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Bell Mountain Corporation
1760 South State
Salt Lake City, Utah 84115

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SECURITY TITLE CO.
REF
APR 1 11 17 AM '81
KATIE L. DIXON
RECORDER
SALT LAKE COUNTY
UTAH
Scott Duckworth

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
PEPPERWOOD CANYON #1

Recorded 198 as entry no. in book , page , of official records in the office of the Salt Lake County Recorder.

WHEREAS, the Declarant, Bell Mountain, a Utah corporation is the owner of the following described real property, to wit:

Lot 1 to 55 inclusive, Pepperwood Canyon I subdivision, a part of Sections 14 and 23, Township 3 South, Range 1 East, Salt Lake Base and Meridian, according to the plat thereof, recorded in the office of the County Recorder of Salt Lake County, State of Utah, and

WHEREAS, Salt Lake County Flood Control District, and Sandy City, both political entities, of the State of Utah, are charged with the responsibility of enforcing all laws and regulations pertaining to flood control structures and facilities including construction and maintenance of those facilities,

NOW THEREFORE, in consideration of the promises and as part of the general plan for improvement of said property, the undersigned hereby declares the property hereinabove described subject to the restrictions and covenants herein recited.

ARTICLE I
DEFINITIONS

Section 1.01: "Property" or "Project" shall mean all the real property described above, consisting of 55 lots and shall include any and all annexations to Pepperwood Canyon #1 subdivision.

Section 1.02: "Lot" shall mean any plot of land or parcel shown upon any recorded subdivision map of the property.

Section 1.03: "Owner" shall mean the record owner of a fee simple title to any lot which is a part of the Property.

Section 1.04: "Mortgage - Mortgagee - Mortgagor". Reference is this Declaration to a mortgage shall be deemed to include a deed of trust; reference to a mortgagee shall be deemed to include the beneficiary of a deed of trust; reference to a mortgagor shall be deemed to include the trustor of the deed of trust.

Section 1.05: "Family" shall mean a group of natural persons related to each other by blood or legally related to each other by marriage or adoption.

Section 1.06: "Association" shall mean Pepperwood Canyon Homeowners Association, its successors and assigns.

Section 1.07: "Board of Trustees" shall mean the Board of Trustees of the Association.

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ARTICLE II
GENERAL RESTRICTIONS AND REQUIREMENTS

Section 2.01. Land Use and Building Type. All lots shall be used exclusively for single family residential purposes. Except as may be specifically provided in Article III hereof, no building shall be erected, altered, placed or permitted to remain on any lot other than one detached single family dwelling with enclosed garage for at least two cars and no lot may be divided, subdivided or separated into smaller parcels unless approved in writing by the Architectural Control Committee, which approval shall be granted in accordance with the guidelines found in this Declaration.

Section 2.02. Dwelling Size and Materials. No single story dwelling shall be constructed, altered, placed or permitted to remain on any lot unless the main floor area, exclusive of basement, open porches and garages, is 1,500 square feet or greater. No multi-story dwelling shall be constructed, altered, placed or permitted to remain on any lot unless the main floor and other floors exclusive of basements, open porches and garages is a total of 2,200 square feet or greater. Unless prior written approval is first given by the Architectural Control Committee, no artificial stone or thin brick and no logs may be used in the exterior construction of a dwelling. The Architectural Control Committee may approve a home of a size smaller than as provided in this paragraph only where after considering all relevant factors it is determined to be clearly unreasonable, under the given circumstances, to require the larger size home.

Section 2.03. Building Location. No building walls or foundation shall be located on any lot nearer to the front lot line or nearer to the side street line than the minimum building set-back described under prevailing zoning. Notwithstanding any zoning requirements to the contrary, except where special, written approval is first given, no building shall be located on any lot nearer than 30 feet to the front line, or nearer than 20 feet to any side street line, or nearer than 8 feet to any interior lot line, or nearer than 20 feet to the rear lot line.

Section 2.04. Building and Landscaping Time Restrictions. The exterior construction of all structures shall be completed within a period of one (1) year following commencement of construction. The front yard of each lot shall be landscaped within a period of one (1) year following completion or occupancy of each dwelling, whichever shall occur first. Side and rear yards shall be landscaped within a period of two (2) years following completion or occupancy of each dwelling.

