

AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS,
FOR
HIDDEN LAKE CONDOMINIUM

This Amended and Restated Declaration of Covenants, Conditions and Restrictions, hereinafter called "Declaration", and the By-Laws which are attached hereto and made a part hereof are made and executed in Salt Lake County, Utah, this 10th day of October, 1995, by Hidden Lake Condominium Homeowners Association, a Utah Corporation, authorized to do business in Salt Lake County, Utah, hereinafter called the "Declarant", for itself and its successors, grantees, and assigns, pursuant to the provisions of the Utah Condominium Ownership Act, Utah Code Annotated Section 57-8-1, et, seq., (1953 as amended), hereinafter referred to as the "Condominium Ownership Act" or "Act".

WITNESSETH:

WHEREAS, Declarant is an association of all of the owners of certain land located in Salt Lake County, Utah, hereinafter referred to as the "land" and more particularly described in Appendix A of the Declaration which is attached hereto and made a part hereof; and

WHEREAS, the aforesaid property consists of the land above-described, together with certain residential condominium buildings, units, common area and certain other improvements heretofore constructed upon said premises; and

WHEREAS, seven residential buildings consisting of a total of 118 residential condominium units and 7 separate garage units, and other improvements upon the aforesaid premises have been constructed in accordance with the plans and drawings set forth in the Record of Survey Map filed on or about May 31, 1974, consisting of nine sheets, prepared and certified by C. J. Schuchert, a duly registered Utah Land Surveyor; and

WHEREAS, Declarant desires and intends by filing this Amended and Restated Declaration to re-submit the above-described real property and the said buildings and other improvements constructed hereon to the provisions of the Utah Condominium Ownership Act as a condominium project known as Hidden Lake Condominium; and

WHEREAS, Declarant desires and intends to re-impose upon said property mutually beneficial restrictions for the benefit of said property and the owners thereof; and

WHEREAS, the fee title to the individual units contained in said condominium project, together with an undivided ownership interest in the common areas and facilities appurtenant thereto, is subject to the covenants, conditions, and restrictions herein reserved to be kept and observed; and

WHEREAS, on or about May 31, 1974, the HIDDEN LAKE CONDOMINIUM PROJECT was created by the filing for record in the office of the Recorder of Salt Lake County, Utah, an instrument entitled the "Declaration of Covenants, Conditions, Restrictions, and By-Laws for Hidden Lake Condominium" as Entry No. 2625963, in Book 3599, at Pages 455-487 of the official records of the County Recorder of Salt Lake County, Utah.

WHEREAS, on or about January 28, 1977, the original Declaration was supplemented and modified by an instrument entitled "Amendment to the Declaration and By-Laws of Hidden Lake Condominium," as Entry No. 2903356, in Book 4443, at Page 1322 of the official records of the County Recorder of Salt Lake County, Utah; and

WHEREAS, this Amended and Restated Declaration of Covenants, Conditions, Restrictions and By-Laws for Hidden Lake Condominium affects that certain real property located in Salt Lake County, Utah, and described with particularity on Appendix "A" attached hereto and incorporated herein by this reference; and

WHEREAS, the Declarant desires and intends hereby to consolidate all prior amendments to the Declaration, eliminate all irrelevant and immaterial references now that the Project has been completed, and update the provisions contained herein; and

WHEREAS, the voting requirements of Section 24 of the Declaration have been satisfied and this Amended and Restated Declaration of Covenants, Conditions, Restrictions, and By-Laws for Hidden Lake Condominium has been approved by at least two-thirds (2/3) in the aggregate in interest of the undivided ownership of the common areas and facilities.

NOW THEREFORE, for such purposes, Declarant hereby makes the following Declaration containing covenants, conditions, and restrictions relating to this condominium project which pursuant to the provisions of Utah Code Annotated Section 57-8-10 (1953 as amended) shall be enforceable equitable servitudes, where reasonable, and shall run with the land:

1. NAME OF THE CONDOMINIUM PROPERTY:

The name by which the condominium property shall be known is Hidden Lake Condominium. 2.

2. DEFINITIONS:

The terms used herein shall have the meaning stated in the Utah Condominium Ownership Act as follows unless the context clearly indicates a different meaning therefor:

A. The term "Association of Unit Owners" shall mean and refer to all of the Unit Owners acting as a group in accordance with the Act, the Declaration, and By-Laws.

B. The term "Common Areas and Facilities" shall mean and refer to:

1. The above described land. (see Appendix A)

2. That portion of the Condominium Project not specifically included in the respective units as herein defined.

3. All foundations, columns, girders, beams, supports, main walls, roof, exterior walkways, parking areas, (other than the seven (7) separate Garage Units), service streets, stalls, and social center, recreational areas and facilities, yards, gardens, fences, window screens, patio door screens, all installations of power, light and other utilities to the outlets, and in general all other apparatus, installations and other parts of the property necessary or convenient to the existence, maintenance, and safety of the Common Areas and Facilities, or areas normally in common use.

4. Those Common Areas and Facilities specifically set forth and designated as such in the Map.

5. All Common Areas and Facilities as defined in the Act, whether or not expressly listed herein except that portion of the Condominium Project included in the respective units.

C. The term "Common Expenses" shall mean and refer to all expenses of administration, maintenance, repair, or replacement of the Common Areas and Facilities; to all items, things, and sums described in the Act which are lawfully assessed against the Unit Owners in accordance with the provisions of the Act, this Declaration, the By-Laws, such rules and regulations pertaining to the Condominium Project as the Association of Unit Owners or the Management Committee may from time to time adopt, and such determinations and agreements lawfully made and/or entered into by the Management Committee.

D. The term "Condominium" shall mean and refer to the ownership of a single Unit in this Condominium Project together with an undivided interest in Common Areas and Facilities of the property.

E. The term "Condominium Project" or "Project" shall mean and refer to the entire real estate Condominium Project referred to in this Declaration.

F. The term "Declarant" shall mean Hidden Lake Condominium Homeowners Association, a Utah Corporation, authorized to do business in Utah, which has made and executed this Declaration.

G. The term "Declaration" shall mean this instrument.

H. The term "Limited Common Areas and Facilities" shall mean and refer to those Common Areas and Facilities designated in the Declaration and the Map reserved for use of a certain Unit or Units to the exclusion of the other Units.

