

AFTER RECORDING PLEASE RETURN TO:  
Legacy Communities, LLC  
David L. Evans  
5320 South 900 East, No. 250  
Salt Lake City, Utah 84117

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**MASTER  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS,  
AND  
RESERVATION OF EASEMENTS  
FOR THE PEPPERWOOD CREEK PROJECT,  
a Planned Mixed Residential Use Development**

This Master Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements for the Pepperwood Creek Project, a Utah planned, mixed residential use development (the "Master Declaration") is executed by Legacy Communities, LLC, of 5320 South 900 East, No. 250, Salt Lake City, Utah 84117 (the "Developer").

**RECITALS:**

- A. The Developer is the owner of the land described with particularity on Exhibit "A" attached hereto and incorporated herein by this reference (the "Tract").
- B. The Tract consists of land areas featuring unique and distinctive terrain;
- C. By subjecting the Tract to this Master Declaration, it is the desire, intent and purpose of Developer to create amenities, facilities and open space in which beauty shall be substantially preserved, which will both enhance the desirability of living at, using or benefiting from the Project, and increase and preserve the utility, attractiveness, quality and value of the lands and improvements therein.
- D. Developer has constructed or is in the process of constructing upon the Tract certain improvements and a variety of Neighborhoods, some of which may be gated, who will share the use of the Common Area and Facilities, including Pepperwood Creek Club and other recreational amenities.
- E. Developer intends to sell to various purchasers the fee title to the individual Lots in the Project, together with both (a) an appurtenant non-exclusive right to use the Common Area and Facilities, including Pepperwood Creek Club and (b) a corresponding membership in a Neighborhood Association, subject to the covenants, conditions and restrictions set forth herein.
- F. the Project will consist of a Master Association and Neighborhood Associations.

G. Developer desires, by filing this Master Declaration to submit the Project and all improvements now or hereafter constructed thereon, to the provisions and protective covenants set forth herein.

#### **AGREEMENT:**

For the reasons recited above, and in consideration of the reciprocal benefits to be derived from the easements, covenants, restrictions, and requirements set forth below, the parties hereto, and each of them, hereby agree:

#### **I. DEFINITIONS**

As used in this Declaration (including the "Recital" section above) each of the following terms shall have the indicated meaning:

1.1 The term **Accessory Building** shall mean and refer to any structure which (a) is not the primary structure, (b) contains at least 120 square feet, (c) requires a building permit, (d) is not a shed, shack or other out-building (for which a building permit is not required), and (e) qualifies as such under the totality of the circumstances in the opinion of the Architectural review Committee.

1.2 The term **Association** shall mean and refer to an association of the members of the Master Association or where the context requires the Owners of Lots and/or Units in a particular Neighborhood acting as a group in accordance with the terms of the Project Documents.

1.3 The term **Board of Directors** shall mean and refer to the managing committee or Board of Directors of the Master Association.

1.4 The term **City** shall mean and refer to the City of Sandy in Salt Lake County, State of Utah.

1.5 The term **Common Areas and Facilities** shall mean and refer to all common areas, elements and facilities in the Project, including by way of illustration but not limitation all of the land and improvements not privately owned or dedicated to the City, such as the Pepperwood Creek Club, private streets, entry and monument, parking, landscaping, open space parks, wildlife corridor, common utilities, and all other parts of the Project necessary or convenient to its existence, maintenance, and safety, or normally in common use.

1.6 The term **Developer** shall mean and include Legacy Communities, LLC, a Utah corporation, and any person or persons who might acquire title from it to all or some of the unsold Property, Lots or Units through purchase, assignment or other transfer including foreclosure or deed in lieu of foreclosure; or, in the situation where, any person purchases all, or some of the remaining Lots or Units in a sale in the nature of a bulk sale.

The person acquiring any of such property from the Developer shall be considered a Developer with respect to that portion of the property so acquired and shall have the right to develop the property and/or sell such property in accordance with the terms and provisions of this Master Declaration.

1.7 The term **Developmental Rights** shall mean and refer to the right granted hereunder to the Developer, its agents, Representatives, employees, successors and assigns, to develop and improve the Project or any portion thereof.

1.8 The term **Dwelling or Dwelling Unit** shall mean and refer to the dwelling, home, residence or living unit constructed upon the Property.

1.9 The term **Entry** shall mean the entry way into the Project or a particular Neighborhood.

1.10 The term **Entry Monument** shall mean the monument, planter boxes, landscaping features and other physical improvements identifying the Project located at or near the Entry or entrance to the Project.

1.11 The term **Individual Charge** shall mean and refer to a charge levied by the Master Association or Neighborhood Association against an Owner, Guest or Permittee for all expenses resulting from the act or omission of such Owner, Guest or Permittee, excepting the Owner's failure to pay any Assessment.

1.12 The term **Lender** shall mean and refer to a Mortgagee.

1.13 The term **Lot** shall mean and refer to a portion of the Project intended for any type of independent private ownership and use as may be set out in this Master Declaration or a Neighborhood Declaration, and as shall be shown on the Plat Map filed concurrently or a Neighborhood Plat Map, or amendments or supplements thereto. Where the context indicates or requires, the term Lot shall be considered to include a Dwelling Unit, Unit or any other physical structure or improvement constructed upon the Lot.

1.14 The term **Lot Number** shall mean and refer to the number, letter or combination thereof designating a particular Lot.

1.15 The term **Master Assessment** shall mean and refer to the charges, for maintenance, repair, replacement, operation, administration, major repairs, capital improvements and additions assessed each Owner and/or Unit or Lot by the Master Association to pay its Operating Expenses, and shall include an amount to fund an adequate reserve fund or funds for major repairs, capital improvements, additions and unexpected costs.

1.16 The term **Master Association** or **MHOA** shall mean and refer to the master association, consisting of all of the Owners of property in the Project acting as a group in accordance with this Master Declaration.

1.17 The term **Master Declaration** shall mean and refer to this Master Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements for the Pepperwood Creek Project, a planned mixed residential use development.

1.18 The term **Mortgage** shall mean and refer to any mortgage, deed of trust or other security instrument (including the seller's rights under a contract for deed) by which a Lot or Unit or any part thereof or interest therein is encumbered. A *First Mortgage* is a Mortgage having priority as to all other Mortgages encumbering a Lot or Unit, or any part thereof or interest therein.

1.19 The term **Mortgagee** shall mean and refer to any person or entity named as the mortgagee, beneficiary or holder of the seller's interest (so long as a copy of the contract for deed is given to the Master Association) under any Mortgage by which the interest of any Owner is encumbered, or any successor to the interest of such person under such Mortgage. A **First Mortgagee** shall mean and refer to any person or entity holding a First Mortgage including any insurer or guarantor of a First Mortgage. Any and all Mortgagee protections contained in the Declaration shall also protect the Developer as the holder of a First Mortgage of a Lot or Unit, or any interest therein.

1.20 The term **Neighborhood** shall mean and refer to any residential or recreational area within the Project which is designated by the Developer as a Neighborhood, whether or not governed by a Neighborhood Association.

1.21 The term **Neighborhood Association** shall mean and refer to an association of property owners having jurisdiction, in whole or in part, over a specific Neighborhood concurrent with but subordinate to the jurisdiction of the Master Association.

1.22 The term **Neighborhood Declaration** shall mean and refer to the Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements, or Declaration of Condominium, for a Neighborhood in the Project.

1.23 The term **Neighborhood Plat** shall mean and refer to the Plat Map or Maps showing a Neighborhood, including any Common Area and Facilities located therein, its boundaries, and other improvements of a less significant nature.

1.24 The term **Operating Expenses** shall mean and refer to the common expenses of maintaining, repairing, replacing, and operating the Common Area and Facilities, including Pepperwood Creek Club and the maintenance and striping of all parking spaces, and administering the Master Association.

1.25 The term **Office of the County Recorder** or **County Recorder** shall mean and refer to the Office of the County Recorder of Salt Lake County, Utah.

1.26 The term **Owner** shall mean and refer to the reputed owner of a Lot or Unit at the Project as shown on the records of the County Recorder of Salt Lake County, Utah.

1.27 The term **Pepperwood Creek Club** shall mean and refer collectively to the swimming pool, hot tub, clubhouse, pocket parks, and related recreational amenities serving the Project.

1.28 The term **Period of Developer's Control** shall mean and refer to the period during which the Developer is entitled to appoint a majority of the Board of Directors to the Board of Directors, and otherwise direct and control the development, management and operation of the Project. The Period of Developer's Control shall expire upon the first to occur of the following: (a) Ninety days after Developer sells its last Lot or Unit (including all Lots and Units added or annexed to the Project); or (b) when, in its discretion, the Developer so determines and records in the Office of the County Recorder a written "Notice of Termination of Period of Developer's Control."

1.29 The term **Plat** shall mean and refer to the Plat Map or Maps showing the Project, Neighborhoods, Common Area and Facilities, Pepperwood Creek Club, roads, boundaries, and other improvements of a less significant nature.

1.30 The term **Project** shall mean and refer to the Tract and such additional real estate as may be annexed to the Tract from time to time or where the context requires a Neighborhood or Neighborhoods.

1.31 The term **Project Documents** shall mean and refer to all of the documents governing the Project, in whole or in part, including the Master Declaration, Plat Map, Master Bylaws, Master Rules and Regulations, and Articles of the Master Association as well as any applicable Neighborhood Declaration, Neighborhood Plat Map, Neighborhood Bylaws, Neighborhood Rules and Regulations, and Articles of a Neighborhood Association.

1.32 The term **Single Family Residence** shall mean and refer to both the architectural style of a Unit and the nature of the residential use permitted.

1.33 The term **Size** shall mean and refer to the number of cubic feet, or the number of square feet of ground or floor space, within each Lot or Unit as computed by reference to the Plat Map and rounded off to a whole number. Certain spaces within the Lots or Units, such as the attic, basement, or garage space, may be omitted from the calculation or be partially discounted by the use of a ratio if the same basis of calculation is employed for all Lots or Units in the Project and if that basis is described in the Project Documents.

1.34 The term **Total Votes** or **Total Votes of the Master Association** shall mean and refer to the total number of votes appertaining to the Master Association.

1.35 The term **Trail** shall mean and refer to the six foot (6') wide sidewalk that runs within and along the public road and right of way named Hiddenwood Drive.

1.35 The term **Unit** or **Condominium Unit** shall mean and refer to a separate physical part of the Property intended for independent use, including one or more rooms or spaces located in one or more floors or part or parts of floors in a building. Mechanical equipment and appurtenances located within any one Unit, or located without said Unit but designated and designed to serve only that Unit, such as appliances, electrical receptacles and outlets, air conditioning compressors, furnaces, water heaters, apparatus, systems or equipment, fixtures and the like, shall be considered part of the Unit; so shall all decorated surfaces of interior walls, floors and ceilings, including but not limited to all paint, wallpaper, wall coverings, windows and window frames, doors and door frames, trim, carpeting, tile and linoleum. All pipes, wires, conduits, or other utility lines or installations constituting a part of the Unit or serving only the Unit, and any structural members, parts, components or any other property of any kind, including fixtures or appliances within any Unit, which are removable without jeopardizing the integrity, soundness, safety or usefulness of the remainder of the Building within which the Unit is located shall be deemed to be part of the Unit. Where the context clearly requires, the term "Unit" may refer to a Dwelling Unit or Lot.

1.36 The term **Wildlife Corridor** shall mean and refer to that certain Wildlife Corridor which is part of the Project as dimensioned and shown on the Plat attached hereto on Exhibit "B" and incorporated herein by this reference.