Section 2.05. Fire Protection. Each residence shall have installed surrounding it a sprinkler system for fire protection which may also be used for irrigation. All residents shall strictly comply with all state and city ordinances pertaining to fire hazard control. All stacks and chimneys from fireplaces in which combustibles, other than natural gas are burned shall be fitted with spark arrestors. Each residence shall have and maintain in operable condition at least 100 feet of garden hose, readily accessible, connected or immediately adjacent to a year round water source. There shall be no exterior fires whatsoever except barbecue fires contained within appropriate receptacles.

Section 2.06. Nuisances, Unreasonable Annoyances and Noxious Activities. No noxious or offensive activity shall be carried on upon any lot nor shall anything be done thereon which may be or may become an unreasonable annoyance, nuisance or danger to the neighborhood. Except for legitimate construction and maintenance purposes, no excessively loud noises shall be permitted in the project.

Section 2.07. Signs. No signs, posters, displays or other advertising devices of any character shall be erected or maintained on, or shown or displayed to the public view on any lot without written approval having been first obtained from the Architectural Control Committee; provided, however, that the restrictions of this paragraph shall not apply to any sign or notice seven square feet or smaller in size which states that the premises are for rent or sale. The Association may cause all unauthorized signs to be removed. This section shall not apply to any signs used by Declarant or his agents in connection with the original construction and sale of the residences.

Section 2.08. Antennas. All television and radio antennas or other electronic reception or sending devices shall be completely erected, constructed and placed within the enclosed area of the dwelling or garage on the lot. Exceptions must first be approved in writing by the Architectural Control Committee.

Section 2.09. Animals. No horses, fowls or animals, other than ordinary household pets which do not constitute a nuisance, shall be allowed within the subdivision. Dogs and cats belonging to owners, occupants or their licensees or invitees within the property must be kept within an enclosure (or on a leash being held by a person capable of controlling the animal). The enclosure must be so maintained that the animal cannot escape therefrom. Said household pets shall be limited in number to two (2) only of any particular species, except newborns up to the age of four (4) months of age.

Section 2.10. Storage of Vehicles and Materials. No truck larger than 3/4 ton, trailers, recreational vehicles including campers, boats and motor homes and similar equipment shall be permitted to remain upon any lot unless placed or maintained within a garage or carport or located behind the front set-back line of the residence. Recreational and other vehicles not used on a regular basis shall not be parked overnight on the street or in driveways in front of the residence front set-back line, and shall be allowed to remain overnight on the property described only if housed in a garage, carport, or located behind the front set-back line of the residence. Appropriate and reasonable screening may be required by the Architectural Control Committee. Failure to comply with the provisions hereof shall constitute a nuisance. No storage of articles, materials, equipment or vehicles of any nature is permitted in the front portion of any lot except that a reasonable number of regularly used passenger cars can be parked on driveway areas.

Section 2.11. Rubbish and Unsightly Debris, Etc. Notwithstanding any other provision in the Declaration, no owner shall allow his lot to become so physically encumbered with rubbish, unsightly debris, equipment, or other things or materials so as to constitute an eyesore as reasonably determined by the Association. Within 20 days of receipt of written notification by the Association of such failure, the owner shall be responsible to make appropriate corrections.

Section 2.12. Temporary Structures, Etc. No structure of a temporary character, or trailer, camper, tent, shack, garage or other outbuilding shall be used on any lot at any time as a residence either temporarily or permanently, unless first approved in writing by the Architectural Control Committee and Declarant.

Section 2.13. Non-Residential Uses. No part of the property shall be used for any commercial, manufacturing, mercantile, vending, or other such non-residential purposes. Provided however, that professional and administrative occupations may be carried on within the residence so long as there exists no meaningful external evidence thereof. The Declarant, its successors or assigns may use the property for a model home site, display, and sales office during the construction and sales period.

Section 2.14. Drilling Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon any lot nor shall oil wells, tunnels, mineral excavations or shafts be permitted. No derrick or other structure designed for use in boring for oil or natural gas or water shall be erected, maintained or permitted upon any lot.