I. The terms "Majority" or "Majority of the Unit Owners" shall mean the Owners of more than fifty percent (50%) in the aggregate of the Residential Units.

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

K. The term "Map" shall mean and refer to the Record of Survey Map of Hidden Lake Condominium, recorded on or about May 31, 1974, in accordance with Utah Code Annotated Section 57-8-13 (1953 as amended).

L. The term "Management Committee" shall mean and refer to a committee composed of persons duly elected thereto by the Association of Unit Owners, as provided by this Declaration and the Act in accordance with the By-Laws hereto attached as Appendix C. Said Committee is charged with and shall have the responsibility and authority to make and to enforce all of the reasonable rules and regulations covering the operation and maintenance of the property.

M. The term "Mortgage" shall mean and refer to both a first mortgage or first deed of trust on any Unit, but it does not mean a seller's interest in any executory contract of sale or other similar security instrument.

N. The term "Mortgagee" shall mean and refer to a mortgagee under a first mortgage and a beneficiary under a first deed of trust on any Unit, but it does not mean a seller under an executory contract of sale or other similar security instrument.

O. The term "Permanent Resident" shall mean and refer to anyone who resides in a Unit for more than four (4) consecutive weeks or for more than eight (8) total weeks in any calendar year.

P. The term "Property" shall mean and include the land, the building, all improvements and structures thereon, all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith.

Q. The term "Residential Unit" shall mean and refer to one of the 118 residential dwelling units at Hidden Lake Condominium.

R. The term "Unit" shall mean and refer to one of the Residential Units or one of the separate Garage Units designated on the Record of Survey Map and in Appendix B attached hereto. A Unit shall include any walls, partitions, and floors which are wholly contained within its vertical and horizontal perimeters and the surfaces of any floors, ceilings, or coverings which bound it. A Unit shall not include pipes, wires, conduits, or other utility lines running through it which are utilized for or which serve more than one Unit. Nor shall a Unit include attic space above a Unit.

S. The term "Unit Number" shall mean and refer to the number designating the Unit in the Declaration and in the Record of Survey Map.

T. The term "Unit Owner" shall mean the person or persons owning a Unit in fee simple and an undivided interest in the fee simple estate of the Common Areas and Facilities in the percentage specified and established in the Declaration. It includes owners of record and both the seller and buyer under an executory sales contract or other similar instrument, jointly and severally, but does not include a mortgagee or a beneficiary or trustee under a deed of trust, unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

U. Those definitions contained in the Act, to the extent they are applicable to and not inconsistent herewith, shall be and are hereby incorporated herein by reference and shall have the same effect as if expressly set forth herein and made a part hereof.

3. DESCRIPTION OF PROPERTY:

A. DESCRIPTION OF LAND.

The tract or parcel of land in Salt Lake County, State of Utah, and more particularly described in Appendix A of this Declaration.

B. GENERAL DESCRIPTION OF BUILDINGS.

The residential buildings constituting a part of the Condominium Project are seven (7) in number and include a total of 118 (one-hundred-eighteen) Residential Units. There are also seven (7) separate Garage Units. There is one recreational building and one security building, both of which are Common Areas.

The buildings are constructed of a concrete frame and contain an exterior consisting of brick and wood.

Each Residential Unit is designed for use as a single-family residence, and has the exclusive right to use and occupy a garage, balcony(ies), and/or patio which is reserved as Limited Common Area for each Unit. Each garage is designed for parking a motor vehicle.

All other details involving the respective descriptions and locations of the building and a statement of the number of units and other like details are set forth in the Map which was filed of record on or about May 31, 1974, and incorporated herein by reference.

C. DESCRIPTION OF UNITS.

Each Residential Unit shall consist of:

1. The space enclosed within the undecorated interior surface of its perimeter walls, floors, and ceilings (being in appropriate cases the inner surfaces parallel to the roof plane, of the roof rafters, and the projections thereof) projected, where appropriate to form a complete enclosure of space including any pipes, ducts, wires, conduits, or structural divisions such as interior walls or partitions which may intervene.

2. Any finishing material applied or affixed to the interior surfaces of the perimeter walls, floors, and ceilings, including, without limitation, paint, lacquer, varnish, wallpaper, tile, and paneling.

3. Non-supporting interior walls.

4. Windows and doors in the perimeter walls, whether located within the bounds of a Unit or not, but not including any space occupied thereby to the extent located outside the bounds of the Units.

5. All utility pipes or lines or systems, and fixtures or appliances connected thereto, servicing a single Unit (or connecting a single Unit to a main or central utility to the point of a disconnection from such main or central utility) whether located within the bounds of the Unit or not, but not including any space occupied thereby to the extent located outside the bounds of the Unit.

Each garage is defined by the vertical and horizontal dimensions of such Units as shown on the Map. Units forming a part of the condominium property are more particularly described in the Map which shows graphically all the particulars of the buildings; without limiting the generality of the foregoing, the unit designations are set forth in Appendix B attached hereto.

Each Unit has immediate access to the Common Areas and Facilities.

Every contract for the sale of a Unit and every other instrument affecting title to a Unit may describe that Unit by its identifying number or symbol as designated in the Map or Maps with the appropriate reference to the Map(s) and to the Declaration, as each shall appear on the records of the County Recorder of Salt Lake County, Utah, in substantially the following fashion:

Unit _____, Building _____, Hidden lake Condominium as recorded on the official plat thereof in the office of the County Recorder of Salt Lake County, State of Utah, together with _____ percent of the undivided interest in the Common Areas and Facilities of Hidden Lake Condominium,

Such description will be construed to describe the Unit, together with the undivided interest in the Common Areas and Facilities appurtenant thereto, and to incorporate all the rights and limitations incident to said ownership.

In order to assure a community of congenial owners and occupants, and, thus, protect the value of each Unit, every contract, verbal or written, for the renting or leasing of a Unit shall contain or be deemed to contain a written statement that the tenant has read and agrees to be bound by and subject to this Declaration, the By-Laws and Rules. Anything to the contrary notwithstanding, each lease shall be deemed to be subject to the following restrictions:

Units may only be rented in their entirety and no fraction or portion thereof may be rented.

