

DECLARATION

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by Keeban Corporation, a Utah corporation, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain property at approximately 2350 Dimple Dell Road, Granite, County of Salt Lake, State of Utah, which is more particularly described as:

Beginning in the center of Dimple Dell Road at a point 354.17 ft. South and 2376.13 ft. East of the W 1/4 corner of Section 15, Township 3 South, Route 1 East, Salt Lake Base and Meridian and running thence North 83° 39' 03" East 467.90 ft.; thence Easterly along the arc of a curve to the right (Radius 849.32 ft. bearing South 6° 20' 57" East) 332.91 ft.; thence South 73° 53' 27" East 21.85 ft.; thence Easterly along the arc of a curve to the left (Radius 800.00 ft. bearing North 16° 06' 33" East) 199.43 ft.; thence South 88° 10' 27" East 12.06 ft.; thence South 952.55 ft.; thence South 89° 52' West 1024.15 ft.; thence North 968.79 ft. to the point of beginning. Such property is approximately 23.418 acres and contains 41 lots and the common area described in Article I, Section 9.

WHEREAS, Declarant has filed a plat designated Plat of Dimple Dell Ranchettes, with the County Recorder of Salt Lake County, State of Utah.

WHEREAS, the Declarant has subdivided the land described above into lots, streets, and common areas as designated in said plat of Dimple Dell Ranchettes and desires to place certain covenants, conditions and restrictions on said land as part of a plan for the improvement and benefit of the subdivisions, and for the protection and benefit of the Declarant and any and all future owners of interests in said real property.

NOW THEREFORE, Declarant hereby declares that all the property described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

APR 20 1973 10:41 AM
Recorded by Paul W. Hodder
Recorder, Salt Lake County, Utah
\$ 13.00 By P. Brown Deputy

3562 East Cliff Drive
54117

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ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Dimple Dell Ranchettes Owners Association, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. A "Class A-I Member" shall mean and refer to a record owner who has purchased exclusive use of two box stalls in the Common Area.

Section 4. A "Class A-II Member" shall mean and refer to a record owner who has purchased exclusive use of one box stall in the Common Area.

Section 5. A "Class A-III Member" shall mean and refer to a record owner who has not purchased the right to be assigned the use of a box stall and who, therefore, holds no such right or privilege.

Section 6. A "Class B Member" shall mean and refer to the Declarant.

Section 7. "Voting Power" shall mean the total number of votes of all classes collectively.

Section 8. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 9. "Common Area" shall mean all real property owned jointly by the Lot owners for the common use and enjoyment of the owners as described in Article II, Section 1. The Common Area to be managed by the Association at the time of the conveyance of the first Lot is described as follows:

A. Land described as follows:

Beginning at a point East 2730.28 ft. and South 812.56 ft. from the West Quarter Corner of Section 15, Township 3, South, Range 1 East, Salt Lake Base and Meridian, and running thence East 326.00 ft.; thence South 309.41 ft. to the northerly line of a 50 foot wide street; thence West 326.00 ft.; thence North 309.41 ft. to the point of beginning, containing 2.316 acres, together with an easement 25 ft. wide on the West, North, and East sides of the above described property containing 0.571 acres, or a total of 2.887 acres.

B. Bridle path easements shown on the Plat of Dimple Dell Ranchettes, recorded in the Salt Lake County Recorder's Office.

C. Improvements on the real property described in Article I, Section 1, A. include:

- 1 - a 52 box stall horse barn except that stalls shall be reserved for Class A-I and Class A-II owners as hereinafter described (see Article I, Sections 3, 4, 5, and 6)
- 2 - a performance ring
- 3 - a spectator lounge
- 4 - parking space for a limited number of trailers, boats, snowmobiles and cars
- 5 - playground equipment
- 6 - park equipment
- 7 - all other recreational and community facilities placed in the Common Area

Section 10. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 11. "Declarant" shall mean and refer to the Keeban Corporation, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (b) the right of the Association to suspend the voting rights and right to use of the Common Area and its facilities by an owner for any period which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;
- (c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of the members evidencing agreement to such dedication or transfer has been recorded;

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(d) the right of Class A-I members of exclusive use of two box stalls on the Common Area barn as assigned by the Association:

(e) the right of Class A-II members of exclusive use of one box stall in the Common Area barn as assigned by the Association.