Section 2.15. Fences and Walls, Hedges and Screens. No fence, walls, or non-living screens shall be constructed on any lot without written approval first having been obtained from the Architectural Control Committee and in no event shall approval be given to precast fences or chain link fences which utilize vinyl or metal slats or fences which exceed six feet in height without the lot owner first showing good cause as to why an exception to this strict policy should be granted.

Front yard fences, walls and non-living screens are discouraged and require prior approval before construction. Such fences, walls and screens may be approved only following careful scrutiny by the Architectural Control Committee. In no event shall any fence, or wall, higher than three (3) feet be allowed in the front yard or in side yards from the average front line of the dwelling forward and in no event shall any chain link or precast fences of any kind be permitted in those locations. Hedges and landscaping will be permitted in such locations, but no fence, hedge, wall, landscaping or screen of any kind shall be erected so as to constitute a traffic hazard, particularly near corners and street intersections.

Section 2.16. Landscaping and Parking Strip. Only such oak foliage shall be removed from each lot as is necessary for clearing the driveway, excavation for the foundation, and for lawn and patio areas. All front yards, side yards, and rear yards shall be landscaped. Areas covered with scrub oak will be considered landscaped. Deviations from this standard will be allowed by the Architectural Control Committee and Declarant only for good cause shown. The parking strip between curb and sidewalk shall be maintained by each lot owner in a uniform manner with other parking strips in the subdivision. Only sod shall be permitted in the parking strip unless the Homeowners Association desires to plant trees in or otherwise landscape all parking strips at a uniform time and in a uniform manner in which case the cost thereof shall be borne uniformly by all lot owners. Each lot shall be landscaped and maintained in such a manner so as to prevent any erosion thereof upon adjacent streets or adjoining property.

ARTICLE III ARCHITECTURAL CONTROL COMMITTEE

Section 3.01. Committee Appointment and Composition. The Architectural Control Committee shall consist of five members, who may or may not be lot owners within the Project. The Committee shall act by a majority vote of those present in any meeting duly called for conducting the official business of the Committee, provided that such majority shall consist of not less than two Committee members. Notwithstanding any thing to the contrary which may appear elsewhere herein, the Committee members shall be appointed only by the Declarant, Bell Mountain Corporation or its successor, which, at its option, may temporarily delegate or forever assign such powers and responsibilities, or other powers and responsibilities given to

it by this Declaration, to the Association. Such assignment shall be express and in writing and until such assignment, the Association shall not possess any powers or responsibilities with respect to such Committee. No Committee member shall be entitled to any compensation for services performed pursuant to this Declaration. However, the Architectural Control Committee may, at its discretion, employ an outside professional architect or engineer or other consultant or professional to assist it in its functions and a reasonable fee (to be established by the Architectural Control Committee) may be charged to the lot owner for such service, in which event the provisions of Article VII shall be applicable. No member of the Committee shall be liable to any person for his decisions or failure to act in making decisions as a member of said Committee.

Section 3.02. Scope. No building, residence, dwelling, garage, carport, wind generation device, accessory building, or fence, wall, non-living screen or other structure or landscaping shall be commenced, erected, placed or meaningfully altered on any lot until the plans, specifications and plot plans showing the location and nature of such structure, building, landscaping or other improvement or meaningful alteration have been submitted to and approved in writing by the Architectural Control Committee, which may consider such factors as (but not limited to) the quality of workmanship and materials, design, harmony of external design with existing project structures, location with respect to topography and finish grade elevation, preservation and enhancement of the natural beauty of the area and safety.

The Architectural Control Committee may condition such approval on the lot owner depositing cash in the sum of One Hundred Dollars (\$100.00) with the Architectural Control Committee, the purpose of which shall be to further ensure that the lot owner (1) fulfills his responsibility to keep his lot in a condition so as to prevent the rubbish and debris which accumulates during the construction process from blowing or collecting on neighboring lots and (2) reasonably cleans up his lot at or near the completion of the construction process. If the lot owner fails in either of these two responsibilities, the \$100.00 deposit may be kept by the Architectural Control Committee as a fine upon such lot owner or as liquidated damages to the Association. If any such failure is not remedied within 15 days after written notice thereof, the Architectural Control Committee may remedy such condition itself and in connection therewith it may have reasonable access to the lot and shall charge the lot owner for the cost of the remedy in which event the provisions of Article VII shall be applicable.