No transient tenants may be accommodated; all rentals shall be for a term of no less than six (6) months; and no corporate, hotel, resort, seasonal, executive or rental pool use shall be permitted.

All leases shall be subject to and bound by the Declaration, By-Laws and Rules.

The Unit Owner shall make available to each tenant a copy of the Declaration, By-Laws and Rules; and shall provide the Management Committee with a written statement that this has been done.

The Management Committee is hereby designated as the Unit Owner's attorney in fact to evict a tenant who is in material violation of the Declaration, By-Laws or Rules if the Unit Owner, after ten days prior written notice, fails, neglects or refuses to proceed; and the Management Committee may recover from the Unit Owner and the tenant all costs incurred in enforcing this Section, including attorneys fees, regardless of whether a lawsuit is filed. Collection may occur by lien and foreclosure as set forth with more specificity in Section 17 herein.

D. DESCRIPTION OF COMMON AREAS AND FACILITIES:

Except as otherwise in this Declaration provided, the Common Areas and Facilities shall consist of all parts of the condominium property except the Units. Without limiting the generality of the foregoing, the Common Areas and Facilities shall include the following, whether located within the bounds of a Unit or not:

1. All structural part of the building including, without limitation, foundations, columns, joists, beams, supports, supporting walls, floors, ceilings, attics and roofs.
2. Patios, balconies, decks, steps, yards, courts, and driveways.
3. The roadways contained therein.
4. Any utility pipe or line or system servicing more than a single Unit, and all ducts, wires, conduits, and other accessories used therewith, but excluding any pipe or line or accessory connecting a single Unit to a main or central pipe or line or system or to a pipe or line or system servicing more than a single Unit.

5. All other parts of the condominium property necessary or convenient to its existence, maintenance, and safety, or normally in common use, or which have been designated as Common Areas and Facilities in the Map.

6. All repairs and replacements of any of the foregoing.

E. DESCRIPTION OF LIMITED COMMON AREAS AND FACILITIES.

Each Unit Owner is hereby granted an irrevocable license to use and occupy the Limited Common Areas and Facilities reserved exclusively for the use of his Unit, which shall consist of all the Common Areas and Facilities including but not limited to the balcony(ies) and/or patio and a garage which is intended for the exclusive service of the Unit, the use and occupancy of which shall in each case be limited to such Unit.

4. SUBMISSION TO CONDOMINIUM OWNERSHIP:

Declarant hereby submits the above-described property, tract of land, building, and other improvements constructed thereon or hereafter to be constructed, together with all appurtenances thereto, to the provisions of the Act as a Condominium Project and this Declaration is submitted in accordance with the terms of the provisions of the Act and shall be construed in accordance therewith.

5. COVENANTS TO RUN WITH THE LAND:

This Declaration containing covenants, conditions, and restrictions relating to the Project shall be enforceable equitable servitudes and shall run with the land and this Declaration and servitudes shall be binding upon Declarant, its successors and assigns, and upon all Unit Owners or subsequent Unit Owners of all or any part of the Condominium Project, and upon their grantees, mortgagees, successors, heirs, executors, administrators, devisees, and assigns.

6. STATEMENT OF PURPOSES, USES, AND RESTRICTIONS:

A. PURPOSES. The purposes of the condominium property are to provide housing and recreational facilities for the Unit Owners and their respective families, tenants, guests, and servants in accordance with the provisions of the Utah Condominium Ownership Act.

B. RESTRICTIONS ON USE. The Units and Common Areas and Facilities shall be used and occupied as follows:

1. No part of the condominium property shall be used for other than housing and the related common purposes for which the condominium property was designed. Each Unit shall be used and occupied as a residence for a single family and for no other purpose.

2. Each garage shall be used for the parking or storage of a motor vehicle. No personal property shall so fill a garage as to leave no room for the parking of a motor vehicle. No vehicle may be parked, stored or abandoned in an unauthorized area. Each Residential Unit shall have one assigned open space and one garage (two garages in the case where a Unit Owner has title to one of the seven (7) separate Garage Units). Excess vehicles or vehicles which do not fit in a garage must be parked or stored in the Recreational Vehicle compound. A "key deposit" may be charged by the Management Committee for use of the Recreational Vehicle compound.

Visitor parking shall be used exclusively by visitors, guests or invitees of Unit Owners or occupants. Vehicles parked in unauthorized areas or vehicles which have expired tags or plates may be impounded or towed by the Management Committee without notice at the vehicle owner's expense.

No Owners or occupants shall repair or restore any vehicle of any kind in or about the Common Area, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility. No parking area space may be modified without the prior written consent of the Management Committee.

3. There shall be no obstruction of the Common Areas and Facilities, nor shall anything be stored in the Common Areas and Facilities without the prior written consent of the Management Committee except as is otherwise provided herein.

4. No submission of claims may be made on the Association's insurance policy for a loss or damage caused by the Unit Owner or occupant, which, with reasonable prudence, the Unit Owner or occupant could have avoided. Nothing shall be done, kept, or omitted in any Unit or in the Common Areas and Facilities which will increase the rates of insurance on the building or units or contents thereof beyond that customarily applicable for residential use, without the prior written consent of the Management Committee. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Areas and Facilities which will result in the cancellation of insurance on the building, or the contents thereof, or which would be in violation of any law or regulation of any governmental authority. No waste shall be committed in the Common Areas and Facilities.

5. No Unit Owner shall cause or permit anything (including, without limitation, a sign, awning, canopy, shutter, storm door, screen door, radio or television antenna or satellite dish or system) to hang, to be displayed or otherwise affixed to or placed on the exterior walls or roof or any part thereof, or the outside of windows or doors, without the prior written consent of the Management Committee.

6. No pets, animals, reptiles or birds of any kind shall be raised, bred or kept in any Unit or in the Common Areas and Facilities, except that dogs, cats, and other household pets may be kept in Units, subject to the rules adopted by the Management Committee provided further that any such pet causing or creating a nuisance or disturbance shall be permanently removed from the condominium property upon ten (10) days notice from the Management Committee.