## II. MEMBERSHIP, ANNEXATION AND BYLAWS

Each Owner is a mandatory member of the Master Association. Membership in the Master Association may not be assigned, transferred, pledged, or alienated in any way. This Declaration shall apply to all of the Tract and any additional real estate which may be added to the Project. Without any other additional approval required, the Developer is hereby granted, shall have and expressly reserves the exclusive, unilateral, unconditional, and irrevocable right to expand the application of this Declaration to add other real property by written supplement to this Declaration duly recorded. The Bylaws of the Master Association are attached hereto, marked Exhibit "C" and incorporated herein by this reference, but are not subject to the amendment provisions of this Declaration.

## III. VOTING

Each Lot or Unit shall have one (1) vote. In any case in which this Declaration requires the vote of the Board of Directors or an Owner for authorization or approval of an act or a transaction, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from the members of the Board of Directors or Owners who collectively hold the required percentages.

#### IV. EASEMENTS

4.1 **Grant of Easement.** Developer hereby reserves to itself and grants to the Master Association a nonexclusive, perpetual right-of-way and easement over, across and through the Project, together with the right to use, operate, maintain, repair and replace the Common Areas and Facilities, and all improvements therein, subject to all of the terms, covenants, conditions and restrictions set forth herein. The easement is to be used in common by the Developer, Master Association, Neighborhood Association and the Owners, subject to all of the terms, covenants, conditions and restrictions set forth herein. The easement created is intended to be used as a private non-exclusive easement for the use and benefit of Developer, Master Association, each Neighborhood and the Owners.

4.2 **Encroachments.** If any part of the Common Areas and Facilities encroaches or shall hereafter encroach upon a Lot or Unit or Lots or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Lot or Unit encroaches or shall hereafter encroach upon the Common Areas and Facilities, or upon an adjoining Lot or Unit or Lots or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. Such easements shall extend for whatever period the encroachment exists. Such encroachments shall not be considered to be encumbrances either on the Common Areas and Facilities or the Lots or Units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of any improvement constructed or to be constructed within the Project, by error in the Plat, by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

4.3 **Developer's Easement.** The Master Association hereby grants and conveys to the Developer an exclusive easement to make such use of the Common Areas and Facilities, including Pepperwood Creek Club, as may be necessary or convenient to perform the duties and functions that each is obligated or permitted to perform pursuant to this Master Declaration, including, without limitation, the right to construct and maintain the Common Areas and Facilities, and Pepperwood Creek Club, for use by the Master Association, Neighborhood Associations and Owners.

4.4 **Construction Easements.** The Developer hereby reserves for itself and its affiliates and assigns a temporary construction easement over the Common Areas and Facilities, and Pepperwood Creek Club, for the purpose of doing all things that are reasonably necessary as a part of constructing any new improvements for the Project including all physical improvements as well as all Lots, Units, Common Areas and Facilities, and Pepperwood Creek Club. The Owners of Lots or Units do hereby acknowledge and agree that there will be construction activities, traffic, noises, odors and vibrations which may temporarily disrupt their quiet enjoyment of their Lots or Units and the Common Areas and Facilities, and Pepperwood Creek Club appurtenant thereto until all improvements are complete, and such Owners do hereby waive any right to object to such construction activity; provided, however, Developer shall endeavor to use reasonable efforts to minimize the adverse impact of such construction activities on the

Owners of Lots or Units in the Project. Developer's construction activities pursuant to the easement granted hereunder shall not be deemed to be a violation of the Use Restrictions.

4.5 **Entry Monument Easement.** Easements for the Entry Monument and its corresponding plantings, landscape features and physical improvements, utilities, drainage systems and facilities, and irrigation are reserved hereby and on the recorded Plat. An Owner may not do any landscaping, grading or work, or install any structure, building, improvement, planting, or other object, natural or artificial, or materials which may damage or interfere with the Entry Monument, installation and maintenance of utilities, or which may change the direction of flow of drainage channels in, on or about the easements and rights of way, or which may obstruct or retard the flow of water through the drainage channels in the easements and rights of way, or impair its view, nature, scope, function or utility. If an Owner violates the duties set forth herein, the Developer is granted and hereby expressly reserves the right to enter onto the property to restore the area to its original condition at the sole cost of the Owner, and without being guilty of a trespass.

4.6 **Public Trail** The Developer hereby dedicates to the general public a nonexclusive, perpetual right-of-way over, across and through the public trail, approximately six feet (6') wide running through the center of the Project within and along the public road right of way named Hiddenwood Drive.

## V. INSURANCE AND INDEMNITY

5.1 **Insurance for Master Association.** The Board of Directors may adopt General Insurance House Rules, Policies and Procedures intended as a guide for owners and residents in order to maintain the insurability of the Project, keep the insurance premium reasonable, and enforce the maintenance responsibilities of the individual Owners. The Master Association, for itself, Pepperwood Creek Club, and each Neighborhood Association, unless it shall assign in writing that duty to the Neighborhood Association, shall obtain the following insurance coverages (the "Association Master Policy" or "MHOA Policy"):

- public liability;
- property, fire and extended hazard;
- directors and officers; and
- fidelity bond.

5.1.5.1 The limits of each liability insurance policy purchased for the Master Association, Pepperwood Creek Club, and each Neighborhood Association shall be in an amount not less than \$2,000,000.00 per occurrence and \$1,000,000.00 per person for bodily injury, death, and property damage. This amount may be increased or decreased by the Board of Directors upon a written recommendation for its insurance agent without amending the Declaration. Each policy shall name the Association as a



“Loss Payee” or “Additional Insured.” The Master Association Master Policy DOES NOT cover personal property of the Lot or Unit Owner or renter such as automobiles, furniture, appliances, paintings, pictures, wall hangings, and clothing or personal liability. The deductible for the Master Association Policy may be up to \$10,000.00 and may, as the Board of Directors adjusts claims, be determined to be the responsibility of a Neighborhood Association or Owner, who are, thus, encouraged to purchase independent insurance to cover this risk or peril. The deductible on a claim made against the Master Association Policy shall be paid for by the party who would be liable for the loss, damage, claim, or repair in the absence of insurance, and in the event of multiple responsible parties, the loss shall be allocated in relation to the amount each party’s responsibility bears to the total. If a loss is caused by an act of God or nature or by an element, risk or peril beyond the control of the parties, then the Lot or Unit Owner shall be responsible for the deductible. Each Lot or Unit Owner is encouraged to purchase insurance to cover the cost of the deductible. The Master Association has the right, power and authority to adjust claims.

## VI. MAINTENANCE

6. **Generally.** It is Developer’s intent that the Master Association be responsible for maintaining the integrity of the original design scheme and that it oversee, direct and control all common elements used by two or more Neighborhoods. It is anticipated, although not essential, that there will be several Neighborhoods, and that each Neighborhood, under the auspices of the Master Association, who is ultimately responsible to maintain uniformity of appearance and quality of construction, will be responsible for the improvements, systems, utilities, gates, lateral roads, benefits, amenities, facilities and so forth unique to its Neighborhood.

6.1 **Developer’s Landscaping and Irrigation Responsibilities.** The Developer shall install and maintain the irrigation system for the Common Area and Facilities. The Developer shall not be required to irrigate the native vegetation and scrub oak open Common Area. The Developer shall establish a limit of disturbance and delineate the separation between the Villas (pad lots) (including the private rear yard area) and the native vegetation and scrub oak open Common Area.

6.2 **Area of Common Responsibility.** The Developer shall install the water service to the Common Area and Facilities at its expense. The Master Association shall maintain, repair and replace, at its sole expense, the irrigation system and all landscaping in the Common Areas and Facilities, including by way of illustration but not limitation the Entry, Entry Monument, Clubhouse and adjoining landscaping, tot lots and park strips. The Association shall maintain the native vegetation and scrub oak open Common Area. The Developer, or its successors and assigns, shall extend the established water feed to provide a sprinkling system around each Villa (pad lot). The Association shall maintain, repair and replace the sprinkling system around each Villa (pad lot) at its sole expense. The Master Association shall maintain and stripe *all* of the parking stalls on the private parking amenities and any roads or property not dedicated to the City. The Master Association shall clean and remove all snow accumulations from the Trail as

required by City ordinance. The Master Association may delegate, in whole or in part, a maintenance responsibility to a Neighborhood Association.

**6.3 Area of Private Responsibility.** Each Owner shall maintain, repair and replace, at his sole expense, his Lot and Dwelling Unit; provided, however, the Association shall maintain the sprinkling system and landscaping around the each Villa (pad lot) and Townhouse. Each Estate Lot Owner shall maintain his private irrigation system and landscaping. Each Villa (pad lot) shall have a separate water meter and will be required to pay his water bill directly to the City.

**6.4 Wildlife Corridor.** The Wildlife Corridor shall be maintained by the Association at a minimum width of three hundred feet (300'), unless otherwise expressly noted on the Final Plat.

## VII. ASSESSMENTS

**7.1 Assessments Generally.** Each Owner, by virtue of accepting a deed or other document of conveyance to a Lot or Unit, covenants and agrees to pay his share of the Operating Expenses for the Master Association and his share of the Common Expenses for his Neighborhood Association. The term "Common Expenses" shall mean and refer to (a) all sums lawfully assessed against the Owners in a particular Neighborhood by the Neighborhood Association; (b) Expenses of administration, maintenance, repair or replacement of a Neighborhood Association; (c) Expenses allocated by the Neighborhood Association among the Owners in the Neighborhood; (d) Expenses agreed upon as common expenses by the Neighborhood Association; and (e) Expenses declared common expenses by the Neighborhood Declaration. The Assessments provided for herein shall be used for the general purpose of paying administration of the Project and promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and residents therein. All payments shall be made to the Master Association.

**7.2 Apportionment of Expenses.** The Operating Expenses for the Master Association shall be allocated among all of the Lots and Units equally. The common expenses for each Neighborhood Association shall be allocated among all of the Lots and Units in the Neighborhood equally.

**7.3 Books and Records.** The Master Association shall (a) keep books and records in accordance with generally accepted accounting practices and (b) prepare monthly billing statements and/or ledgers for each Owner detailing his share of the expenses and any other charges.

**7.4 Payment.** Monthly invoices for each Owner will be prepared by the Master Association. Payment of the Assessments must be made to the Master Association within thirty (30) days from the date the Invoice is delivered. A late fee may be assessed on all late payments. Default interest at the rate of 1.5% per month may be

charged on the outstanding balance on all delinquent accounts until paid. The Assessments and each Owner's share of the expenses shall be payable in twelve (12) equal monthly installments, although the Board of Directors may offer a reasonable discount for pre-payment of the entire annual Assessment prior to January 15 of each year.

**7.5 Reserves.** The Master Association shall establish and fund a reasonable reserve account or accounts for unforeseen Operating Expenses (or Common Expenses), major repairs, and capital improvements or additions. A Road Maintenance Fund shall be established either by the Master Association itself or in its sole discretion by a Neighborhood Association or Associations. In the event the reserve account or accounts fall below an amount considered acceptable by the Board of Directors, then, in its sole discretion and without any additional approval required, the Master Association may restore or replenish the account or accounts by an equitable increase in the monthly Master Assessment, Neighborhood Assessment, a Special Assessment, or any combination.

**7.6 Capitalization Assessment.** The initial buyer of a Lot or Unit shall pay at closing a sum equal to the total of two monthly Master Assessment payments to be deposited into a reserve account (the "Capitalization Assessment"). The purpose of the Capitalization Assessment is to insure that the Board of Directors will have cash available to satisfy unforeseen expenses or to acquire additional equipment or services necessary for the operation, control and regulation of the Common Area and Facilities, including Pepperwood Creek Club. Sums paid into this working capital fund are not to be considered as advance payments of Master Assessments of the Owner's share of the Operating Expenses or Common Expenses.