Section 3.03. Process of Approval. Plans and resubmittals thereof shall be approved, disapproved or otherwise acted upon in writing within forty-five (45) days. All plans and specifications and other materials shall be submitted in duplicate. One (1) set shall be returned to the lot owner. Failure of the Committee to respond to a submittal or resubmittal of plans or materials within thirty (30) days shall be deemed to be an approval of plans as submitted or resubmitted.

If, after such plans and specifications have been approved, the improvements are altered, erected, or maintained upon the lot otherwise than as approved by the Committee, such alteration, erection and maintenance shall be deemed to have been undertaken without the approval of the Committee having been obtained as required by this Declaration. After the expiration of one (1) year from the date of completion of any improvement, said improvement shall, in favor of purchasers and encumbrancers, in good faith and for value, be deemed to comply with all of the provisions hereof unless a notice of such non-compliance or non-completion, executed by one member or more of the Committee shall appear of record in the office of the County Recorder, or legal proceedings shall have been instituted to enforce compliance with these provisions. The approval of the Committee of any plans or specifications submitted for approval as herein specified for use on any residence shall not be deemed to be a waiver by the Committee of its right to

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object to any of the features or elements embodied in such plans and specifications, if or when the same features or elements are embodied in any subsequent plans and specifications submitted for approval as herein provided for use on other residences. Upon approval of the Committee acting in accordance with the provisions of this Declaration, it shall be conclusively presumed that the location and height of any improvement do not violate the provisions of this Declaration. Until later published, the address of the Committee may be obtained by contacting the Declarant, Bell Mountain Corporation, address - 1760 South State Street; Salt Lake City, Utah 84115. Telephone 486-4443.

ARTICLE IV
EASEMENTS, HILLSIDE DISTURBANCE AND FLOOD CONTROL

Section 4.01. Utility Easements. Easements for installations and maintenance of drainage facilities and public utilities are reserved over the front, rear, and side seven feet of each lot. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may reasonably interfere with or damage utilities or drainage facilities. However, the Architectural Control Committee may approve a structure such as a fence or wall or landscaping where constructed at the lot owners risk of having it dismantled, taken out, or destroyed where necessary because of drainage or public utility servicing, installation, alteration or maintenance. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible to maintain.

Section 4.02. Grading Approval. All persons erecting or constructing improvements on any lot shall comply with the Sandy City Hillside Ordinance (see Sandy City Hillside Ordinance Section 15-9-6) requiring among other things grading plans. Any disturbance of a hillside is controlled by the City and a plan for adequately protecting the steeper hillside areas is required.

Section 4.03. Flood Control Responsibility. Construction of berms, channels or other flood control facilities is the sole responsibility of the lot owner and shall be done in accordance with flood control district plans approved by Sandy City and/or Salt Lake County Flood Control. Such construction shall commence at the time the lot is graded or otherwise altered from its natural state.

Section 4.04. Design of Flood Control Facilities. Each property owner shall maintain, at his own expense, flood control facilities on his individual lot in such a manner as to provide flood protection according to the design approved by the Flood Control District.

Section 4.05. Recourse. In the event the lot owner does not erect or maintain such facilities in an approved manner, Sandy City/or Salt Lake County Flood Control District, and/or the Association shall have the right to repair, construct or otherwise maintain such facilities at the expense of the lot owner. Such expense shall be collected by Sandy City, or Salt Lake County Flood Control District and/or the Association either by demand, or in accordance with the assessment lien procedure provided for in this Declaration.