7. No noxious or offensive activity shall be carried on in any Unit or in the Common Areas and Facilities, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to other Unit Owners or occupants. This includes but is not limited to the following:

a. The creation of any offensive, unclean, unhealthy, or unsightly condition on, in or about his Unit or the Common Areas; and

b. Actions or activities which cause embarrassment, discomfort, annoyance, distress, anxiety to, or which disturb any other resident, his family, friends, guests or invitees; and

c. The creation of an unreasonable amount of noise or traffic, particularly after 10:00 o'clock p.m. and before 8:00 o'clock a.m.; and

d. Actions or activities which unreasonably interfere with another resident's quiet and peaceful enjoyment of his property.

8. No structural alterations may be made to the exterior of any Unit or the Common Areas without the prior written consent of the Management Committee. Nothing shall be done in any Unit or in, on or to the Common Areas and Facilities which will impair the structural integrity of the building or the Project or any part thereof or which would structurally change the building, the Project, or any part thereof except as is otherwise provided herein.

9. No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of the Common Areas, Limited Common Areas and Facilities, except in a balcony and/or patio in such a manner as not to be visible except from the Unit for which such balcony and/or patio is reserved. The Common Areas and Facilities shall be kept free and clear of all rubbish, debris, and other unsightly materials.

10. Except in a Unit or balcony and/or patio in such manner as not to be visible except from the Unit for which such balcony and/or patio is reserved or (subject to the rules) on driveways or in other areas specifically designed and intended for such purposes, there shall be no playing, lounging or parking or placing of baby carriages, playpens, bicycles, wagons, toys, vehicles, benches or chairs in or on any part of the Common Areas and Facilities.

11. No industry, business, trade, occupation, or profession of any kind, whether for commercial, religious, educational, charitable, or other purposes (hereinafter referred to collectively as "business" or "trade") shall be conducted, maintained, or permitted on any part of the condominium property unless: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Unit; (b) the activity conforms to all zoning requirements for the Project; (c) the activity does not involve persons coming onto the Project who do not reside in the Project or door-to-door or telephone solicitation of residents of the Project; and (d) the activity is consistent with the residential character of the Project and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Project, as may be determined in the sole discretion of the Management Committee.

The terms "business" and "trade" as used in this Section shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation or other form of consideration, regardless of whether: (a) such activity is engaged in full or part time; (b) such activity is intended to or does generate a profit; or (c) a license is required therefor. Anything to the contrary notwithstanding, the leasing of a Unit shall not be deemed to be a "trade" or "business" within the meaning of this Section.

12. No "For Sale" or "For Rent" signs or other window displays or advertising be maintained or permitted by any Unit Owner on any part of the condominium property or in any Unit therein, except that "For Sale" or "For Rent" signs of a size not to exceed 18" x 24" or three (3) square feet may be placed inside one window of a Unit to facilitate the disposal of such Unit by any Unit Owner, mortgagee or the Association of Unit Owners.

13. In order to prevent breakage or leakage of water pipes during colder months of the year, and the resulting water damage, increased Common Expenses, and increased insurance premiums or the cancellation of insurance policies due to numerous damage claims, the thermostats within all "vacant" or "unoccupied" Units shall be maintained with the heat in an "on" position and at a minimum temperature of 60 degrees Fahrenheit (except during power failures or periods when heating equipment is temporarily broken) from October through April of each year, inclusive, or whenever the temperature outside is forecasted to or does reach 32 degrees Fahrenheit or below. Unit Owners and occupants shall maintain their thermostats in good working condition. The Management Committee may refuse to submit the

claim of any Unit Owner or occupant violating this Section to its insurance carrier and/or may require the Unit Owner or occupant to pay the deductible and the damages.

7. OWNERSHIP AND USE:

A. OWNERSHIP OF A UNIT. Except with respect to any of the Common Areas and Facilities located within the bounds of a Unit, each Unit Owner shall be entitled to the exclusive ownership and possession of his Unit and to the ownership of an undivided interest in the Common Area and Facilities in the percentage expressed in Appendix B hereof.

B. PROHIBITION AGAINST SUBDIVISION OF UNIT. No Unit Owner shall, by deed, plat, or otherwise, subdivide or in any manner cause his Unit or his appurtenant garage to be separated into tracts or parcels smaller than the whole Unit as shown on the Map. Anything to the contrary notwithstanding, the seven (7) separate Garage Units identified in the Recital Section may only be owned by, or conveyed or transferred to Owners of Residential Units, and may only be leased to or used by persons who reside in a Residential Unit.

C. OWNERSHIP OF COMMON AREAS AND FACILITIES. The Common Areas and Facilities shall be owned by the Unit Owners as tenants in common, and ownership thereof shall remain undivided. No action for partition of any part of the Common Areas and Facilities shall be maintainable, except as specifically provided in the Utah Condominium Ownership Act, nor may any Unit Owner otherwise waive or release any rights in the Common Areas and Facilities.

D. USE OF COMMON AREAS AND FACILITIES. Except with respect to Limited Common Areas, each Unit Owner may use the Common Areas and Facilities in accordance with the purposes for which they are intended, but subject to this Declaration and the By-Laws, which right of use shall be appurtenant to and run with the Unit.

E. INTEREST IN COMMON AREAS AND FACILITIES. The percentage of interest in the Common Areas and Facilities of each Unit was determined on the basis of value set forth by the original Declarant May 31, 1974, in accordance with the Utah Condominium Ownership Act which percentages are contained in Appendix B hereof.

F. USE AND MAINTENANCE OF LIMITED COMMON AREAS AND FACILITIES. A Unit Owner's use and occupancy of the Limited Common Areas and Facilities reserved for his Unit shall be subject to and in accordance with this Declaration and the By-Laws. Each Unit Owner shall maintain, in a clean, safe, sanitary, tidy and attractive condition the interior of his Limited Common Areas and Facilities, the use of which are reserved for his Unit.

8. AGENT FOR SERVICE OF PROCESS:

The name and address of the person in Salt Lake County, State of Utah, appointed as agent to receive service of process in matters pertaining to the property as provided under the Utah Condominium Ownership Act is:

James R. Blakesley, 2102 East 3300 South, SLC, Utah 84109

The agent may be changed from time to time by filing appropriate instruments.

9. PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS:

A. The percentage of ownership in the Common Areas and Facilities shall be as set forth in Appendix B.

B. Each Residential Unit shall have one vote.

10. EASEMENTS:

A. The Management Committee may hereafter grant easements for utility purposes for the benefit of the condominium property, including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment, cable TV wires, and electrical conduits and wires over, under along and through any portion of the Common Areas and Facilities.

B. An easement in favor of each Unit Owner is hereby established, to permit such owner to attach draperies, pictures, mirrors and like decorations and furnishings to the interior surfaces of the perimeter and interior walls and ceilings of Residential Units.

C. Each Unit shall be subject to such easement as may be necessary for the installation, maintenance, repair or replacement of any Common Areas and Facilities located within the boundaries of such Unit.

D. In the event that, by reason of the construction, reconstruction, settlement or shifting of a building, any part of the Common Areas and Facilities encroaches or shall hereafter encroach upon any part of any Unit or any part of any Unit encroaches or shall hereafter encroach upon part of the Common Areas and Facilities or any other Unit, valid easements for such encroachment and the maintenance of such encroachment are hereby established and shall exist for the benefit of such Unit and the Common Areas and Facilities, as the case may be, so long as all or any part of the building containing any such Unit shall remain standing; provided, however, that in no event shall a valid easement for any encroachment be created in favor of any Unit Owner or in favor of the Unit Owner or Owners of the Common Areas and Facilities if such encroachment occurred due to the willful conduct of such Unit Owner or Owners.

11. MANAGEMENT: The business, property, and affairs of Hidden Lakes Condominium shall be managed by a Management Committee consisting of five (5) members who are Unit Owners in the Project to be elected as provided in the By-Laws. Such Management Committee shall have all the powers, duties, and responsibilities as are now or may hereafter be provided by the Act, this Declaration, the By-Laws and/or any amendments subsequently filed thereto; provided, however, the Management Committee may engage the services of a professional manager and fix and pay a reasonable fee or compensation therefor.

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

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

The Management Committee shall be known by such name or designation as it, or the Unit Owners, at any meeting may assign.

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

The authority, without the vote or consent of the Unit Owners, Mortgagees, insurers or guarantors of Mortgage, or of any other person, to grant or create, on such terms as it deems advisable, reasonable permits, licenses, and nonexclusive easements over, under, across, and through the Common Areas and Limited Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance and operation of the Project.

The power to sue or be sued.

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

The authority to do each of the following items provided it has obtained the prior approval or consent of at least two-thirds (2/3) of the Residential Units:

- a. Convey or transfer any interest in real property; and
- b. Purchase, obtain or accept title to, any interest in real property.

12. CHANGE IN OWNERSHIP: Whenever there is a change of ownership of a Residential Unit and its appurtenant rights for whatever reason, the Management Committee or the manager may require as condition to recognizing the new Owner or Owners as such, that the new Unit Owner or Owners furnish evidence substantiating the new ownership and provide other information that may reasonably be required by the Management Committee.

13. ASSESSMENTS: Every Unit Owner shall pay his proportionate share of the Common Expenses. Payment thereof shall be in such amounts and at such times as the Management Committee determines in accordance with the Act, the Declaration or the By-Laws. There shall be a lien for nonpayment of Common Expenses as provided by Utah Code Annotated Section 57-8-20 (1953 as amended).

In assessing Unit Owners or requiring them to pay for the building improvements and other improvements of the Common Areas and Facilities following the execution of the Declaration, it is agreed that no assessment for a single improvement in the nature of a capital expenditure exceeding ten percent (10%) of the total annual budget for the maintenance and operation of the Project shall be made without the same having been first voted on and approved by owners of two-thirds (2/3) of the Residential Units. The foregoing sentence shall not apply in connection with the replacement or reconstruction occasioned by fire or other casualty or for expenditures for maintenance and upkeep.

14. DESTRUCTION OR DAMAGE: In the event of damage to or destruction of part or all of the improvements in the Condominium Project, the following procedures shall apply:

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

B. If less than seventy-five percent (75%) of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Management Committee are not alone sufficient to accomplish repair or reconstruction, restoration shall be carried out and all the Unit Owners shall be assessed for any deficiency on the basis of their respective percentages of undivided interest in the Common Areas and Facilities.

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

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

15. TAXES: It is understood that under Utah Code annotated Section 57-8-27 (1953 as amended) each Unit, and its percentage of undivided interest in the Common Areas and Facilities in the Project are subject to separate assessments and taxation by each assessing unit and the special district for all types of

taxes authorized by law, and that as a result thereof, no taxes will be assessed or payable against the Project as such. Each Unit Owner will, accordingly, pay and discharge any and all taxes which may be assessed against him and his percentage of undivided interest in the Common Areas and Facilities.

16. **INSURANCE:** The Management Committee shall secure and maintain at least the following insurance coverage on the Condominium Project:

A. **PROPERTY INSURANCE:** A policy or policies of fire insurance, including extended coverage endorsement, "all risk" or special condominium property form for the full insurable replacement value of the buildings, units and Common Areas and Facilities. Said policy or policies shall provide for a separate loss payable clause in favor of the mortgagees of each Unit, if any. The names of the insured under each such policy shall be in form and substance similar to: "The Management Committee of the Hidden Lake Condominium project for the use and benefit of individual owners and mortgagees as their interest may appear". The policy may contain a reasonable deductible, and the amount of the deductible shall be added to the face amount of the policy in determining whether the insurance equals at least one hundred percent (100%) of the replacement cost. The deductible shall be paid by the party who would be responsible for the repair in the absence of insurance or, in the event of multiple parties, shall be allocated in relation to the amount each party's loss bears to the total. Such limits and coverage shall be reviewed at least annually by the Management Committee and changed at its discretion provided all coverages are in accordance with those customary to similar Projects in the community.

B. **LIABILITY COVERAGE:** The Management Committee shall obtain a public liability policy covering the Common Area and Facilities, the Association, the Committee, and its members for all damage or injury caused by the negligence of the Association or any of its members or agents. The public liability policy shall not be less than one million dollars (\$1,000,000) per occurrence as respects bodily injury and property damage. Umbrella and/or excess liability for at least an additional one million dollars (\$1,000,000) shall also be obtained. Such limits in coverage shall be reviewed annually by the Management Committee. Premiums for such insurance shall be Common Expenses of the Association.