**7.7 Road Maintenance Fund.** The Developer shall establish a road maintenance fund or funds for private roads in the Project (collectively "Road Maintenance Fund"). Concurrently with the recording of this Declaration, the Phase 1 Road Maintenance Fund shall be established by the Developer depositing into a federally insured bank account in the name of the Association created for this purpose a lump sum initial deposit of \$5,000.00 for Phase 1. Concurrently with the recording of a Supplement to the Declaration for Phase 2 of the development, the Phase 2 Road Maintenance Fund shall be established by the Developer depositing into a separate federally insured bank account in the name of the Association created for this purpose a second lump sum deposit of \$1,600.00 for Phase 2. Thereafter, each Phase 1 Owner shall be charged a monthly Road Maintenance Fund assessment, in an amount to be established by the Developer, until the Phase 1 Road Maintenance Fund reaches a minimum balance of \$15,000.00 and each Phase 2 Owner shall be charged a monthly Road Maintenance Fund assessment, in an amount to be established by the Developer, until the Phase 2 Road Maintenance Fund has a minimum balance of \$5,000.00 (collectively "Minimum Required Balance"). If either fund subsequently falls below the Minimum Required Balance, then the monthly assessment shall resume and continue until such time as the Minimum Required Balance is restored. Funds for subsequent phases shall be addressed in the supplemental declarations.

7.8 **Lien.** If any Owner fails or refuses to make any payment of any Assessment or his portion of the Operating Expenses or Common Expenses when due, that amount shall constitute a lien on the interest of the Owner in the Property, and upon the recording of notice of lien by the Manager, Board of Directors or their designee it is a lien upon the Owner's interest in the Property prior to all other liens and encumbrances, recorded or unrecorded, except: (a) tax and special assessment liens on the Lot in favor of any assessing unit or special improvement district; and (b) encumbrances on the interest of the Owner recorded prior to the date such notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

7.9 **Priority of Lender Foreclosing.** Any first mortgagee who obtains title to a Lot or Unit pursuant to the remedies in the mortgage or through foreclosure will be liable for all of the unpaid regularly budgeted Assessments, dues or charges accrued before acquisition of the title to the property by the mortgage. The mortgagee will also be liable for any reasonable attorneys fees or costs related to the collection of the unpaid dues

7.10 **Personal Obligation.** Each Owner, by acceptance of a deed or as a party to any other type of conveyance, vests in the Master Association or its agents the right and power to bring all actions against him personally for the collection of the charges as a debt or to foreclose the lien in the same manner as mechanics liens, mortgages, trust deeds or encumbrances may be foreclosed. Failure to pay any Assessment shall be considered a breach of the obligation to pay any other Assessment.

7.11 **No Waiver.** No Owner may waive or otherwise exempt himself from liability for the payment of Assessments, including but not limited to the non-use of common area, common element and facilities, including Pepperwood Creek Club, or the abandonment of his Lot or Unit.

7.12 **Duty to Pay Independent.** No reduction or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Master Association, Board of Directors or Neighborhood Association to take some action or perform some function required or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Master Association or Neighborhood Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of each Owner.

7.13 **Equitable Changes.** If the aggregate of all monthly payments on all of the Lots and/or Units is too large or too small as a result of unanticipated income or expenses, the Board of Directors may from time to time effect an equitable change in the amount of said payments. Owners shall be given at least thirty (30) days written notice of any changes.

7.14 **Special Assessments.** In addition to the other Assessments authorized herein, the Board of Directors may levy special assessments in any year to cover any unexpected expenses, operating shortfall, major repairs, additions or capital improvements.

7.15 **Foreclosure of Lien as Mortgage or Trust Deed.** The lien for nonpayment of Assessments may be enforced by sale or foreclosure of the Owner's interest in the property. 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.

7.16 **Termination of Right to Use Amenities for Non-Payment of Assessments.** If an Owner fails or refuses to pay any assessment when due, the Board of Directors may terminate the Owner's right of access and use of Pepperwood Creek Club and other recreational amenities.

7.17 **Assignment of Rents.** If the Owner of a Lot or Unit who is leasing a Lot or Unit fails to pay any assessment the Board of Directors may demand the tenant to pay to the Master Association all future lease payments due the Owner, commencing with the next monthly or other periodic payment, until the amount due to the association is paid.

7.18 **Fines.** A breach of the Project Documents is subject to enforcement pursuant to the Master Declaration and may include the imposition of a fine. A fine assessed hereunder which remains unpaid after the time for appeal has expired becomes a lien against the Owner's interest in the property in accordance with the same standards as a lien for the nonpayment of an Assessment, Individual Charge or Operating Expenses.

## VIII. DESCRIPTION OF IMPROVEMENTS AND LEGAL STATUS

8.1 **Description of Improvements.** It is intended that the Project will consist of a variety of residential products, types, styles and models, including by way of illustration but not limitation estate lots, town homes, pad lots, condominium units, single family residences, detached housing, attached housing, and gated neighborhoods, or combinations thereof. The Developer will also construct Common Area and Facilities, including Pepperwood Creek Club. In addition, there will be two Pocket Parks, a Trail and a Wildlife Corridor, which is a restricted and sensitive area overlay, as well as other improvements of a less significant nature. The location and configuration of the improvements referred to herein are or will be depicted on the Plats. The Developer Architectural Review Committee shall establish the minimum architectural and design standards for each Neighborhood, Lot and Dwelling. All construction plans and specifications must be reviewed and expressly approved in writing by the Developer or Architectural Review Committee.

8.2 **Legal Status.** The Plat shows the number of each Lot or Unit, its location, and the Common Areas and Facilities to which it has immediate access. All Lots and Units shall be capable of being independently owned, encumbered and

conveyed; and shall have an appurtenant uniform undivided percentage of ownership interest in the Common Areas and Facilities.

**8.3 Membership in Master and Neighborhood Associations.** By virtue of his acceptance of a deed or other document of conveyance to a Lot or Unit, each Owner shall be considered a member of his Neighborhood Association (if any) and the Master Association, which membership is mandatory and may not be partitioned or separated from the ownership of the Lot or Unit.

**8.4 Allocation of Profits, Losses and Voting Rights.** Profits, losses, and voting rights in the Master Association and each Neighborhood Association (if any) shall be divided equally among the Lots and Units. The percentage of ownership interest in the Common Area and Facilities appurtenant to each residential Lot or Unit shall be uniform and equal. The undivided interest of each Owner in the Common Areas and Facilities shall have a permanent character and shall not be altered without the affirmative written consent of at least two-thirds (2/3) of the Lots and Units expressed in an amendment to the Master Declaration duly recorded.

**8.5 Limited Common or Private Yard Area.** Limited Common Area or Private Yard Area shall mean and refer to those Common Areas and Facilities designated in the Declaration as reserved for use of a certain Lot or Lots to the exclusion of the other Lots. Limited Common Area may not be partitioned from the Lot to which it is appurtenant. The following items if designated to serve a single Lot or Unit, even if located outside the Lot or Unit are Limited Common Area and Facilities allocated exclusively to a Lot or Unit: a private garden or planting area, shutter, an awning, a window box, a doorstep, a stoop, a porch, a balcony, a patio, an exterior door, an exterior window, a driveway, a walkway, and any other fixture. Limited Common Area may also include a front, side and/or rear yard area if designated as such on the Plat. Such right of exclusive use shall automatically accompany the transfer of the Lot to which it relates.

**8.6 Right to Modify Lot Boundaries and Interior Boundary Lines.** Developer reserves the unilateral right to modify Lot boundaries and interior boundary lines and/or combine Lots or Units so long as it owns the Lots or Units; provided, however, such changes may not materially alter the boundaries of the Common Area and Facilities nor change the percentages of ownership interest.

**8.7 Change in Use or Nature of Common Area and Facilities.** The Developer is granted and hereby expressly reserves the right to unilaterally change the use or nature of the Common Area and Facilities until the termination of the Period of Developer Control.

**8.8 Change in Type of Lot Type or Dwelling Unit Type.** The Developer reserves the right to unilaterally change the type, nature, scope, features, size, style, design, configuration, location, and so forth of a Lot or Unit within any Neighborhood so long as it owns the property.

8.9 **Dedication.** The Developer hereby dedicates to the City for public use the Trail.

8.10 **Sensitive Area Overlay Zone.** This entire Tract, including all flood plans and drainage channels, shall be designated as being within the Sensitive Area Overlay Zone.

8.11 **Public Trail.** The Developer shall provide a public trail, approximately six feet (6') wide running through the center of the Project within and along the public road right of way named Hiddenwood Drive.

## IX. INITIAL USE RESTRICTIONS

Each Owner shall have and enjoy the privileges of fee simple ownership of his Lot or Unit. There shall be no requirements concerning who may own a Lot, it being intended that they may and shall be owned as any other property rights by any Person. The Project shall be used only for residential purposes, except as expressly set forth below, and the Common Area and Facilities shall only be used in a manner consistent with the residential nature of the Project.

9.1 **Structures in the Common Area.** No Owner shall erect or construct, in the Common Areas and Facilities, any structure of any type whatsoever without the prior written approval of the Board of Directors.

9.2 **Storage of Personal Property and Vehicles.** No Owner shall place, store, keep or permit to be placed, stored or kept, upon the Common Areas and Facilities any personal property, including, but not limited to, vehicles of any type except pursuant to the rules and regulations of the Master Association without the prior written approval of the Board of Directors.

9.3 **Structural Alterations.** Except as expressly provided in this Declaration, no Owner shall have the right to redecorate or make alterations or repairs to the Common Areas and Facilities, Pepperwood Creek Club or its furnishings, nor shall any Owner have the right to subject the Common Areas and Facilities or Pepperwood Creek Club, or any portion thereof, to any liens for the making of improvements or repairs to the Common Areas and Facilities or Pepperwood Creek Club, or any portion thereof.

9.4 **Nuisance.** No noxious or offensive activity shall be carried on, in or about the Property, nor shall anything be done or permitted thereon which may be or may become an annoyance, disturbance, bother or nuisance to the neighborhood, or which might interfere with the right of other residents to the quiet and peaceful enjoyment of their property.

9.5 **Signage.** No signs, billboards or advertising structures or devices of any kind may be built, installed or displayed on the Property or any Lot except for a single sign with a maximum size of 2' x 2' for specific purpose of advertising the sale of a

Dwelling Unit; provided, however, this restriction does not apply to and is not binding upon the Developer, who may use whatever signs it deems appropriate to market its Lots. "For Rent" or "For Lease" signs in the Common Area, on a Lot, or showing from a Dwelling Unit are strictly prohibited.

**9.6 Animals and Pets.** Large animals as that term is defined by City Ordinance are not allowed. No pets, animals, livestock, or poultry of any kind may be commercially bred at the Project. Up to two (2) domestic pets as that term is defined by City Ordinance per Lot are allowed; provided, however, pets must be properly licensed and registered. Pets may not create a nuisance. The following acts may constitute a nuisance: (1) causing damage to the property of anyone other than the pet owner; (2) causing unreasonable fouling of the air by odors; (3) causing unsanitary conditions; (4) running loose throughout the Project and not in a cage or on a leash and under the control of a responsible person; (5) barking, howling, whining, or making other disturbing noises in an excessive, continuous or untimely fashion; (6) molesting or harassing passersby by lunging at them or chasing passing vehicles; (7) attacking or threatening to attack people or other domestic animals; (8) otherwise acting so as to bother, annoy or disturb the sensibilities of a reasonable person or interfering with the right of residents to the peaceful and quiet enjoyment of their property; or (9) the mere number of pets maintained creates an offensive or dangerous condition to the health, welfare or safety of other residents.

**9.7 Smoking.** No smoking is permitted within Pepperwood Creek Club.

**9.8 Insurance.** Nothing shall be done or kept in any Lot, Unit or in the Common Areas and Facilities or any part thereof which would result in cancellation of the insurance on the Project or any part thereof, nor shall anything be done or kept in any Lot or Unit which would increase the rate of insurance on the Project or any part thereof over what the Master Association but for such activity, would pay, without the prior written consent of the Board of Directors.

**9.9 Laws.** Nothing shall be done or kept in any Lot or Unit or in the Common Areas and Facilities or any part thereof which would be in violation of any statute or rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

**9.10 Damages.** No damage to, or waste of, the Common Areas and Facilities or any part thereof shall be committed by any Owner, Guest or Permittee, and each Owner shall indemnify and hold the Master Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him.

