WHEN RECORDED, RETURN TO: SOUTHLAND DEVELOPMENT, LC
958 West Levoy Drive
Salt Lake City, Utah 84123
Attn: Ralph Johnson

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF THE DEER MOUNTAIN ESTATES PHASES VI & VII SUBDIVISION

6737323

THIS SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS is made this 11th day of September, 1997 by Southland Development, L.C., hereafter referred to as the *"Declarant."*

WITNESSETH:

WHEREAS, Declarant subdivided certain property hereafter referred to as the "Phases VI & VII Lots" in Salt Lake County, State of Utah, more particularly described as follows:

BEGINNING at a point which is North 89°51'14" West 435.73 feet and North 00°18'23" West 33 feet from the East quarter corner of Section 6, Township 4 South, Range 1 West, Salt Lake Base and Meridian, and running thence North 89°51'12" West 461.75 feet; thence North 00°08'46" East 803.04 feet; thence North 89°41'37" East 7.14 feet; thence North 0°18'23" West 217.60 feet; thence North 89°41'37" East 732.65 feet; thence South 0°18'23" East 507.54 feet; thence South 89°41'37" West 284.39 feet; thence South 0°18'23" East 516.73 feet to the point of BEGINNING. (DEER MOUNTAIN ESTATES PHASE 6)

BEGINNING at a point which is North 89°51'14" West 897.74 feet and North 00°08'46" East 33 feet from the East quarter corner of Section 6, Township 4 South, Range 1 West, Salt Lake Base and Meridian, and running thence North 89°51'12" West 484.60 feet to a fence line; thence along fence line North 0°52'10" East 1017 feet; thence North 89°41'37" East 477.20 feet; thence South 0°18'23" East 217.60 feet; thence South 89°41'37" West 7.14 feet; thence South 0°08'46" West 803.04 feet to the point of BEGINNING.(DEER MOUNTAIN ESTATES PHASE 7)

All of the Lots in The Deer Mountain Estates Phases VI & VII Subdivision are in accordance with the official plat thereof filed with Salt Lake County, Utah.

WHEREAS, Declarant intends that the Lots, and each of them, together with the common easements as specified herein, shall hereafter be subject to the covenants, conditions, restrictions, reservations, assessments, charges and liens herein set forth, and

WHEREAS, Declarant owns 75% or more of the Lots as of the date of this amendment, and

WHEREAS, Declarant intends the Lots which shall comprise intended plats VI and VII shall become subject to these covenants pursuant to the terms hereof.

NOW, THEREFORE, Declarant hereby declares, for the purpose of protecting the value and desirability of the Lots, that all of the Lots shall be held, sold, and conveyed subject to the

BK7756PG0730

following easement, restrictions, covenants and conditions, which shall run with the Lots, and be binding on all parties having any right, title or interest in the Lots or any part thereof, their heirs, successors and assigns, and shall insure to benefit of each owner thereof.

ARTICLE I
ARCHITECTURAL CONTROL

1.1. The Deer Mountain Estates Phases VI & VII Architectural Control Committee (here after "Committee") shall, initially, be composed of three officers or designees of the Declarant. A majority of the Committee may designate a representative to act for it. In the event of death or resignation of any member of the Committee, the remaining members of the Committee shall have full authority to select a successor. Neither the members of the Committee, nor its designated representative shall be entitled to any compensation for services preformed pursuant to this covenant. At such time as at least two-thirds of the Lots are sold, the owners of each Lot shall thereupon be entitled to have one (1) vote per Lot to elect a new Committee.

1.2. No building, fence, wall or other structure shall be commenced, erected or maintained upon the project, nor shall any exterior addition or change of alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and be approved in writing as to the harmony of external design and location in relation to the provisions herein and to surrounding structures and topography by the Committee. The Committee's approval or disapproval as required in these covenants shall be in writing.

1.3. The owner must submit a set of formal plans, specifications, and site plan to the Committee before the review process can commence. In the event the Committee or its designated representative fails to respond in writing within 30 days after plans and specifications have been submitted to it, approval will not be required and the related covenants shall be deemed to have fully complied with.

1.4 The Committee may operate by incorporating as a non-profit corporation with the Committee being the executive officers of the corporation.