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

C. **Workmen's Compensation** to the extent necessary to comply with any applicable laws.

D. **ERRORS AND OMISSIONS:** A policy of director's and officer's liability insurance, with limits of liability not less than one million dollars (\$1,000,000) per wrongful act.

E. **FIDELITY:** A policy of fidelity insurance or a fidelity bond to cover all non-compensated officers as well as all employees for theft of Association funds in an amount not less than the maximum amount of funds, including reserves, in the custody of the Committee or any individual at any given time or three (3) month's aggregate assessments, whichever is greater.

F. **FLOOD:** If the property is or comes to be situated in an area having special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program ("NFIP"), or any successor program, a policy of flood insurance shall be maintained covering the property in an amount deemed appropriate, but not less than the lesser of: (1) the maximum limit of coverage available under NFIP for insurable property within a designated flood hazard area; or (2) one hundred percent (100%) of current replacement cost of the insurable property. Such policy shall be in a form which meets the criteria set forth in the most current guidelines on the subject issued by the Federal Insurance Administrator.

Anything to the contrary notwithstanding, any individual insurance policy obtained by a Unit Owner shall provide primary coverage in the event the Unit Owner and the Association have insurance covering the same loss; and any insurance of the Association shall be deemed to provide any excess insurance.

The policy of property insurance may contain a reasonable deductible, however:

(A) The amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost; and

(B) The deductible shall be the responsibility of and shall be paid by the Unit Owner.

G. Insurance for such other risks of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other condominium projects similar in construction, design and use.

H. Exclusive authority to adjust losses under policies hereafter in force in the Project shall be vested in the Management Committee or its authorized representative.

By virtue of taking title to or possession of a Unit subject to the terms of this Declaration, each Owner and occupant covenants and agrees with all other Owners, occupants and the Association to purchase and maintain adequate casualty, liability and contents insurance coverage. No Unit Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Association, on behalf of all the Unit Owners and their Mortgagees, may realize under any insurance policy which the Association may have in force on the property at any particular time.

17. PAYMENT OF EXPENSES: Each Unit Owner shall pay the Management Committee his allocated portion of the cash requirement deemed necessary by the Management Committee to manage and operate the Condominium Project, including the recreational facilities thereof, upon the terms, at the times, and in the manner herein provided without any deduction on account of any set-off or claim which the owner may have against the Management Committee. The Unit Owner shall pay a late fee of ten percent (10%) of any installment after the 10th day of the month in which it is due. Additionally, if the Unit Owner shall fail to pay any installment within one month of the time when the same becomes due, the unit owner shall pay interest thereon at the rate of ten percent (10%) per annum from the date when such installment shall become due to the date of the payment thereof.

The cash requirements above referred to for each year, or portions of the year, are hereby defined and shall be deemed to be such aggregate sum as the Management Committee from time to time shall determine, in its judgment, is to be paid by all the Unit Owners of the Condominium Project then in existence to enable the Management Committee to pay all estimated expenses and outlays of the Management Committee to the close of such year, growing out of or in connection with the maintenance and operation of such land, among other things, the cost of management, special assessments, fire, casualty and public liability insurance premiums, common lighting, landscaping and the care of grounds, repairs and renovations to Common Areas and Facilities, social center, recreational facilities, snow removal, wages, water and sewer, legal and accounting fees, management fees, expenses and liabilities incurred by the Management Committee under or by reason of this Declaration, the payment of any deficit remaining from the previous period, the creation of a reasonable contingency or other necessary reserve or surplus fund, as well as all other costs and expenses relating to the Condominium Project. The Management Committee may, from time to time, up to the close of the year for which such cash requirements have been so filed or determined, increase or diminish the amount previously fixed or determined for such year. It may include in the cash requirements for any year, any liabilities or items of expense which accrued or become payable in the previous year, or which might have been included in the cash requirements for a previous year, but were not included therein; and also any sums which the Management Committee may deem necessary or prudent to provide a reserve against liabilities or expenses then accrued or thereafter to accrue although not payable in that year.

The portion payable by the Unit Owner in and for each year or for a portion of a year shall be a sum within the limits and on the conditions hereinabove provided bearing to the aggregate amount of such cash requirements for such year, or portion of year, determined on the basis of the Unit Owner's square footage as set forth in Appendix B and such assessment, together with any additional sums accruing under this Declaration shall be payable monthly in advance, or in such payments and installments as shall be required by the Management Committee, and at such times as shall be provided by the Management Committee.

The Management Committee shall have discretionary powers to prescribe the manner of maintaining and operating the Condominium Project and to determine the cash requirements of the Management Committee to be paid as aforesaid by the Unit Owners under this Declaration. Every such reasonable determination by the Management Committee within the bounds of the Act, and this Declaration shall be final and conclusive as to the Unit Owners, and any expenditures made by the Management Committee, within the bounds of the Act and this Declaration shall as against the Unit Owner be deemed necessary and properly made for such purpose.

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

For purposes of the obligation to pay assessments set forth herein, the term "Owners" shall mean and refer to the Owner of the legal and equitable interest in the Unit, including but not limited to the vested Owner, the Owner of record, and both the Buyer and Seller under any land sales contract, uniform real estate contract, or other similar executory contract or instrument, who shall be jointly and severally liable to pay all assessments.

The Management Committee shall establish and maintain adequate reserve accounts to pay for unexpected operating expenses and capital improvements. Absent special circumstances, the reserve should be between seven and ten percent (7-10%) of the total annual operating expenses.

Owners are jointly and severally liable to pay all assessments, accruing interest, late fees and collection costs, including attorneys fees. Provided, however, no first mortgagee or beneficiary under a first deed of trust (but not the Seller under a uniform real estate contract or instrument), who obtains title to a Unit pursuant to the remedies provided in the mortgage or trust deed shall be liable for unpaid assessments which accrued prior to the acquisition of title.

Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the Unit Owner against whom the same are assessed at the time the assessment is made and shall be collectible as such. Suit to recover a money judgment for unpaid Common Expenses shall be maintainable without foreclosing or waiving the lien securing the same. The amount of any assessment, whether regular or special, assessed to the Unit Owner plus interest at ten percent (10%) per annum, and costs, including reasonable attorney's fees and late fees, shall automatically become a lien upon such Unit without the necessity of recording a notice of lien as provided by the Act, although a notice of lien shall be filed as soon as it is practical for the Management Committee to do so. To release the lien, the Unit Owner shall pay all past due fees, accruing interest, late fees and collection costs, including attorney's fees. The said lien for non-payment of Common Expenses shall have priority over all other liens and encumbrances, recorded or unrecorded, except only:

A. Tax and special assessment liens on the Unit in favor of any assessment unit, and special district, and,

B. Encumbrances on the Unit Owner's interest in the Unit (and Common Areas and Facilities) recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

A certificate executed and acknowledged by a majority of the Management Committee stating the indebtedness secured by the lien upon any Unit created hereunder, shall be conclusive upon the Management Committee and the Unit Owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons or encumbrancee or prospective encumbrancee of a condominium upon request at a reasonable fee not to exceed ten dollars (\$10.00). Unless the request for a certificate of indebtedness shall be provided within ten (10) days, all unpaid Common Expenses which become due prior to the date of making of such request shall be subordinate to the lien held by the person making the request. Any encumbrancee holding a lien on a condominium may pay any debt secured by a lien and

upon such payment, the Association may assign its claim to the payor and/or upon request of payor release the lien.

Upon payment of a delinquent assessment concerning which a notice of lien has been recorded, or other satisfaction thereof, the Management Committee shall cause to be recorded in the same manner as the notice of lien a further notice stating the satisfaction and release of the lien thereof. The lien for nonpayment of Common Area fees may be enforced by sale or foreclosure of the Unit Owner's interest therein by the Management Committee. The sale or foreclosure shall be conducted in the same manner as foreclosures in deeds of trust or mortgages or in any other manner permitted by law. In any foreclosure or sale, the Unit Owner shall pay: (a) the costs and expenses of such proceedings, including but not limited to the cost of a foreclosure report, (b) reasonable attorney's fees, and (c) a reasonable rental for the Unit during the pendency of the foreclosure action. The Association in the foreclosure action may require the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Management Committee may bid for the Unit at foreclosure or other sale and hold, lease, mortgage, or convey the Unit. If the Management Committee elects to foreclose the lien in the same manner as foreclosures in deeds of trust, then the Owner by accepting a deed to the Unit hereby irrevocably appoints the attorney of the Association, provided he is a member of the Utah State Bar, as Trustee, and hereby confers upon said Trustee the power of sale set forth with particularity in Utah Code Annotated, Section 57-1-23 (1953), as amended. The Owner hereby transfers in trust to the Trustee all of his right, title and interest in and to the real property for the purpose of securing his performance of the obligations set forth herein.

In the event of foreclosure, the Unit Owner shall be required to pay a reasonable rental for the condominium and the plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Management Committee or manager shall have the power to bid on behalf of the Association at foreclosure or other sale and to hold, lease, mortgage and convey the condominium.

All assessments and liens created to secure the obligation to pay the assessments are superior to any homestead exemptions to which a Unit Owner may be entitled.

At the discretion of the Management Committee, the utility service to any Unit Owner or occupant of any Unit paid for by common assessments, or the right to use the recreational facilities or amenities (including but not limited to the clubhouse and pool), may be terminated if the Unit Owner is in arrears on his obligation to pay assessments and has failed to cure or make satisfactory arrangements to cure the default after reasonable notice of at least ten (10) days.

At the discretion of the Management Committee, the right of a Unit Owner to vote on issues concerning the Association may be suspended if the Unit Owner is delinquent in the payment of his assessments, and has failed to cure or make satisfactory arrangement to cure the default after reasonable notice of at least ten (10) days.

18. MORTGAGE PROTECTION: Notwithstanding anything to the contrary herein contained, it is hereby declared, certified and agreed as follows:

A. ASSESSMENT LIENS: The liens created hereunder upon any Condominium shall be subject and subordinate to, and shall not affect the rights of the holder of the indebtedness secured by any recorded first mortgage (meaning a mortgage or a trust deed with first priority over other mortgages) upon such interest made in good faith and for value, provided that after the foreclosure of any such mortgage there may be a lien created pursuant to paragraph 17 hereof on the interest of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such purchaser as a Unit Owner after the date of such foreclosure sale, which said lien, if any claimed, shall have the same effect and be enforced in the same manner as provided herein.

B. AMENDMENTS: No amendment to this paragraph shall affect the rights of the holder of any such mortgage recorded prior to recordation of such amendment who does not join in the execution thereof.

C. SUBORDINATION: By subordination agreement executed by a majority of the Management Committee, the benefits of A and B above may be extended to mortgages not otherwise entitled thereto.

D. MORTGAGEE'S RIGHT OF NOTIFICATION OF DEFAULT: So long as any holder of a first mortgage of any Unit supplies their address or their assignee's address (along with Mortgagor's loan number) to the Management Committee, they shall be entitled to written notification from the Management Committee of any default by the mortgagor of such Unit in the performance of such mortgagor's obligations under this Declaration which is not cured within thirty (30) days.

E. PRIORITY OF MORTGAGEE OVER CERTAIN ASSESSMENTS: Any holder of a first mortgage or trust deed on any Unit which comes into possession of the Unit pursuant to the remedies provided in the mortgage, foreclosure of mortgage, or deed (or assignment) in lieu of foreclosure, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a prorata share of such assessments or charges resulting from a prorata re-allocation of such assessments or charges to all Units including the mortgaged Unit).

F. CERTAIN PROHIBITIONS IMPOSED ON UNIT OWNERS. Unless all holders of the first mortgage liens on individual Units have given their prior written approval, the Unit Owners shall not:

1. Change the prorata interest or obligation of any Unit for purposes of levying assessments and charges and determining shares of the Common Areas and proceeds of the Project.
2. Partition or subdivide any Unit or the Common Areas of the Project.
3. By act or omission seek to abandon the condominium status of the Project except as provided by statute in case of substantial loss to the Units and Common Areas of the Project.