ARTICLE V
HOMEOWNERS ASSOCIATION

Section 5.01. Formation and Membership. The Declarant shall immediately form a non-profit association to be named Pepperwood Canyon Homeowners Association, under the laws of the State of Utah for the benefit of the owners in the project. Every lot owner shall automatically, upon becoming the owner of a lot, be a member of the Association and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association automatically ceases. Provided, however, that ownership shall not be considered terminated by the mere mortgaging of a lot. A person shall be deemed as the owner of a lot only upon recordation of the deed conveying the lot to him, and the membership shall be appertenant to the lot conveyed. At such time as it desires and at its sole option, the Declarant may turn over to the lot owners all or any of its powers, functions and responsibilities as regards the Architectural Control Committee, or Association. Notice of any such action by Declarant shall be given to all lot owners 30 days in advance in writing.

Section 5.02. Powers of The Association. The Association shall have all of the powers set forth herein, or in its By-Laws, together with its general powers as a non-profit incorporated Association, generally to do any and all things that such an Association organized under the laws of the State of Utah may lawfully do in operating for the benefit of its members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the By-Laws, if any, and in this Declaration, and to do any and all lawful things that may be permitted to be done by the Association under this Declaration and to perform any and all acts which may be necessary or proper for, or incidental to, the enforcement of the provisions of this Declaration and the exercise of any of the expressed powers of the Association or for the peace, health, comfort, safety and general welfare of the residence owners and their guests. The Association shall act through it's Board.

Section 5.03. Association Board of Trustees. A Board of Trustees (consisting of three to nine in number) shall be elected by a majority of those lot owners or representatives present at a meeting duly called for such purpose. All Trustees of the Association shall be lot owners in the Project and such Board members shall serve at the pleasure of a majority of the lot owners of the Project and shall receive no remuneration for their services. Provided, however, that the initial Board may be appointed by the Declarant.

Section 5.04. Powers and Duties of the Board of Trustees. The Board shall act by a majority (but not less than two) of those trustees present at a duly called meeting.

The Board of Trustees may constitute whatever committees it finds reasonably necessary, but the power and responsibility to enforce the provisions of this Declaration shall remain with the Board and shall not be delegated. Committee members, if any, shall be appointed by and serve at the pleasure of the Board of Trustees and shall receive no remuneration for their services.

The By-Laws may be amended by the Board.

Section 5.05. Lot Owners Shares and Voting. At any meeting of the Association, each owner (including Declarant as to those lots not sold) shall be entitled to cast one vote for each lot owned except where specifically provided otherwise. Where there is more than one record owner of a lot, any or all of such persons may attend any meeting of the Association by written proxy or otherwise, but it shall be necessary for those owners present to act unanimously in order to cast the

single vote to which the lot is entitled. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established herein, shall be deemed to be binding on all owners of lots, their successors and assigns.

ARTICLE VI VIOLATIONS

Section 6.01. Board's Powers of Enforcement. Enforcement shall be accomplished in any lawful way, including proceedings at law or in equity against any person or persons violating or attempting to violate any provision herein, either to restrain violation or recover damages. To the extent reasonably possible, the violator shall be required to pay the expenses incurred therein. No liability shall attach to the Board or Association in acting pursuant to the provisions of this Declaration.

If after due notice, a lot owner fails to remedy a violation, the Board may (in addition to other lawful remedies available to it) cause such violation or condition to be remedied and the cost thereof shall be charged to the owner of the lot in which event such costs shall be deemed a special assessment to such owner and shall attach to his lot, and shall be subject to levy, enforcement and collection by the Board in accordance with the assessment lien procedure provided for in this Declaration at Article VII.

Failure to comply with any of the provisions in this Declaration or regulations adopted pursuant thereto shall be grounds for relief which may include, without limiting same, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof, which relief may be sought by the Association through its Board. The provisions of this Declaration shall be liberally construed to effectuate its purpose and any violation of this Declaration shall be deemed to be a nuisance or unreasonable annoyance. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provisions hereof.

Section 6.02. Enforcement by Others. Additionally and after reasonable notice in writing, any owner not at the time in default hereunder, or Declarant, shall have the option of bringing an action for damages, specific performance, or injunctive relief against any defaulting owner, and in addition may sue to have enjoined any violation of this Declaration. Any judgment shall include a reasonable sum for attorney's fees in favor of the prevailing party. Each remedy provided in this Declaration shall be cumulative and not exclusive or exhaustive.