Section 2. Delegation of Use. Any owner may delegate in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property. Use of the Common Area and facilities by non-residents of the property is subject to permission of the Board of Directors, and rules and regulations adopted by the Board of Directors.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. The Association shall have four classes of voting membership:
Class A-I. Class A-I members shall be entitled to three votes for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than three votes be cast with respect to any Lot.

Class A-II. Class A-II members shall be entitled to two votes for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than two votes be cast with respect to any Lot.

Class A-III. Class A-III members shall be entitled to one vote for each Lot owned. When more than one person holds interest in any Lot, all such persons shall be members. The one vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant, shall be entitled to six (6) votes for each Lot owned, and is not subject to assessment. The Class B membership shall cease and be converted to Class A-I, A-II, A-III membership, based on the number of stalls whose exclusive uses have

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not been assigned, on the happening of either of the following events, whichever occurs first:

- (a) when the total votes outstanding in the Class A-I, A-II, and A-III membership equal the total votes outstanding in the Class B membership, or
- (b) on December 31, 1977.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments.

The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be as follows:

Class A-I members - \$360 per year

Class A-II members - \$240 per year

Class A-III members - \$120 per year

(Annual Maintenance. The annual maintenance fee does not include feed or special care of horses kept in the Common Area unless so specified in writing by the Board of Directors of the Association.)

a. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 3% above the maximum assessment for the previous year without a vote of the membership.

b. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner the maximum annual assessment may be increased above 3% by a vote of two-thirds (2/3) of the voting power of the Association members who are voting in person or by proxy, at a meeting duly called for this purpose.

c. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) the voting power of the Association members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. The presence of members or of proxies entitled to cast sixty percent (60%) of all the voting power of the Association shall constitute a quorum. In the event that the required quorum is not present, the meeting shall be adjourned for twenty-four hours, at which time the members present and the proxies entitled to be cast shall constitute a quorum.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence upon construction of Common Area facilities. This shall be interpreted to mean assignment of useable barn stalls, in the case of Class A-I and Class A-II members. In the case of Class A-III members it will mean availability of park and playground equipment. The first annual assessment shall be pro-rated according to the number of months remaining in the calendar year. The Board of Directors shall

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fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period, which period such be for the forthcoming year. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 7. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 6 percent per annum. The Association may suspend the defaulting owner's voting rights and right to use of the Common Area, bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V

ARCHITECTURAL AND LAND USE CONTROL

Section 1. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the design, nature, kind, shape, height, materials, purpose for, location, and proposed time schedule of completion of the same shall have been submitted to and approved in writing as to harmony of external design, use of and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove

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such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and This Section will be deemed to have been fully complied with.

Section 2. Land Use and Building Type. Each and every lot in the Property is hereby designated as a residential lot, to be used only for residential purposes. All buildings must be designed especially for the site. No building shall be erected, altered, placed or permitted to remain on any Lot other than one single family dwelling as defined by the zoning ordinance, not to exceed two and one half stories in height, a private garage or carport for not more than three cars and such other accessory buildings as are approved by the Architectural Control Committee or Board of Directors. All structures included in the plans shall be completed within twelve (12) months from the start of construction of any of the buildings designated in the plans.

Section 3. Dwelling Size. No dwelling shall be permitted on any Lot of less than 1600 sq. ft. on the main level. Variations, if any, which may be suggested by terrain peculiar to the Lot and which may enhance the result, will be considered on recommendation of the Architectural Committee and must be approved by the Board of Directors. It is the intention and purpose of the covenants to insure that all dwellings shall be of quality materials and workmanship.

Section 4. Building Location. All structures must be set back not less than thirty (30) feet from any street line and not less than twelve (12) feet from any side line.

Section 5. Pets and Fowl. Pets and fowl generally associated with estate type living and which are kept only for family use and not for any commercial purpose are permitted on all Lots except that mink, swine and goats are not permitted on any Lot either temporarily or permanently. Questions of interpretation shall be ruled upon by the Board of Directors of the Association.