ARTICLE II
RESIDENTIAL AREA COVENANTS

2. 1. SINGLE FAMILY HOMES. No residence shall be erected, alter, placed or permitted to remain on any Lot other than one detached single-family dwelling not to exceed two stories in height, and private garages for not more than four vehicles. All construction shall be comprised of new materials, except that used brick and rock may be used with prior written approval of the Deer Mountain Estates Architectural Control Committee.

2.2. DWELLING, QUALITY, SIZE. The ground floor level of any private dwelling shall be 1500 square feet. or more for a one story dwelling, exclusive of open porches and garages. For a two-story dwelling, the ground level floor area must be at least 1100 square feet and the total area of the home must be 2000 square feet. Tri-levels shall be figured as the main and upper floor constituting the main floor area square footage with minimum of 1700 square feet. Each dwelling must have an attached garage for a minimum of 3 cars. No move in, mobile, manufactured or modular buildings are allowed. Each dwelling must be covered with brick, stucco and brick, rock, a combination of the foregoing, or the equivalent as approved by the Committee. Shingles shall be 300 pound dimensional textured quality or better.

2.3. GOVERNMENT ORDINANCES. All Improvements on a Lot shall be made,

constructed and maintained, and all activities on a Lot shall be undertaken, in conformity with all laws and ordinances of the governing authority including Riverton City, Salt Lake County, and the state of Utah.

2.4. EASEMENT. Easements for installation and maintenance of utilities, water systems, and drainage are reserved as shown on the recorded plat. Within these easements no structures, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation, operation, maintenance, drainage, or which may change the direction of flow of drainage in the easements, or which may obstruct or retard the flow of water through drainage in the easements.

2.5. NUISANCES. 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 annoyance or nuisance to the neighborhood. This would include parking of commercial vehicles on the road or in front of the home. No semi-tractor/trailer rigs, in whole or in part are allowed in the subdivision. No trailers, boats, or other vehicles are to be parked on the street or in front of the home over night. No hazardous wastes will be allowed to be stored or dumped on any Lot.

2 6. TEMPORARY STRUCTURES. No structure of a temporary character, trailer, tent, garage, barn or other outbuildings shall be used on any Lot at any time as a residence, either temporarily or permanently.

2.7. GARBAGE AND REFUSE DISPOSAL. No Lot shall be used or maintained as a dumping ground. Rubbish, trash, garbage, junk or other waste shall not be kept, except in sanitary containers. No abandoned or junk vehicles will be stored on any Lot.

2.8. LANDSCAPING. All front and side yards must be landscaped within one (1) year after dwelling is occupied. All park strips and Lots must be kept free of weeds, planted in grass, and shall be planted with one flowering pear tree, which is at least two inches in diameter, for every forty feet of frontage on any street. No elm trees may a be planted on a Lot.

2.9. LIVESTOCK AND POULTRY. The only animals which may be raised, or kept on any Lot will be those permitted by law and by the Deer Mountain Estates Architectural Committee. However, horses, cows, mink, swine (pigs), pit bulls or other vicious dogs, or animals for breeding purposes, kennels or chicken coops will NOT be allowed under any circumstances. Dogs must be kept on a Lot and not allowed to run at large. Owners of Lots having animals must provide proper and adequate shelter for all animals contained on premises. Shelters must be constructed of masonry materials and completed in a timely manner. All construction and design must be approved by the Committee prior to construction. All animals must be kept in the back yard, not on the side or front of yards.

2.10. SIGNS. No signs of any kind shall be displayed to the public view on any Lot except one professional sign of not more than one (1) square foot, one sign of not more than five (5) square feet advertising the property for sale or signs used by a builder to advertise the property during construction and sales period.

2.11. OWNERSHIP. This section serves to preserve the rights of ownership by making specific regulations that will protect the integrity of the Lots. Property owners will be responsible for any and all of their Property. Lots cannot be divided into smaller Lots.