**9.11 Rules and Regulations.** No Owner shall violate the rules and regulations for the use of Lots, Units and Common Areas and Facilities as adopted from time to time by the Master Association.



**9.12 Renters and Leases.** Each Owner agrees, by the acceptance of a deed or other document of conveyance to a Lot, that in order to maintain the value of the purchased property and the subdivision, the leasing and renting of Dwelling Units is subject to the following covenants, conditions and restrictions:

9.12.1 Renting rules and regulations adopted by the Management Board of Directors, as they may be amended from time to time.

9.12.2 No Owner may lease or rent his Dwelling Unit for a period of one (1) year from the date of closing.

9.12.3 No Owner shall be permitted to lease his Dwelling Unit for short term, transient, hotel, vacation, seasonal or corporate use purposes. For purposes of this section the term "short term" shall be considered to be any rental with an initial term of less than six (6) months. Daily or weekly rentals are expressly prohibited. No Owner may lease individual rooms to separate Persons or less than his entire Dwelling Unit, including by way of illustration but not limitation letting a room to domestic help or a caretaker, without the prior express written consent of the Management Board of Directors.

9.12.4 "For Rent" or "For Lease" signs are prohibited.

9.12.5 The Management Board of Directors must approve in writing all lease and rental agreements as to form. Any lease or rental agreement not approved or in violation of the Project Documents shall be considered "non-conforming" and, as such, voidable by the Management Board of Directors.

9.12.6 The Association may also require that Owners use lease forms or addenda, such as the Crime Free Addendum or the Project Addendum, approved by the Association (or include specific terms in their leases); and the ARC may impose a review or administration fee on the lease or transfer of any Lot.

9.12.7 Other than as stated in this Section, there is no restriction on the right of any Owner to lease or otherwise grant occupancy rights to his Dwelling Unit.

**9.13 Waiver of Right to Partition.** The Developer is granted and hereby expressly reserves the unilateral right to partition or subdivide the Property. By accepting title to a Lot or Unit, each Owner, for himself and for his heirs, successors-in-title and assigns, does absolutely and forever waive any right to seek or obtain physical partition of the property, or any portion thereof, and does further waive the right to seek or obtain partition of the property by means of the sale of thereof, in whole or in part, unless the institution of such suit or action for partition has been approved by the affirmative vote of the same number of Owners that would be required to sell all or any portion of the Project pursuant to and in compliance with this Master Declaration and the Developer, if Developer still then retains the right to control the Master Association. Notwithstanding

the foregoing, there shall be no limitation on judicial sale in lieu of partition in the case of co-owners of individual Lots or Units.

**9.14 Storage and Parking of Vehicles.** The driving, parking, standing, and storing of motor vehicles in, on or about the Project is governed and regulated by the Parking Rules adopted by the Board of Directors.

**9.15 Wildlife Corridor.**

**9.15.1 Scope and Nature.** The Wildlife Corridor is intended as a natural habitat or reserve for wildlife and flora. Unauthorized Persons, pets or other domesticated animals are not allowed in the Wildlife Corridor. The City, Developer and/or the Association shall establish by rule Persons authorized to access the Wildlife Corridor. All unauthorized Persons shall be considered trespassers.

**9.15.2 Signage.** The Developer shall install and the Association shall maintain appropriate signs (including "Wildlife Corridor Area – NO TRESPASSING" signs), lighting, sight distances and reduced speed limits at appropriate locations to reduce vehicle-deer collisions and to regulate and enforce this restriction.

**9.15.3 Entry.** No entrance to or exit from the Wildlife Corridor may be fenced, walled, hedged, blocked or obstructed in any way, naturally or artificially; provided, however, the Developer reserves and is hereby granted the right to allow some privacy fencing in some Neighborhoods adjoining the Wildlife Corridor.

**9.15.4 Fencing.** Fencing must meet the requirements of the Sensitive Overlay Zone, per City ordinance and the requirements of the State of Utah Department of Natural Resources Division of Wildlife Resources which may be found online at [www.wildlife.utah.gov](http://www.wildlife.utah.gov), as it may be amended from time to time.

**9.16 Fencing.** All fencing within the Project must (a) strictly comply with all of the conditions required by the City for the recordation of the Plat and (b) be expressly approved in writing by the Architectural Review Committee. Each Owner by acceptance of a deed or other document of conveyance expressly agrees that any non-conforming fence or fences may be removed by the Developer or its assigns without further notice and at the Owner's sole expense, and they shall not be guilty of a trespass.

**9.17 Landscaping, Planting and Gardens.** All landscaping in the Project shall comply with the specifications in the Plat and shall be maintained in accordance with the Landscaping Rules adopted by the Board of Directors, and shall comply with the requirements of the State of Utah Department of Natural Resources Division of Wildlife Resources which can be found on line at [www.wildlife.utah.gov/habitat/deer-browse.html](http://www.wildlife.utah.gov/habitat/deer-browse.html), as it may be amended from time to time.

9.18 **Transfer Fee.** Each Owner agrees, by the acceptance of a deed or other document of conveyance to a Lot, that in order to maintain the value of the purchased property and the subdivision, to pay to the Association a sum equal to five percent (5%) of the gross sales price on the Lot as a transfer fee if his Lot is sold or if he enters into a lease/option or other similar agreement on the Lot during the initial one (1) year period after the date of closing. The Board of Directors in its sole discretion may but is not obligated to waive the fee in the event of a hardship.

9.19 **Owner-Occupied.** In order to maintain the value of the purchased property and subdivision, a Dwelling Unit must be owner-occupied for a period of at least one (1) year after closing. The term "owner-occupied" shall mean a Unit occupied by one of the following: (a) The vested owner (as shown on the records of the Salt Lake County Recorder); (b) The vested owner and/or his spouse, children or siblings; or (c) The shareholder, partner, member, trustor, beneficiary or other legal Representative of an institutional owner (provided, such person holds a beneficial interest in such legal entity of at least 50.0%) and/or his spouse, children or parents.

9.20 **View Impairment.** Neither the Developer nor the Architectural Review Committee guarantees or represents that any view over and across any property, including any Lot or Building will be preserved without impairment. Neither the Developer nor the Association shall have the obligation to prune or thin trees or other landscaping except as set forth herein. Any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

9.21 **Entry Monument.** Entry Monuments shall be located in Common Area and may include a planter, planter box, planter strip, perimeter fence, wall, street light, exterior lighting or other landscaping treatment of any kind, no Owner may make any structural alterations to the property which may adversely affect such feature, including the planting or placement of any plant, hedge, tree, bush, shrub or object, natural or artificial, behind, to the side or in front of such improvement or feature or so as to impair, obstruct, block or impede the view, function or purpose of the feature.

9.22 **Chimes and Musical Sound Makers.** Chimes, dream catchers, bells, tubes or other objects hung vertically outside the Dwelling Unit which ring, strike or otherwise produce musical sounds or harmony heard by other residents are prohibited.

9.23 **Satellite Dishes and Antenna.** All exterior aerials, antenna and satellite dishes (collectively "antenna") must be positioned so that they are screened from view from the street. No antenna shall be erected, maintained or used in, on or about any Dwelling, outdoors and above ground, whether attached to or on top of any building, structure, Dwelling, or otherwise, within the Project without the prior written consent of the Developer or ARC, which shall not be unreasonably withheld. If there is a conflict between this subsection and the FCC guidelines, the latter shall in all respects govern and control. In making its decisions, the Developer and/or ARC shall abide by and be subject to all relevant local, state and federal laws, including but not limited to all FCC guidelines, rules and regulations as they may be amended or supplemented from time to time.

9.24 **Garbage and Refuse Disposal.** No Lot shall be used as a dumping ground. All trash, garbage, debris, rubbish or other waste shall be kept in a sealed, sanitary bag or container, and stored out of sight except for a twenty-four (24) hour period on pick-up days.

9.25 **Zoning.** All land use and buildings shall be in compliance with all zoning and land use ordinances as well as all regulations of the municipalities and agencies governing the Project land use and buildings.

9.26 **Temporary Structures.** No structure of a temporary nature or character, including but not limited to any trailer, shack, shed, tent, garage, barn or other out-building shall be used on any Lot at any time as a residence.

9.27 **Private Residence.** No Lot or Unit shall be used except as a single family residence.

9.28 **Business Use.** No resident may operate a commercial trade or business in or from his Unit with employees of any kind or with customers who are not residents of the Project, or which create or maintain a nuisance. No commercial trade or business may store any inventory over 250 cubic feet, and it must be contained within the Unit. No commercial trade or business may be conducted in or from a Unit unless (a) the business activity conforms to all home occupation and zoning requirements governing the Project; (b) the operator has a City issued business license; (c) the business activity satisfies the Home Occupation Guidelines adopted by the ARC, as they may be modified from time to time; and (d) the resident has obtained the prior written consent of the ARC. Notwithstanding the foregoing, the leasing of a Lot shall not be considered a trade or business within the meaning of this subsection.

9.29 **Sensitive Area Overlay Zone.** All construction is limited to the building envelopes as designated on the Plats. Builders and Owners shall not violate the restrictive nature of the Sensitive Area Overlay Zone. No grading, cutting, filling, or construction is allowed in 30%-or-more-grade-or-slope areas, except as expressly approved in writing by the City Engineer. All single-family Dwellings shall be a minimum of 10 feet and an average of 20 feet from any areas shown on the recorded Plat as being 30%-or-more-grade-or-slope areas.

9.30 **Building Envelopes.** All construction shall be confined to the designated building envelopes as illustrated on the Plats. The building envelopes shall include and reflect (a) proper setback distances, (b) the 30%-or-more-grade-or-slope areas and the non-buildable areas due to the 30%-or-more-grade-or-slopes, utility easements and so forth. Builders and Owners shall use construction fencing to set safe non-disturbance limits, protect and preserve the 30%-or-more-grade-or-slope areas as well as the Wildlife Corridor during construction.

## **X. ARCHITECTURAL REVIEW BOARD OF DIRECTORS AND RELATED ISSUES**

10.1 **Aesthetics.** Since aesthetics, the integrity and harmony of the original design, and the quality of construction and materials throughout the Project is important, all architectural designs, plans, specifications, construction materials, and construction must be (a) reviewed and approved by the Architectural Review Committee ("ARC") and (b) consistent with the governing documents.

10.2 **Architectural Review Committee or ARC.** The Developer has the sole right and exclusive authority to resolve all architectural issues and may, in its sole discretion, designate one or more persons from time to time to act on its behalf in reviewing applications hereunder as the ARC. At the termination of the Period Developer Control, the Developer shall transfer to the Board of Directors the exclusive right to appoint the members of the ARC, which may consist of (a) a single individual, architect or engineer, or (b) a Board of Directors comprised of architects, engineers or other persons who may or may not be Owners, or (c) a combination thereof. Any member of the ARC who fails on three (3) successive occasions to attend regularly scheduled meetings or who has failed to attend at least twenty-five percent (25%) of all regularly scheduled meetings held during any twelve (12) month period shall automatically forfeit his seat. Members of ARC shall not be compensated for their services, although they may be reimbursed for costs advanced.

10.3 **ARC Powers and Standing.** Any instrument executed by the ARC or its legal Representative that recites facts which, if true, would establish the 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 ARC shall constitute a legal entity capable of dealing in its own name or in behalf of two or more Owners. The ARC shall have the authority and standing to pursue all legal and equitable remedies available to enforce the provisions hereof.

10.4 **Procedures for Approval of Plans and Specifications.** The Developer or ARC shall adopt written guidelines and procedures for the approval of plans and specification.