19. MAINTENANCE OF UNITS: Each Unit Owner at his own expense shall keep the interior of his Unit and his Limited Common Area, and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition. Each Unit Owner shall do all interior redecorating and painting which may at any time be necessary to maintain the good appearance of his Unit. The Unit Owner shall repair all injury or damages to any Unit, or the Condominium Project, caused by the act, negligence or carelessness of the Unit Owner or that of any tenant or sub-tenant or any member of the Unit Owner's family or of the family of any tenant or sub-tenant or any agent, employee, guest or invitee of the owner or his tenant or sub-tenant and all such repairs, redecorating and painting shall be of a quality and kind equal to the original work. In addition to decorating and keeping the interior of the Residential Unit in good repair, the Unit Owner shall be responsible for the maintenance or replacement of any plumbing, fixtures, refrigerators, air conditioning and heating equipment, dishwashers, disposals, ranges, garage doors, windows and doors in the perimeter walls, etc., that may be in or connected with the Residential Unit. Without the written permission of the Management Committee first had and obtained, the Unit Owner shall not make or permit to be made any structural alteration, improvement, or addition in or to the Unit, garage, or to the exterior of the building.

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

21. **ADMINISTRATIVE RULES AND REGULATIONS:** The Management Committee shall have the power to adopt and establish by resolution, such building management, and operational rules as it may deem necessary for the maintenance, operation, management, and control of the Project, The Management Committee may from time to time by resolution, alter, amend, and repeal such rules (the "Rules"). When a copy of any amendment or alteration or provision for repeal of any Rule or Rules has been furnished to the Unit Owners, such amendment, alteration, and provision shall be taken to be a part of such Rules. Unit Owner's and occupants shall at all times obey such Rules and see that they are faithfully observed by those persons over whom they have or may exercise control and supervision, it being understood that such Rules shall apply and be binding upon all Unit Owners and/or occupants of the Condominium. The power to make administrative rules and regulations includes but is not limited to the power to restrict privileges, limit services, issue sanctions or make citations or levy fines. Fines may be collected by lien and foreclosure as set forth with more specificity in Section 17 herein.

22. **SECURITY DISCLAIMER:** The Association may, but shall not be obligated to, maintain or support certain activities within the Project designed to make the Project safer than it otherwise might be. Neither the Association, nor the Management Committee shall in any way be considered insurers or guarantors of security within the Project, however; and neither the Association, nor the Management Committee shall be held liable for any loss or damage by reason or failure to provide adequate security or ineffectiveness of security measures undertaken. All Unit Owners and occupants, their family, guests and invitees, acknowledge and understand that the Association and Management Committee have made no representations or warranties, nor have they relied upon any representations or warranties, expressed or implied, including any warranty or merchantability or fitness for any particular purpose, relative to any security measures undertaken within the Project.

23. **MECHANICS LIENS:** Lien for materials, labor or money against any Unit Owner or the Association are to be indexed in the public records under the name of the Unit and Unit Owner. With regard to a lien on multiple Units for materials, labor or money provided to the Association or affecting the Common Area, a Unit Owner may pay his prorata share of the amount of any lien and that shall be sufficient to release the lien as to his Unit. Any person, entity or organization who elects to provide materials or perform labor at this Project shall do so subject to the terms, covenants, and conditions of this section.

24. **REQUEST FOR NOTICE:** The Association hereby requests that a copy of any notice of default or notice of sale under any mortgage or trust deeds filed for record against any Units be mailed to the Hidden Lake Homeowners Association at 4673 S. Black Swan Drive, Salt Lake City, UT 84117 pursuant to U.C.A., Section 57-1-26 (1953) as amended. For purposes of satisfying the requirements of the foregoing section, this request shall be deemed to be repeated or re-recorded after the recordation of each mortgage, trust deed or other security instrument hereafter recorded in the office of the County Recorder of Salt Lake County, Utah, affecting any Unit in the Project.

25. **OBLIGATION TO COMPLY HEREWITH:** Each Unit Owner, tenant, or occupant of a Unit shall comply with the provisions of the Act, this Declaration, the By-laws, the Rules and Regulations and all agreements and determinations lawfully made and/or entered into by the Management Committee or the Unit Owners, when acting in accordance with their authority and any failure to comply with any of the provisions thereof, shall be grounds for an action by the Management Committee to recover any loss or damage resulting therefrom or for injunctive relief.

26. **INDEMNIFICATION OF MANAGEMENT COMMITTEE:** Each member of the Management Committee shall be indemnified and held harmless by the Unit Owners against all costs, expenses, and liabilities whatsoever, including without limitation, attorney's fees, reasonably incurred by him in

connection with any proceeding to which he may become involved by reason of his being or having been a member of said Management Committee. Provided however, a member of the Management Committee shall not be indemnified for acts of gross negligence or willful misconduct.

27. AMENDMENT: The Unit Owners shall have the right to amend this Declaration and/or the Map upon the approval and consent of Unit Owners representing not less than two-thirds (2/3) of the Residential Units. Provided however, that any amendment which would reduce the undivided interest of any Unit Owner in the Common Areas and Facilities must be consented to by all Unit Owners. Any amendment shall be accomplished by the recordation of an instrument wherein the Management Committee certifies that the Unit Owners representing the required vote has been obtained.

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

29. TOPICAL HEADINGS. The topical headings of the paragraphs contained in this Declaration are for convenience only and do not define, limit, or construe the contents of the paragraphs or of the Declaration.

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

31. EFFECTIVE DATE. This Declaration shall take effect upon recording.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 10th day of October, 1995.

HIDDEN LAKE CONDOMINIUM HOMEOWNERS
ASSOCIATION, a Utah Corporation
_____, President
_____, Secretary

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

On the ____ day of _____, 1995, A.D. personally appeared before me Shawn Nichols and Marlene York who being by me duly sworn did say, each for himself, that he, the said Shawn Nichols is the President and she, the said Marlene York is the secretary of Hidden Lake Condominium Homeowners Association, Inc. and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its board of directors and said Shawn Nichols and Marlene York each duly acknowledged to me that said corporation executed the same.

My commission expires: _____ Residing
at: _____ NOTARY PUBLIC