2.12. FENCES. Each Lot owner shall be required to install and properly maintain a fence on his or her Lot meeting the following requirements: Within one year of occupancy of a home, the lot owner shall install Poly-coated white rail fencing along the side yard lines and the back lot line, provided that those lots along the north line of the subdivisions shall install white Poly-coated

solid barrier fence along the north line of the subdivisions in their back or side yards as the case may be. Notwithstanding the foregoing, a 6' tall white vinyl privacy fence shall be installed along the North side of lots 34 to 39 inclusive, 40, 41, 73 to 75 inclusive, and the owners of lots may install a 6' white vinyl privacy fence on the interior lots where allowable by the governing municipality. The owners of contiguous lots shall share equally in the cost of fences which are installed as a separation between the lots at the time the fence is required to be installed by either lot owner. Failure of an owner to pay for the said share of the costs of the said fence when due shall be deemed to create an obligation for which the Committee shall levy a special assessment against the lot of the said defaulting owner. The recovered costs shall be paid to the Lot owner(s) which properly installed said fence.

ARTICLE V
ASSESSMENTS

3.1. PERSONAL OBLIGATION AND LIEN FOR ASSESSMENTS. Each Owner (including Declarant) shall, by acquiring or in any way becoming vested with an interest in a Lot, be deemed to covenant and agree to pay to the Committee the assessments described herein together with the charges hereinafter provided for interest and costs of collection. All such amounts shall be, constitute, and remain: (i) a charge and continuing lien upon the Lot with respect to which such assessment is made; and (ii) the personal obligation of each person who is an Owner of such Lot an the time the assessment falls due. No Owner may exempt himself or his Lot from liability for payment of assessments by waiver of his rights concerning the Common Areas or by abandonment of his Lot.

3.2. PURPOSE OF ASSESSMENTS. Assessments levied by the Committee shall be used exclusively for the purpose of operating and maintaining the pressurized irrigation system.

3.3. SPECIAL ASSESSMENTS. In the event that the owner or owners of a Lot shall fail to perform any covenant herein, the Committee shall have the right, after forty-five (45) written notice, to enter upon the Lot and perform the obligation for the owner or owners of the Lot. The Committee may levy special assessments for the purpose of defraying, in whole or in part any expense or expenses of any construction, reconstruction, repair, or replacement of an improvement, personal property, or fixtures required for compliance with the Covenants. Any such special assessment must be assented to by a majority of the votes of Lot owners present in person or represented by proxy are entitled to cast at a meeting duly called for such purpose based on one (1) vote per Lot. Written notice setting forth the purpose of the meeting shall be sent to all owners of Lots at least ten (10) but not more than fifty (50) days prior to the meeting date.

3.4. CERTIFICATE REGARDING PAYMENT. Upon the request of any Owner, prospective purchaser, or encumbrancer of a Lot, the Committee shall issue a certificate stating whether or not all assessments respecting such Lot are current and, if not, the amount of the delinquency. Such certificate shall be conclusive in favor of all persons (other than the Owner of the Lot concerned) who in good faith and value rely thereon.

3.5. EFFECT OF NONPAYMENT -- REMEDIES. Regardless of the terms of any agreement to the contrary, the liability of the Owners of a Lot for the payment of any assessment relating to such Lot shall be joint and several, and any remedy for the collection of such assessment may be enforced against any or all Owners of the Lot concerned; provided, however, that the personal obligation of an Owner to pay assessments shall not pass to his successors in title unless assumed by them. If any assessment is not paid within thirty (30) days after the date on which it becomes delinquent, the amount thereof shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum (or, in the event such rate at any time exceeds the maximum legal limit, interest shall accrue at such maximum legal rate) and the Committee may bring an action either against any or all Owners who are personally liable therefor or to foreclose the lien against

the Lot; provided, however, that the Committee shall give the Owner(s) concerned twenty (20) days advance written notice of its intent to pursue one or more of its remedies hereunder. Any relief obtained by the Committee (whether or not through judicial action) shall include reasonable attorneys fees, court costs, and each and every other expense incurred by the Committee in enforcing its rights. After institution of a foreclosure action by the Committee against any Lot, the Committee shall, without regard to the value of such Lot or the Extent of the Owner's equity therein, be entitled to the appointment of a receiver to collect any income or rentals which may be produced by such Lot.

ARTICLE V
GENERAL PROVISIONS

5.1. ENFORCEMENT. Any owner or the Committee 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 any owner to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver of right to do so thereafter. Lot owners found in violation will be liable for reasonable court costs and attorney fees.