Section 6.03. Rights of Entry. The Board shall have a limited right of entry in and upon all lots and the exterior of all residences for the purpose of taking whatever corrective action which it deems necessary or proper. Nothing in this Article shall in any manner limit the right of the owner to exclusive control over the interior of his residence.

ARTICLE VII LEVIES AND ASSESSMENTS

Section 7.01. Levy and Payment. All lot owners shall pay all levies and or assessments, if any, imposed under the Declaration by the Association. NO SUCH LEVIES OR ASSESSMENTS SHALL BE IMPOSED EXCEPT WHERE REASONABLE, AND, THEN, ONLY IN ACCORDANCE WITH THE PROVISIONS OF THIS DECLARATION AND FOR PURPOSES LAWFULLY AND PROPERLY FORMULATED.

All such levies or assessments shall be the personal obligation of the person who is the owner of such property at the time when the assessment fell due. This personal obligation cannot be avoided by abandonment of the lot, or by sale of the lot. All assessments or levies shall be used exclusively to promote the purposes, or carry out the provisions as found in this Declaration. By entering into a purchase contract of any lot, each lot owner is deemed to covenant and agree to pay all such assessment if any. Each installment of an assessment shall become delinquent if not paid on or before thirty (30) days from date upon which it becomes due. All assessments or levies shall be borne according to the ratio of the number of lots owned by each owner assessed to the total number of lots subject to assessments. Declarant or its successor shall pay its full pro rata share of said assessments or levies on all unsold lots in the Property. There shall accrue with each delinquent assessment a reasonable late charge together with interest up to the maximum rate permitted by law on such delinquent sums, calculated from the date of delinquency to and including the date full payment is received by the Association. All such delinquencies may be recorded with the County Recorder as a lien upon the delinquent owners lot.

Section 7.02. Liens, Enforcement Period. All sums assessed or levied in accordance with the provisions of this Declaration shall constitute a lien on the respective lot prior and superior to all other liens except (1) all bonds, assessments and other levies which, by law, would be superior thereto, and (2) the lien charge of any mortgage of record made in good faith and for value and recorded prior to the date on which the lien became effective. It shall be the duty of the Association, to enforce such lien by one or more of the alternative means of relief afforded by this Declaration. Such lien, when delinquent may be enforced by sale by the Association, or its attorney, after failure of the owner to pay an assessment, such sale to be conducted in accordance with the provisions of Utah law applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any manner permitted by law.

A lender whose business it is to loan money and who takes title to a lot shall take such title free of any assessments imposed under this Article VII.

In any such foreclosure, the owner shall be required to pay a reasonable rental for the lot and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Association shall have the power to bid on the lot at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid levies or assessments shall be maintainable without foreclosing or waiving the lien securing the same, and this provision or any institution of suit to recover a money judgment shall not constitute an affirmation of the adequacy of money damages. Any recovery resulting from a suit in law or equity initiated pursuant to this action may include reasonable attorney's fees as fixed by the court.

ARTICLE VIII DURATION AND AMENDMENT

Section 8.01. Duration. This Declaration shall continue in full force for a term of fifty (50) years from the date hereof, after which time the same shall be automatically extended for successive periods of ten (10) years, unless a declaration of termination is recorded with the County Recorder meeting the requirements of an amendment to this Declaration as set forth in Section 2 of this Article. There shall be no severance by sale, conveyance, encumbrance or hypothecation of an interest in any lot from membership in the Association as long as this Declaration shall continue in full force and effect.

Section 8.02. Amendment. Notice of the subject matter of a proposed amendment to this Declaration in reasonably detailed form shall be included in the notice of any meeting of the Association at which meeting such amendment is to be discussed.

No amendment to Article VIII shall be effective unless approved in writing by all of the record holders of all encumbrances on all lots in the Project at the time of such amendment and by not less than seventy-five percent (75%) of the record owners of all lots at the time of such amendment, excluding lots owned by Declarant. All other amendments shall be effective only upon written approval by not less than seventy-five percent (75%) of the record owners of all lots in the Project at the time of such amendments. Nevertheless, Declarant may at any time amend the Declaration to qualify the Project with lending institutions and until the close of the escrow established for the sale by Declarant of its last lot in the Project, (including lots in any annexations thereto), Declarant shall have the sole right to terminate or modify this Declaration by recordation of a supplement hereto setting forth such termination or modification. "The close of escrow" shall be deemed to be the date upon which a deed conveying the lot is recorded.