10.5 **Enforcement.** The ARC is hereby granted the power, authority and right to interpret and enforce the architectural and construction provisions set forth in the governing documents. Any construction, alteration, or other work done in violation of this Declaration shall be considered to be nonconforming. Upon written request from the ARC an Owner shall at his own cost and expense remove such non-conforming construction, alteration, or other work and shall restore the land to substantially the same condition as existed prior to the non-conforming construction, alteration, or other work. Should an Owner fail to remove and restore as required hereunder, the ARC shall have

the right to enter the property, remove the violation, and restore the property to substantially the same condition as existed prior to the construction, alteration or other work, without being deemed to be a trespasser.

**10.6 Approval.** In the event that the ARC fails to disapprove any application within thirty (30) days after submission of all information and materials reasonably requested, the application shall be considered approved, subject to the minimum requirements as set forth herein.

**10.7 No Waiver of Future Approvals.** The approval of the ARC of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of such Board of Directors, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters whatever subsequently or additionally submitted for approval or consent.

**10.8 Variance.** The ARC may authorize variances from compliance with any of the architectural guidelines when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations require, but only in accordance with its duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this Declaration, or (c) stop the ARC from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit or the terms of financing shall not be considered a hardship warranting a variance.

**10.9 Limitation of Liability.** Neither the Developer nor the ARC, or any of their employees, agents, Representatives or consultants shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the provisions of this Declaration, nor for any structural or other defects in any work done according to such plans and specifications. By accepting a deed or other document of conveyance to a Lot, each Owner agrees to and shall defend, indemnify, save and hold the Developer and the ARC, and their employees, agents, Representatives or consultants, harmless from any and all loss, damage or liability they may suffer, including defense costs and attorney fees, as a result of any claims, demands, actions, costs, expenses, awards or judgments arising out of their review or approval of architectural designs, plans and specifications.

## **ARTICLE XI. DEVELOPMENTAL RIGHTS**

The following Developmental Rights are hereby granted or reserved by Developer:

11.1 **Duration.** Developer hereby reserves an easement throughout the Project for a period fifty (50) years from the recording of this Declaration for the purpose of completing all improvements contemplated by the Master Declaration and the Plat, including but not limited to improvements to any land subsequently annexed to the Project.

11.2 **Improvements.** Developer hereby reserves the right, but is not obligated to construct any improvements shown on the Plat; and any other buildings, structures or improvements that Developer desires to construct on the Property, or any other real estate owned by Developer, regardless of whether the same ever become part of the Project.

11.3 **Sales Offices.** Developer hereby reserves the right to maintain sales offices, management offices, signs advertising the Project and models in any of the Units which it owns or leases or on the Common Areas and Facilities of the Project for so long as Developer is owns property within the Project. All signage shall comply with City regulations, as the same may be changed from time to time. Developer shall be entitled to utilize, at any one time, any number of Lots or Units which it owns or leases and some or all of the Common Areas and Facilities as sales offices, management offices, and models anywhere in the Project. Developer may relocate sales offices, management offices and models to other Units or Common Areas and Facilities at any time.

11.4 **Right to Make Changes.** Notwithstanding anything to the contrary contained in this Master Declaration, Developer may unilaterally, in its sole discretion make such alterations, changes or modifications to any property, Lot or Unit owned by it or the adjacent Common Areas and Facilities, as Developer deems necessary or appropriate including but not limited to the creation or removal of interior walls and modifications to plumbing and electrical systems.

11.5 **Right to Change Name.** During the Period of Developer's Control, Developer hereby reserves the right to unilaterally change the name of the Project, a Neighborhood or Pepperwood Creek Club, in whole or in part.

11.6 **Right to Amend Neighborhood Declaration.** Developer is hereby granted the unilateral right to amend any Neighborhood Declaration, Bylaw or Rule.

11.7 **No Right to Interfere.** Neither the Master Association, a Neighborhood Association, the Board of Directors, or Owner, Guest or Permittee may take any action or adopt any rule or regulation that interferes or diminishes any Developmental Rights hereunder, without Developer's express prior written consent, and any action taken in violation of this Section shall be null and void and have no force or effect.

## XII. AMENDMENT

12.1 **General.** Except as provided elsewhere in this Master Declaration, including by way of illustration but not limitation to sections pertaining to the annexation or withdrawal of land, any amendment to this Master Declaration shall require the affirmative written vote or consent of at least sixty-seven percent (67%) of the Total

Votes of the Master Association cast either in person or by proxy at a meeting duly called for such purpose or otherwise approved in writing by such Owners without a meeting. Any Amendment authorized pursuant to this Section shall be accomplished through the recordation in the Office of the County Recorder of an instrument executed by the Master Association. In such instrument an officer or delegate of the Master Association shall certify that the vote required by this Section for Amendment has occurred.

**12.2 Initial Developer Right to Amend.** The Developer alone may amend or terminate this Master Declaration prior to the closing of a sale of the first Lot or Unit.

**12.3 Unilateral Right to Amend Under Certain Conditions.** Notwithstanding anything contained in this Master Declaration to the contrary, this Master Declaration may be amended unilaterally at any time and from time to time by Developer if such Amendment is (i) necessary to correct typographical errors or inadvertent omissions; (ii) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; or (iii) reasonably necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots or Units subject to this Master Declaration; provided, however, any such Amendment shall not materially adversely affect the title to any Lot or Unit unless any such Owner shall consent thereto in writing.

**12.4 Developer's Right to Amend Unilaterally Prior to Termination of Developer's Right to Control.** Prior to the expiration of the Period of Developer's Control, Developer may unilaterally amend this Master Declaration for any other purpose; provided, however, any such Amendment shall not materially adversely affect the substantive rights of any Owner or Member hereunder, nor shall it adversely affect title to any property without the consent of the affected Owner or Member.

**12.5 To Satisfy Requirements of Lenders.** Anything to the contrary notwithstanding, Developer reserves the unilateral right to amend all or any part of this Master Declaration to such extent and with such language as may be requested by a State Department of Real Estate (or similar agency), FHA, VA, the FHLMC or FNMA and to further amend to the extent requested by any other federal, state or local governmental agency which requests such an amendment as a condition precedent to such agency's approval of this Master Declaration or approval of the sale of Lots or Units, or by any federally chartered lending institution as a condition precedent to lending funds upon the security of any Lot or Unit, or any portions thereof. Any such amendment shall be effected by the recordation by Developer of an Amendment duly signed by the Developer, specifying the federal, state or local governmental agency or the federally chartered lending institution requesting the amendment and setting forth the amendatory language requested by such agency or institution. Recordation of such an Amendment shall be deemed conclusive proof of the agency's or institution's request for such an amendment, and such Amendment, when recorded, shall be binding upon all Lots or Units and Memberships and all persons having an interest therein. It is the desire of Developer to retain control of the Master Association and its activities during the



anticipated period of planning and development. If any amendment requested pursuant to the provisions hereof deletes, diminishes or alters such control in any manner whatsoever in the opinion of Developer, Developer shall have the unilateral right to amend this Master Declaration to restore such control.

**12.6 Joint or Common Utility Easements with Neighboring Subdivisions, Project or Developments.** The Developer for itself and/or its successors in interest (including but not limited to the Master Association), is granted and hereby reserves the irrevocable and exclusive right, without any additional consent required, to enter into easement agreements with or to convey to owners or developers of adjoining subdivisions, projects or developments any and all reasonable and necessary utility easements or rights of way for gas, water, power, sewer, storm drain systems or the like under, over, across or through the Project.

**12.7 Developer's Rights.** No provision of this Master Declaration reserving or granting to Developer the Developmental Rights shall be amended without the prior express written consent of Developer, which consent may be withheld, conditioned or delayed for any reason or for no reason at Developer's sole and exclusive discretion.

### **XIII. TERMINATION**

**13.1 Termination.** After the termination of the Period of Developer's Control, the Project may be terminated only by the unanimous written agreement of all Owners of Lots and Units in the Project.

**13.2 Mortgagees.** Following termination, Mortgagees holding Mortgages on the Lots or Units which were recorded before termination may enforce those liens in the same manner as any lienholder.

**13.3 Common Areas and Facilities.** In the event of the dissolution of the Master Association, the Common Area and Facilities shall be transferred to a nonprofit corporation, trust, or other entity to be used for such similar purposes, and each owner shall continue to be obligated to make assessment payments for the maintenance and upkeep of the Common Areas and Facilities and improvements on a pro rata basis which conforms substantially with the assessment procedure, terms and conditions set forth herein. To the extent the foregoing is not possible, the Common Areas and Facilities shall be sold or disposed of and the proceeds from the sale or disposition shall be distributed to Owners as tenants in common.

### **ARTICLE XIV CONDEMNATION AND EMINENT DOMAIN**

**14. Condemnation and Eminent Domain:** If the state or a municipality, private person, corporation or other legal entity authorized to exercise functions of public character exercises its power of eminent domain to acquire private property for public use by condemnation, it shall do so in accordance with Utah law and in return for just

compensation. For use herein the term "condemnation" shall mean the process of taking private property, without the consent of the owner, for public use through the power of eminent domain.

#### ARTICLE XV. BOARD OF DIRECTORS

15.1 **General.** The Master Association shall be managed by a Board of Directors consisting of three (3) natural persons. The Developer shall appoint the initial members of the Board of Directors. Each member of the Board of Directors shall serve a term of three years. The Board of Directors shall adopt bylaws by which to administer the Master Association. The Board of Directors shall have, and is hereby granted, the following authority and powers: (a) to access a Lot or Dwelling Unit without being guilty of a trespass; (b) to grant permits, licenses, and non-exclusive easements over, under, across, and through the Common Area and Facilities for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance, operation or regulation of the Project; (c) to execute and record, on behalf of all Owners, any amendment to the Declaration or Plat Map which has been approved by the vote or consent necessary to authorize such amendment; (d) to sue and be sued; (e) to enter into contracts which in any way concern the Project, so long as any vote or consent necessitated by the subject matter of the agreement has been obtained; (f) to adopt, modify and repeal house, administrative, club and other rules and regulations; (g) to interpret and enforce the Project Documents; (h) to keep books and records; and (i) to do each and every thing required of it hereby.

15.2 **Access.** The right to access a Lot or Dwelling Unit:

15.1.1.1 From time to time during reasonable hours and after reasonable notice to the occupant of the Lot or Dwelling Unit being entered, as may be necessary for the maintenance, repair, or replacement of any of the Common Areas and Facilities; or

15.1.1.2 For making emergency repairs necessary to prevent damage to the Common Areas and Facilities or to another Lot or Dwelling Unit, provided that a reasonable effort is made to provide notice to the occupant of the Lot or Dwelling Unit prior to entry. For use herein the term "emergency" shall mean the threat of imminent and substantial harm to person or property.

15.3 **Indemnity.** The Master Association shall indemnify every officer and member of the Board of Directors against any and all expenses, including but not limited to attorney's fees reasonably incurred by or imposed upon any officer or member of the Board of Directors in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he may be a party by reason of being or having been an officer or member of the Board of Directors. The officers and members of the Board of Directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers and members of the Board of Directors shall have no personal liability with respect to any contract or other

commitment made by them, in good faith, on behalf of the any Association (except the obligation to pay their individual Assessments), and the Neighborhood Association shall indemnify and forever hold each such officer and member of the Board of Directors free and harmless against any and all liability to others on account of any such contract or commitment. The Master Association shall, as a Common Expense, obtain a directors and officers insurance policy, and a fidelity bond.

## ARTICLE XVI. NEIGHBORHOODS

16.1 **Neighborhoods.** The Developer anticipates creating Neighborhoods, but is not required to do so. If a Neighborhood is created, then every Owner of a Lot or Unit located within the boundaries established by the Developer shall be a Member of that Neighborhood and may be subject to additional covenants. The Owners of Lots within a particular Neighborhood shall be mandatory Members of their Neighborhood Association.