Section 6. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish, nor shall rubbish, trash, or garbage be allowed to accumulate on any Lot. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Irreparable equipment and machinery will not be permitted. The premises must be kept clear of abandoned, unregistered, or non-usable vehicles, unless kept within the owner's garage.

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Section 7. Architectural Control Committee. Membership: The Architectural Control Committee until and unless changed by the Association Board of Directors is composed of Paul W. Hodson, 3562 East Cliff Drive, Salt Lake City, Utah; and Ralph Edwards, A.I.A., 525 East Third South, Salt Lake City, Utah and Bruce Jensen, A.I.A., 938 Windsor Street, Salt Lake City, Utah.

Section 8. Trade or Business. No commercial trade or business may be conducted on any lot in the Property. No advertising signs or structures may be placed on any lots, except a sign for sale of the lot may be permitted, its size to be determined by the Board of Directors.

Section 9. Nuisances. No noxious or offensive activity, including sources of unacceptable noise or odor, shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 10. Temporary Structures. No temporary structures will be permitted on the premises without the express permission of the Board of Directors of the Association.

ARTICLE VI

SEWAGE, WATER, AND UTILITIES

Section 1. Sewage. A sanitary sewage system shall be supplied by Declarant to certain points within the property, and the owner of each lot shall be required, at said owner's expense, to install pipelines connecting the dwelling on the owner's lot to such a point. The connection points will be completed by November 30, 1973.

Section 2. Water. Culinary water shall be extended by the Declarant to a point on each lot within the property. The owner of each lot shall be required, at said owner's expense, to install pipelines connecting the dwelling on the owner's lot to such a point. Culinary water shall be supplied to a point on the owner's lot by November 30, 1973 or within sixty (60) days after the purchase of said lot from Declarant, whichever occurs later.

Section 3. Electricity. Electricity shall be supplied by the Declarant to certain points within the property and the owner of each lot shall be required to install, at the owner's expense, such lines as are necessary to connect the dwelling on the owner's lot to such a point. Electricity shall

be available at such connection points for extension to the dwelling on the owner's lot by November 30, 1973, or within sixty (60) days after the purchase of said lot from Declarant, whichever is the last to occur.

Section 4. Other Utilities. All public utilities, including electric power, telephone communication and natural gas, if any, shall be used by the individual owners under the rules and regulations prescribed by the company furnishing the public utility when and as said public utility is made available to each lot owner.

ARTICLE VII

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise effect any other provisions which shall remain in full force and effect.

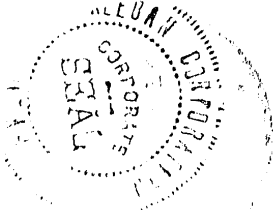
Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

Section 4. Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of the voting power of the Association.

Section 5. Construction. Construction of the home must begin within thirty (30) months from time of Lot purchase or the Lot must be offered to the Declarant for the purchase price plus interest, not in excess of eight percent (8%) per annum.

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IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 25th day of April 1973.



Keeban Corporation, Declarant

By:

Paul W. Hodson
President

Shelley Hodson
Secretary

Attest:

Secretary

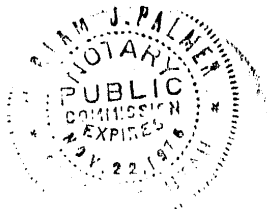
State of Utah }
County of Salt Lake } ss.

On the 25th day of April 1973, personally appeared before me Paul W. Hodson and Shelley H. Hodson, who, being by me duly sworn, did say that they are the President and Secretary, respectively, of the Keeban Corporation, a Utah corporation, and that the within and foregoing Declaration of Restrictive Covenants, Conditions, and Restrictions was signed on behalf of said corporation by authority of a resolution of its Board of Directors and said Paul W. Hodson and Shelley H. Hodson duly acknowledged to me that said corporation executed the same and that the seal affixed is the seal of said corporation.

Miriam J. Palmer
Notary Public
Residing at Salt Lake City, Utah

my Commission Expires:

Nov. 22, 1976



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