ARTICLE IX APPEALS

Section 9.01. Appeals. Any written decision by the Architectural Control Committee may be appealed by the lot owner affected thereby to the Declarant or to the Declarant's delegee or assignee as the case may be and any written decision by any other Committee duly constituted hereunder may be appealed to the Board of Trustees.

Any original written decision by the Board (not acting in its appellate capacity) may be appealed by the affected lot owner to an ad hoc committee of nine people, called the Appellate Committee. This committee shall be formed by the Board, as follows. The Board shall place the name of each lot owner in a container on a separate piece of paper of uniform size and shall randomly draw therefrom the names on nine people. Additional names shall likewise be drawn as necessary until nine people have accepted and been appointed.

All appeals shall be governed by the following rules: (1) such appeals shall be in writing; (2) the appeal shall specifically state the decision or portion of decision complained of; (3) the appeal shall state the reasons in detail why such decision is considered to be erroneous; (4) the appellant shall include with the appeal all supplemental materials supporting the appeal and (5) provide a citation to all cases and laws relied upon (together with a summary or copy thereof) in support of the appeal and (6) such appeal shall be filed with the Declarant, its delegee, assignee, Board or Committee within ten (10) days after the written decision, the subject of the complaint, has been served upon the aggrieved party.

The appellate body shall render its written decision on the appeal within thirty (30) days after receipt, or as soon thereafter as reasonably possible. Such decisions may be made (at the discretion of the deciding party) without the benefit of oral testimony, or further written or other evidence being submitted by the Appellant. All appellate decisions shall be decided by a majority of those considering the matter. The appellate decision is final.

ARTICLE X
MISCELLANEOUS

Section 10.01. Severability. Invalidation of any one of these covenants, or any portion thereof by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

Section 10.02. Singular Includes Plural. Whenever the context of this Declaration requires same, the singular shall include the plural and the masculine shall include feminine.

Section 10.03. Covenants Etc. Shall Run with the Land. All of the limitations, restrictions, easements, conditions and covenants herein shall run with the land and shall be binding on and for the benefit of all the Property and all parties having or acquiring any right, title or interest in the Property or any part thereof and shall inure to the benefit of each owner and are imposed upon said real property as a servitude in favor of each parcel thereof as the dominant tenement or tenements.

Section 10.04. Liability. Neither the Declarant, its assignee, delegee, the Architectural Control Committee, Association, Board, Association Committees, Appellate Committee or officers and members thereof shall be liable to any other person for any action or failure at act hereunder where such action or failure was in good faith.

Section 10.05. Annexation of Additional Property. Any real property may be annexed to the Project in the discretion of the Declarant, without the approval, assent or vote of the Association or its members. Such real property shall be made subject to this Declaration at the time it is annexed.

IN WITNESS WHEREOF, Declarant has executed this instrument the day and year first hereinabove written.

BELL MOUNTAIN CORPORATION

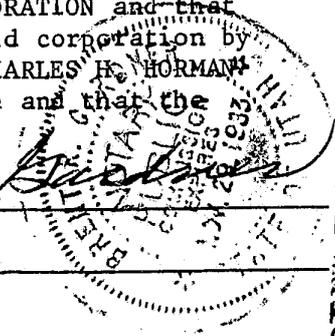
BY Charles H. Horman
President

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

On the 27th Day of March, A.D. 1981 personally appeared before me CHARLES H. HORMAN, who being by me duly sworn did say for himself that he, the said CHARLES H. HORMAN, is the president of BELL MOUNTAIN CORPORATION 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 CHARLES H. HORMAN duly acknowledged to me that said corporation executed the same and that the seal affixed is the seal of said corporation.

My Commission expires 11-29-1983

Brent R. [Signature]
Notary Public
My Residence is _____



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