16.2 **Neighborhood Association.** Any Neighborhood created shall constitute a Neighborhood Association which shall be managed by a Board of Directors consisting of three (3) members. The Developer shall appoint the initial members of the Board of Directors. Each member of the Board of Directors shall serve a term of three years. The Board of Directors shall adopt bylaws by which to administer the Master Association. The Neighborhood Association shall provide those services and amenities unique to the Neighborhood. The Board of Directors shall establish and appropriate its own private budget to fund the level of services and amenities desired by the Owners in the Neighborhood; charge assessments to pay for the Neighborhood Expenses and establish an adequate reserve account. The Board of Directors shall maintain books and records.

16.3 **Neighborhood Expenses.** Owners in the Neighborhood shall pay their share of the Neighborhood Expenses and all assessments levied by the Board of Directors. The Neighborhood Association shall have all collection rights and remedies set forth in the Master Declaration, including by way of illustration but not limitation, the right to file a lien against the property to secure payment, foreclose the lien and/or obtain a personal judgment, charge a late fee, charge default interest, and collect a reasonable attorneys fee and all costs of collection.

16.4 **Maintenance.** The Neighborhood Association shall be responsible to maintain, repair and replace those physical improvements in the Neighborhood not dedicated to the public and either unique to the Neighborhood, such as lateral roads, streets and gates, utilities, amenities, etc., or delegated to it by the Master Association, strictly in accordance with minimum guidelines established by the Master Association. In the event of a default, which remains uncured after thirty (30) days written notice, the Master Association may remedy the default at the expense of the Neighborhood Association and all Owners of Lots or Units located therein, plus a reasonable attorneys fee and costs, and may file a lien against their interest in the property to secure payment, and foreclose the lien or obtain a personal judgment, or both, in accordance with its rights and remedies outlined herein for unpaid Assessments.

16.5 **Indemnity.** The Neighborhood Association shall indemnify every officer and member of the Board of Directors against any and all expenses, including but not limited to attorney's fees reasonably incurred by or imposed upon any officer or member of the Board of Directors in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he may be a party by reason of being or having been an officer or member of the Board of Directors. The officers and members of the Board of Directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers and members of the Board of Directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Neighborhood Association (except to the extent that such officers or members of the Board of Directors may also be Members of the Neighborhood Association), and the Neighborhood Association shall indemnify and forever hold each such officer and member of the Board of Directors free and harmless against any and all liability to others on account of any such contract or commitment. The Neighborhood Association shall, as a Neighborhood Expense, obtain public liability, property, and directors and officers insurance policies, and a fidelity bond.

16.6 **Conflict.** If there is a dispute between the Board of Directors of the Master Association and a Neighborhood Association, the decision of the former shall in all respects govern and control. This provision may not be amended without the unanimous consent of all Owners.

## **XVII. MISCELLANEOUS**

17.1 **Covenants to Run with Land.** This Master Declaration and all of the covenants, provisions, and requirements hereof are intended to be and shall constitute covenants running with the land or equitable servitudes, and shall be binding upon and shall inure to the benefit of the parties to this Master Declaration and any other party which has, acquires, or comes to have any interest in or which occupies or comes to occupy a Lot or Unit in any Neighborhood, and their respective grantees, transferees, heirs, devisees, personal Representatives, successors, and assigns. This Master Declaration and all of the covenants, provisions, and requirements hereof shall be binding upon each Neighborhood, Neighborhood Association, and Owner, as well as their Guests and Permittees. All real property interests in each Neighborhood shall be subject to this Master Declaration and all of such covenants, provisions, and requirements. Each Owner, by virtue of his accepting a deed or other document of conveyance to, or possession of any Lot or Unit, hereby consents and agrees to be subject to and bound by the Project Documents, including this Master Declaration and all of the covenants, provisions and requirements hereof.

17.2 **Transfer Fee.** Each Person who purchases or otherwise becomes the Owner of a Lot or Unit shall pay to the Master Association immediately upon becoming the Owner of the Lot or Unit a reasonable transfer fee in such amount as is established

from time to time by the Developer, or after the termination of the Period of Developer's Control by the Board of Directors, to compensate the Master Association for the administrative cost (including but not limited to the cost of changing the Master Association's membership records, furnishing the new Owner with activation cards for the security gates located at the entrance to the Project and with vehicle registration stickers) resulting from the transfer of a Lot or Activity Cards for Pepperwood Creek Club and the other recreational amenities. The transfer fee is not intended to compensate the Master Association for the costs incurred in the preparation of the statement of account, for which there is a separate charge.

**17.3 Partial Invalidity.** The invalidity or unenforceability of any portion of the Master Declaration shall not affect the validity or enforceability of the remainder hereof, and if any provision of this Master Declaration or the application thereof to any party to this Master Declaration, or circumstances should to any extent be invalid, the remainder of this Master Declaration or the application of such provision to any party to this Master Declaration, or circumstances other than those as to which a holding of invalidity is reached shall not be effected thereby (unless necessarily conditioned or dependent upon the provisions or circumstances as to which a holding of invalidity is reached), and each provision of this Master Declaration shall be valid and enforceable to the fullest extent permitted by law.

**17.4 Captions.** The captions or headings which precede the paragraphs of this Declaration are for convenience only and shall in no way affect the manner in which any provision hereof is construed.

**17.5 Construction.** Whenever the context or circumstance so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both other genders.

**17.6 Governing Law.** This Declaration shall be governed by and construed in accordance with the laws of the State of Utah.

**17.7 Enforcement and Attorneys Fees.** In the event the Master Association, a Neighborhood Association, Board of Directors, or an aggrieved Owner be required to take action to enforce the Project Documents or to pursue any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise, they may recover all costs and expenses, including a reasonable attorneys fee, which may arise or accrue.


**17.8 Registered Agent.** The initial registered agent of the Master Association is David L. Evans. The initial registered office of the Master Association is at 5320 South 900 East, No. 250, Salt Lake City, Utah 84117.

**17.9 Professional Manager.** The Master Association and all Neighborhood Associations shall be managed by the same professional manager or management company to be selected by the Board of Directors.



CONSENTED TO:

IVORY HOMES, LTD


  
 By: Ivory Homes, Ltd  
 Name: Clark D. Ivory  
 Title: Managing Member of Value, L.C.  
       Who is General Partner of  
       Ivory Homes, LTD.

ACKNOWLEDGMENT

STATE OF UTAH                    )  
   SS:  
 COUNTY OF SALT LAKE        )



The foregoing instrument was acknowledged before me this 15 day of February, 2007 by Clark D. Ivory, the Managing Member of Value, L.C., who is General Partner of Ivory Homes, LTD., and said Clark D. Ivory duly acknowledged to me that said Value, L.C. executed the same.

  
 \_\_\_\_\_  
 NOTARY PUBLIC  
 Residing at: Salt Lake City  
 My Commission Expires: 12/22/08

**Exhibit "A"**

BEGINNING AT A POINT THAT IS NORTH 44.498 FEET AND WEST 2.997 FEET FROM THE NORTH QUARTER CORNER OF SECTION 23, TOWNSHIP 3 SOUTH, RANGE 1 EAST SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 42°35'35" EAST 120.243 FEET; THENCE NORTHWESTERLY 78.919 FEET ALONG THE ARC OF A 191.000 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 35°34'12" WEST 78.359 FEET); THENCE NORTHWESTERLY 151.500 FEET ALONG THE ARC OF A 134.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 56°07'20" WEST 143.559 FEET); THENCE NORTHWESTERLY 170.668 FEET ALONG THE ARC OF A 191.000 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 62°54'47" WEST 165.046 FEET); THENCE NORTHWESTERLY 67.524 FEET ALONG THE ARC OF A 184.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 47°49'41" WEST 67.146 FEET); THENCE NORTH 58°20'28" WEST 149.728 FEET; THENCE NORTHWESTERLY 147.354 FEET ALONG THE ARC OF A 1024.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 62°27'49" WEST 147.227 FEET); THENCE WESTERLY 46.095 FEET ALONG THE ARC OF A 25.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS SOUTH 60°35'36" WEST 39.837 FEET); THENCE SOUTHERLY 72.087 FEET ALONG THE ARC OF A 134.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS SOUTH 07°38'20" EAST 71.221 FEET); THENCE SOUTH 23°03'01" EAST 108.674 FEET; THENCE SOUTH 61°00'00" WEST 67.736 FEET; THENCE NORTH 23°47'31" WEST 134.788 FEET; THENCE NORTH 09°59'51" EAST 105.855 FEET; THENCE NORTHERLY 14.813 FEET ALONG THE ARC OF A 10.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 28°55'38" WEST 13.495 FEET); THENCE NORTH 18°38'14" EAST 56.000 FEET; THENCE EASTERLY 242.044 FEET ALONG THE ARC OF A 1065.000 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 64°51'07" EAST 241.522 FEET); THENCE SOUTH 58°20'28" EAST 149.728 FEET; THENCE EASTERLY 82.570 FEET ALONG THE ARC OF A 225.000 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 47°49'41" EAST 82.108 FEET); THENCE EASTERLY 134.033 FEET ALONG THE ARC OF A 150.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS SOUTH 62°54'47" EAST 129.618 FEET); THENCE SOUTHEASTERLY 197.854 FEET ALONG THE ARC OF A 175.000 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 56°07'20" EAST 187.483 FEET); THENCE SOUTHEASTERLY 61.978 FEET ALONG THE ARC OF A 150.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS SOUTH 35°34'12" EAST 61.538 FEET); THENCE SOUTH 47°24'25" EAST 109.906 FEET; THENCE SOUTHEASTERLY 42.170 FEET ALONG THE ARC OF A 175.000 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 40°30'13" EAST 42.069 FEET); THENCE SOUTH 33°36'01" EAST 58.653 FEET; THENCE SOUTHEASTERLY 61.307 FEET ALONG THE ARC OF A 75.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS SOUTH 57°01'04" EAST 59.614 FEET); THENCE SOUTH 80°26'07" EAST 20.336 FEET; THENCE EASTERLY 23.348 FEET ALONG THE ARC OF A 50.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 86°11'15" EAST 23.136 FEET); THENCE NORTH 72°48'37" EAST 35.407 FEET; THENCE NORTH 17°11'23" WEST 7.000 FEET; THENCE NORTHERLY 15.350 FEET ALONG THE ARC OF A 9.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 23°57'02" EAST 13.556 FEET); THENCE NORTHERLY 74.283 FEET ALONG THE ARC OF A 282.000 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 17°21'46" WEST 74.069 FEET); THENCE NORTH 29°02'30" WEST 361.173 FEET; THENCE NORTH 54°04'44" WEST 850.39 FEET; THENCE NORTH 29°19'54" WEST 178.643 FEET; THENCE WESTERLY 162.997 FEET ALONG THE ARC OF A 368.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 89°08'56" WEST 161.667 FEET); THENCE WESTERLY 242.807 FEET ALONG THE ARC OF A 282.000 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS NORTH 77°10'17" WEST 235.377 FEET); THENCE SOUTH 39°21'53" WEST 47.443 FEET; THENCE WEST 317.107 FEET TO THE EASTERLY BOUNDARY LINE OF PEPPERWOOD CANYON NO. 1 SUBDIVISION, RECORDED JANUARY 27, 1981 AS ENTRY NO. 3527835, IN BOOK 81, AT PAGE 18; THENCE THE FOLLOWING TWO COURSES ALONG SAID PEPPERWOOD CANYON NO. 1 SUBDIVISION; THENCE NORTH 00°04'20" EAST 242.000 FEET TO THE NORTHEAST CORNER OF SAID PEPPERWOOD CANYON NO. 1; THENCE NORTH 89°41'40" WEST 101.289 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF LOSTWOOD DRIVE; THENCE NORTH ALONG SAID EASTERLY RIGHT-OF-WAY LINE 198.578 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF DIMPLE DELL ROAD; THENCE THE FOLLOWING SIX COURSES ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE; THENCE SOUTH 89°46'00" EAST 101.536 FEET; THENCE SOUTH 01°12'25" WEST 2.749 FEET; THENCE NORTH 80°14'00" EAST 84.551 FEET; THENCE NORTH 80°14'00"



