 1985, personally appeared before me Harrison H. Horn and Wesley F. Yamashita, who, being by me duly sworn, did say that they are the President and Secretary, respectively, of Summerset Canyon Condominiums Inc., a Utah corporation, and that the within and foregoing instrument was signed in behalf of said corporation by authority of its Board of Directors, and said Harrison H. Horn and Wesley F. Yamashita acknowledged to me that said corporation executed the same.

Emily Mechem
NOTARY PUBLIC
Residing at: Orem Utah

My Commission Expires:

3/28/88