5.2. SEVERABILITY. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force effect.

5.3. AMENDMENT. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of fifty (50) years from the date the Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years at the request of the owner or owners of at least two (2) Lots. This Declaration may be amended or terminated by a vote of at least seventy-five percent (75%) of the total votes of all owners based on one (1) vote per Lot, which vote shall be taken at a duly called meeting. Any approved amendment shall be reduced to writing, signed, and recorded against the Lots.

ARTICLE VI
INCLUSION OF ADDITIONAL LOTS

6.1. RIGHT TO INCLUDE ADDITIONAL LOTS. There is hereby granted unto Declarant, and Declarant hereby reserves, the absolute right and option, in its sole discretion, to include additional lots under the terms and conditions of this Declaration at any time and from time to time. Notwithstanding any provisions of this Declaration which might be construed to the contrary, such right and option may be exercised without obtaining the vote or consent of any other person (including the owner or a mortgagee of any Lot, or the Committee) and shall be limited only as specifically provided in this Declaration. Without limiting the scope of the immediately foregoing sentence, no Owner shall oppose such development in public meetings, by petition, or by legal actions. The inclusion of additional lots shall not create any right or claim in any Lot owner or the Committee except as provided herein. The right to include additional lots shall be limited to lots which are contiguous to the Lots in Deer Mountain Estates VI and VII.

6.2. EFFECT OF INCLUSION OF ADDITIONAL LOTS. In the event that additional lots are included under the terms and conditions of this Declaration, each such lot shall be deemed to be a Lot as defined herein and the owners thereof shall be deemed to be Lot owners subject to all the rights and obligations hereof including the Residential Area Covenants, Assessments, Operation and Maintenance, and the General Provisions from and after the date such lots are included hereunder in the manner herein provided. The lots included by Declarant shall thereupon be counted as Lots owned by the Declarant for voting for members of the Committee. Additional lots may be referred to as being in subsequent phases of Deer Mountain Estates such as Phases VI &

VII or otherwise.

6.3. PROCEDURE FOR INCLUSION. Any additional lots, to be included hereunder, shall be deemed included under this Declaration and subject to the jurisdiction of the Committee at such time as a duly approved subdivision plat pertaining thereto and a supplement to this Declaration containing the information required below shall have been recorded with respect to the additional lots concerned. The supplement(s) to this Declaration, by which the addition of lots is accomplished shall be executed by Declarant; shall be in recordable form; shall be filed for record in the office of the County Recorder of Salt Lake County, Utah, on or before five (5) years from the date that this Declaration is recorded; and shall contain the following information:

(a) Data sufficient to identify this Declaration and the plat respecting the lots to be included hereunder including the legal description thereof.

(b) Such other matters as Declarant may deem to be necessary, desirably, or appropriate. Upon the recordation of any supplement contemplated above, it shall automatically supplement this Declaration and any supplements previously recorded. At any point in time, the Declaration shall consist of this Declaration as amended and expanded by all supplements theretofore recorded pursuant to the terms hereof.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand the day first above written.

DECLARANT:

Southland Development, L.C.

By _____
Manager

By _____
Manager

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

I, Wende Harris, a Notary Public, hereby certify that on the 11 day of September, 1997, Ralph B. Johnson, and Douglas C. Young personally appeared before me who, being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as General Managers and that the statements contained therein are true.

DATED this 11th day of September, 1997.

BK7756PG0735

NOTARY PUBLIC

Residing at: Salt Lake City, Utah

NOTARY PUBLIC - STATE of UTAH
1100 E 6500 S NO 140
SALT LAKE CITY, UT 84121
COMM. EXPIRES 12-18-2000

6737323
09/11/97 4:16 PM 63.00
NANCY WORKMAN
RECORDER, SALT LAKE COUNTY, UTAH
FOUNDERS TITLE
REC BY:J FERGUSON ,DEPUTY - WI

ACCOMODATION RECORDING ONLY
FOUNDERS TITLE COMPANY MAKES NO
REPRESENTATION AS TO CONDITION
OF TITLE NOR DOES IT ASSUME
ANY RESPONSIBILITY FOR VALIDITY,
SUFFICIENCY OR AFFECT OF THIS
DOCUMENT OR THE RECORDING THEREOF

BK7756PG0736