EAST 50.459 FEET; THENCE NORTH 82°38'00" EAST 79.170 FEET; THENCE NORTH 73°05'58" EAST 60.170 FEET; THENCE SOUTH 11°33'00" EAST 253.400 FEET; THENCE SOUTH 78°27'00" WEST 20.500 FEET; THENCE SOUTH 11°33'00" EAST 19.962 FEET SOUTHEASTERLY 345.104 FEET ALONG THE ARC OF A 219.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS SOUTH 56°41'38" EAST 310.489 FEET); THENCE SOUTHEASTERLY 443.546 FEET ALONG THE ARC OF A 431.000 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 72°21'21" EAST 424.231 FEET); THENCE SOUTH 42°52'27" EAST 143.620 FEET; THENCE SOUTHEASTERLY 252.740 FEET ALONG THE ARC OF A 769.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS SOUTH 52°17'22" EAST 251.606 FEET); THENCE SOUTH 61°42'18" EAST 150.179 FEET; THENCE SOUTHEASTERLY 249.387 FEET ALONG THE ARC OF A 631.000 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 50°22'58" EAST 247.768 FEET); THENCE NORTH 50°56'23" EAST 53.031 FEET; THENCE SOUTH 35°23'35" EAST 105.262 FEET; THENCE EAST 147.246 FEET; THENCE SOUTH 431.312 FEET; THENCE SOUTH 07°17'26" WEST 62.000 FEET; THENCE SOUTHERLY 21.885 FEET ALONG THE ARC OF A 10.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS SOUTH 34°35'45" WEST 17.771 FEET); THENCE SOUTHEASTERLY 123.798 FEET ALONG THE ARC OF A 219.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS SOUTH 44°17'36" EAST 122.156 FEET); THENCE SOUTHEASTERLY 46.538 FEET ALONG THE ARC OF A 281.000 FOOT RADIUS CURVE TO THE RIGHT, (CHORD BEARS SOUTH 55°44'35" EAST 46.485 FEET); THENCE EASTERLY 7.607 FEET ALONG THE ARC OF A 5.000 FOOT RADIUS CURVE TO THE LEFT, (CHORD BEARS NORTH 85°24'58" EAST 6.894 FEET); THENCE SOUTH 48°10'10" EAST 9.000 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF WASATCH BOULEVARD; THENCE SOUTHERLY 58.911 FEET ALONG THE ARC OF A 696.004 FOOT RADIUS CURVE TO THE RIGHT ALONG SAID WESTERLY RIGHT-OF-WAY LINE, (CHORD BEARS SOUTH 44°15'19" WEST 58.894 FEET); THENCE NORTH 60°30'00" WEST 165.060 FEET; THENCE NORTH 67°21'00" WEST 332.461 FEET; THENCE NORTH 64°05'00" WEST 148.241 FEET TO THE POINT OF BEGINNING.  
(PROPOSED PEPPERWOOD CREEK PHASE 1)

**Exhibit "A"**

Beginning at a point that is South 89°57'12" West 360.446 feet and North 00°02'48" West 974.226 feet from the North Quarter of Section 23, Township 3 South, Range 1 East, Salt Lake Base and Meridian; and running thence North 47°07'33" East 265.111 feet; thence south 82°38'17" East 74.376 feet; thence South 28°16'00" West 63.225 feet; thence South 20°00'00" East 165.780 feet; thence South 41°45'00" East 81.830 feet; thence South 79°00'00" East 223.500 feet; thence North 85°25'00" East 367.600 feet; thence South 01°39'43" West 44.434 feet; thence South 56°10'00" East 82.880 feet; thence North 59°40'49" East 99.999 feet; thence South 30°19'10" East 9.885 feet; thence North 65°23'00" East 8.092 feet; thence South 30°19'00" East 37.752 feet; thence Southerly 849.041 feet along the arc of a 750.000 foot radius curve to the right, chord bears South 01°26'30" West 804.424 feet; thence South 33°12'00" West 97.196 feet; thence Southwesterly 104.839 feet along the arc of a 696.004 foot radius curve to the right, chord bears South 37°30'55" West 104.740 feet; thence North 48°10'10" West 9.000 feet; thence Westerly 7.607 feet along the arc of a 5.000 foot radius curve to the right, chord bears South 85°24'58" West 6.894 feet; thence Northwesterly 46.538 feet along the arc of a 281.00 foot radius curve to the left, chord bears North 55°44'35" West 46.485 feet; thence Northwesterly 123.798 feet along the arc of a 219.000 foot radius curve to the right, chord bears North 44°17'36" West 122.156 feet; thence Northeasterly 21.885 feet along the arc of a 10.000 foot radius curve to the right, chord bears North 34°35'45" East 17.771 feet; thence North 07°17'26" East 62.000 feet; thence North 431.312 feet; thence East 301.715 feet; thence Northerly 221.756 feet along the arc of a 689.500 foot radius curve to the left, chord bears North 12°52'23" West 220.800 feet; thence Westerly 126.279 feet along the arc of a 79.000 foot radius curve to the left, chord bears North 67°52'46" West 113.258 feet; thence South 66°19'41" West 53.842 feet; thence Westerly 58.584 feet along the arc of a 121.000 foot radius curve to the right, chord bears South 80°11'54" West 58.014 feet; thence North 85°55'53" West 97.703 feet; thence Southwesterly 37.498 feet along the arc of a 29.00 foot radius curve to the left, chord bears South 57°01'33" West 34.940 feet; thence North 70°01'01" West 5.000 feet; thence Southerly 4.698 feet along the arc of a 34.000 foot radius curve to the left, chord bears South 16°01'30" West 4.694 feet; thence South 12°04'01" West 75.467 feet; thence Southwesterly 123.249 feet along the arc of a 166.000 foot radius curve to the right, chord bears South 33°20'13" West 120.438 feet; thence North 35°23'25" West 59.752 feet; thence South 50°56'23" West 53.031 feet; thence Northwesterly 249.388 feet along the arc of a 631.000 foot radius curve to the left, chord bears North 50°22'58" West 247.768 feet; thence North 61°42'18" West 150.179 feet; thence Northwesterly 252.742 feet along the arc of a 769.000 foot radius curve to the right, chord bears North 52°17'22" West 251.606 feet; thence North 42°52'27" West 135.620 feet to the point of beginning. (Proposed Pepperwood Creek Phase 2)

MTC File No. 125874  
LEGAL DESCRIPTION

**Exhibit "A"**

PARCEL 1:

Beginning at a point that is North 44.498 feet and West 2.997 feet from the North Quarter Corner of Section 23, Township 3 South, Range 1 East Salt Lake Base and Meridian; and running thence North 64°05'00" West 46.749 feet; thence North 64°03'19" 181.775 feet; thence North 41°40'00" West 30.510 feet; thence North 26°07'16" East 143.655 feet; thence Easterly 82.137 feet along the arc of a 191.000 foot radius curve to the left, chord bears South 76°11'30" East 81.505 feet; thence Easterly 151.500 feet along the arc of a 134.000 foot radius curve to the right, chord bears South 56°07'20" East 143.559 feet; thence Southeasterly 78.919 feet along the arc of a 191.000 foot radius curve to the left, chord bears South 35°34'12" East 78.359 feet; thence South 42°35'35" West 120.243 feet to the point of beginning.

PARCEL 2:

Beginning at a point that is South 89°57'52" East 106.029 feet and North 00°02'08" East 163.268 feet from the North Quarter Corner of Section 23, Township 3 South, Range 1 East, Salt Lake Base and Meridian; and running thence Northwesterly 61.978 feet along the arc of a 150.00 foot radius curve to the right, chord bears North 35°34'12" West 61.538 feet; thence Northwesterly 197.854 feet along the arc of a 175.000 foot radius curve to the left, chord bears North 56°07'20" West 187.483 feet; thence Westerly 64.510 feet along the arc of a 150.000 foot radius curve to the right, chord bears North 76°11'27" West 64.014 feet; thence North 26°07'16" East 7.678 feet; thence North 39°28'01" East 230.746 feet; thence South 54°04'44" East 218.848 feet; thence South 29°02'30" East 361.173 feet; thence Southeasterly 74.284 feet along the arc of a 282.00 foot radius curve to the left, chord bears South 17°21'46" East 74.069 feet; thence Southwesterly 15.350 feet along the arc of a 9.000 foot radius curve to the right, chord bears South 23°57'02" West 13.556 feet; thence South 17°11'23" East 7.000 feet; thence South 72°48'37" West 35.407 feet; thence Westerly 23.348 feet along the arc of a 50.000 foot radius curve to the right, chord bears South 86°11'15" West 23.136 feet; thence North 80°26'07" West 20.336 feet; thence Northwesterly 61.307 feet along the arc of a 75.000 feet radius curve to the right, chord bears North 57°01'04" West 59.614 feet; thence North 33°36'01" West 58.653 feet; thence Northwesterly 42.171 feet along the arc of a 175.00 foot radius curve to the left, chord bears North 40°30'13" West 42.069 feet; thence North 47°24'25" West 109.906 feet to the point of beginning. (Proposed Pepperwood Creek Phase 3)

MTC File No. 125875  
LEGAL DESCRIPTION

**Exhibit "A"**

Beginning at a point that is South 89°57'12" West 228.646 feet and North 00°02'48" West 167.436 feet from the North Quarter Corner of Section 23, Township 3 South, Range 1 East Salt Lake Base and Meridian; and running thence North 41°40'00" West 210.490 feet; thence South 85°40'00" West 126.830 feet; thence North 23°33'10" West 47.845 feet; thence South 61°00'00" West 10.833 feet; thence North 23°03'01" West 108.673 feet; thence Northerly 72.087 feet along the arc of a 134.000 foot radius curve to the right chord bears North 07°38'20" West 71.221 feet; thence Northerly 46.095 feet along the arc of a 25.000 foot radius curve to the right, chord bears North 60°35'36" East 39.837 feet; thence Easterly 147.354 feet along the arc of a 1024.000 foot radius curve to the right, chord bears South 62°27'49" East 147.227 feet; thence South 58°20'28" East 149.728 feet; thence Southeasterly 67.524 feet along the arc of a 184.000 foot radius curve to the right, chord bears South 47°49'41" East 67.146 feet; thence Southeasterly 88.531 feet along the arc of 191.000 foot radius curve to the left, chord bears South 50°35'37" East 87.741 feet; thence South 26°07'16" 143.655 feet to the point of beginning.

**PARCEL 2:**

Beginning at a point that is South 89°57'12" West 147.213 feet and North 00°02'48" West 333.164 feet from the North Quarter Corner of Section 23, Township 3 South, Range 1 East, Salt Lake Base and Meridian; and running thence Northwesterly 69.522 feet along the arc of a 150.000 foot radius curve to the right, chord bears North 50°35'33" West 68.902 feet; thence Northwesterly 82.570 feet along the arc of a 225.000 foot radius curve to the left, chord bears North 47°49'41" West 82.108 feet; thence North 58°20'28" West 149.728 feet; thence Northwesterly 90.897 feet along the arc of a 1065.000 foot radius curve to the left, chord bears North 60°47'10" West 90.870 feet; thence North 26°46'07" East 249.660 feet; thence South 54°04'44" East 442.631 feet; thence South 39°28'01" West 230.746 feet; thence South 26°07'16" West 7.678 feet to the point of beginning. (Proposed Pepperwood Creek Phase 4)

**EXHIBIT "B"**  
**Plat – Wildlife Corridor**

Pepperwood Creek master Declaration, a part of the Pepperwood Creek Planned Mixed Residential Development CC&R-M32

**BK 9424 PG 4632**

# EXHIBIT "B"

## PEPPERWOOD CREEK WILDLIFE CORRIDOR MASTER PLAN

Starline Consulting Inc.  
 3880 S 700 E, Ste. 300  
 Salt Lake City, UT 84119  
 Phone: 801.288.4400  
 Fax: 801.288.4871  
 www.starlineinc.com



Starline Consulting Inc. is a professional engineering and architectural firm. We are licensed in the State of Utah and provide a wide range of services to our clients. Our services include site planning, landscape architecture, and civil engineering. We are committed to providing high-quality, cost-effective solutions for our clients.

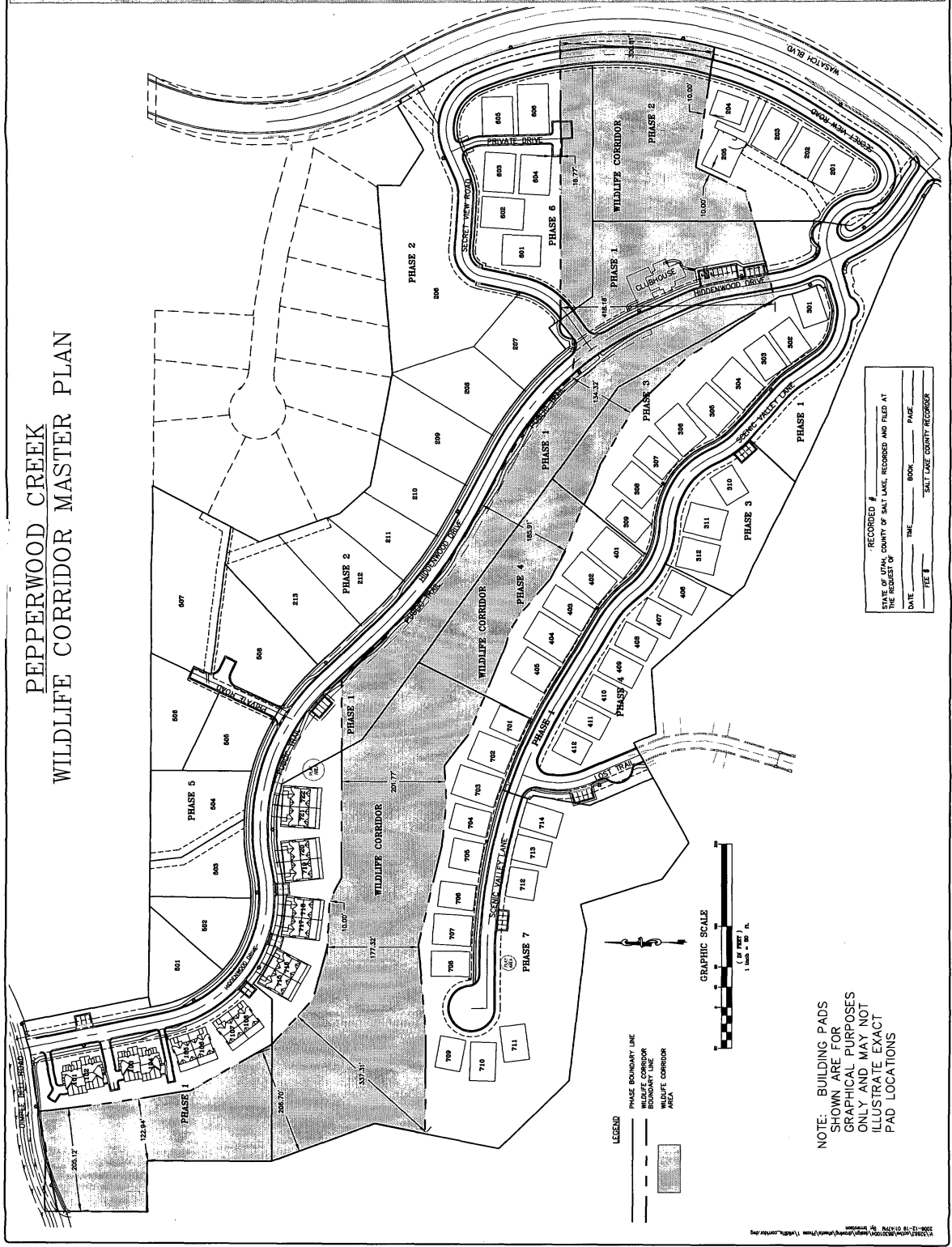
Legend

DATE: 10/15/13  
 DRAWN BY: [Name]  
 CHECKED BY: [Name]  
 PROJECT NO.: [Number]

PROJECT: LEGACY DEVELOPMENT LLC.  
 PEPPERWOOD CREEK  
 SALT LAKE CITY, UT

TITLE: WILDLIFE CORRIDOR MASTER PLAN

SCALE: 1" = 60'  
 SHEET NO.: 68010104  
 TOTAL SHEETS: 1 of 1



**EXHIBIT "C"**  
**BYLAWS**  
**OF**  
**PEPPERWOOD CREEK MASTER ASSOCIATION**

ARTICLE I  
ADMINISTRATION

The affairs of the Master Association shall be administered in accordance with these bylaws. The initial Registered Agent shall be David L. Evans. The initial registered office of the Association shall be 5320 South 900 East, No. 250, Salt Lake City, Utah 84117. After termination of the Period of Developer's Control, the Registered Agent shall be the President of the Master Association and the Registered Office shall be the home of the President or such other place as shall be designated by him, as shown on the records of the State of Utah.

ARTICLE II  
MASTER ASSOCIATION

The Master Association shall consist of those Voting Groups designated by the Developer. Meetings of the Master Association shall be held at the principal office of the Master Association or at such other suitable place as may be designated by the Board of Directors from time to time and stated in the notice of meeting. It shall be the duty of the Secretary to hand deliver or mail to each Owner at his last known address, by regular U.S. mail postage prepaid, a notice of (a) each annual meeting of the Master Association not less than ten (10) and not more than thirty (30) days in advance of such meeting. The notice shall state the purpose, day, date, time and place of the meetings. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice. An Owner shall be deemed to be in "good standing" and "entitled to vote" at any meeting of the Master Association if he is in full compliance with all of the terms, covenants, and conditions of the Project Documents, and shall have fully paid his share of the Common Expenses and all Assessments and/or Additional Charges due. The votes appertaining to any Lot may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Owner, or in cases where the Owner is more than one person, by or on behalf of all such persons. Any proxy shall be void if it is not dated, if it purports to be revocable without notice, or if it is not signed by a person having authority, at the time of the execution thereof, to execute deeds on behalf of that person. Unless it expressly states otherwise, a proxy shall terminate automatically (a) if the Owner attends the meeting in person, (b) it is revoked in writing and written notice of the revocation is given to the Secretary of the Master Association prior to the meeting, and (c) upon the adjournment of the first meeting held on or after the date of that proxy. Each proxy must be filed with the Secretary of the Master Association prior to the meeting. Only individual Owners or the legal Representative of an institutional Owner may be proxies. A majority of the members of the Master Association shall constitute a quorum for the adoption of decisions. If however, such quorum shall not be present or represented at any meeting,

the Owners entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting and reschedule for a time no earlier than two days after the set time for the original meeting. No notice of such rescheduled meeting shall be required except an oral announcement at the meeting to be rescheduled. Those Owners present, either in person or by proxy, at the rescheduled meeting shall constitute a quorum for the adoption of decisions. When a quorum is present at any meeting, the vote of the Owners representing a majority of the members of the Master Association in person or by proxy, shall decide any question brought before the meeting. If the Master Declaration requires a fixed percentage of Owners to approve any action, however, that percentage shall be required anything to the contrary notwithstanding. Any action to be taken at the meeting of the Board of Directors or any action that be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting for the action so taken, shall be signed by all the members of the Board of Directors. An explanation of the action taken shall be posted at a prominent place or places within the Common Area and Facilities with three (3) days after the written consents of all of the members of the Board of Directors have been obtained.

### ARTICLE III BOARD OF DIRECTORS

1. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Master Association in accordance with the provisions of the Master Declaration and may do all such acts and things necessary to operate and maintain the Project. The Board of Directors shall have the power from time to time to adopt any Rules and Regulations deemed proper for the exercise of its management powers. The Board of Directors may delegate its authority to a manager or managers. Subject to any limitations or provisions contained in the Master Declaration, the Board of Directors shall be responsible for preparation of an annual budget for the Master Association; establishing the Neighborhood Assessment; maintaining the Common Area and Facilities; assessments; enforcement; insurance; books and records; and doing such other things and acts necessary to accomplish the foregoing and not inconsistent with the Master Declaration or Bylaws, or to do anything required by a proper resolution of the Board of Directors or Master Association.

2. Management Committee. There shall be at least three (3) and no more than nine (9) Board of Directors. The initial Board of Directors shall consist of nine (9) Board of Directors. During the Period of Developer's Control, at least five (5) of the Board of Directors shall be appointed by the Developer. The remaining four (4) Board of Directors shall be the Board of Directors of each Neighborhood Association. The term of office of membership on the Board of Directors shall be three (3) years. At the expiration of the member's term, a successor shall be elected. The first meeting of the members of the Board of Directors shall be immediately following the annual meeting of the Master Association or at such other time and place designated by the Board of Directors. Regular meetings of the Board of Directors shall be held from time to time and at such time and place as shall be determined by a majority of the members of the Board of Directors, but no less often than monthly. Special meetings of the Board of Directors may be called by



the President, Vice President or a majority of the members on at least forty-eight (48) hours prior notice to each member. Any meeting attended by all members of the Board of Directors shall be valid for any and all purposes. Attendance by a member at any meeting of the Board of Directors shall constitute a waiver of notice. If all the members are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting. At all meetings of the Board of Directors, a majority of the members then in office shall constitute a quorum for the transaction of business, and the acts of the majority of all the Board of Directors members present at a meeting at which a quorum is present shall be deemed to be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time but for no longer than two days. At any such rescheduled meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. Vacancies in the Board of Directors caused by any reason other than removal of a member by a vote of the Master Association shall be filled by vote of the majority of the remaining members of the Board of Directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the total members remaining may constitute less than a quorum of the Board of Directors; and each person so elected shall be a member for the remainder of the term of the member so replaced. A vacancy created by the removal of a member by a vote of the Master Association shall be filled by the election and vote of the Master Association. A member of the Board of Directors may be removed with or without cause, and his successor elected, at any duly called regular or special meeting of the Master Association at which a quorum of the Master Association is present, by an affirmative vote of a majority of the members of the Master Association. Any member whose removal has been proposed by the Owners shall be given at least thirty days notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting. Any Board of Directors Member who misses twenty-five percent (25%) or more of the Board of Directors Meetings or who misses three (3) consecutive meetings, in any calendar year, shall be automatically removed from the Board of Directors. The Board of Directors shall present at each annual meeting, and when called for by vote of the Master Association at any special meeting of the Master Association, a full and clear statement of the business and condition of the Master Association.

#### ARTICLE IV OFFICERS

1. Generally. The principal officers of the Master Association shall be a President, Secretary and Treasurer, all of whom shall be elected by the Board of Directors. The President, Secretary and Treasurer must be members of the Board of Directors. Two or more offices may be held by the same person, except that the President shall not hold any other office. The officers of the Master Association shall be elected annually by the Board of Directors. Any vacancy in an office shall be filled by the Board of Directors at a regular meeting or special meeting called for such purpose. The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the Board of Directors, and his

successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purposes.

2. President. The President shall be the chief executive officer; he shall preside at meetings of the Master Association. He shall have all of the general powers and duties which are usually vested in or incident to the use of president of a corporation organized under the laws of the State of Utah.

3. Secretary. The secretary shall attend all meetings of the Board of Directors and all meetings of the Master Association and record all votes and the minutes of all proceedings in a book to be kept by him for that purpose and shall perform like duties for Board of Directors when required; give, or cause to be given, notices for all meetings of the Master Association and the Board of Directors and shall perform such other duties as may be prescribed by the Board of Directors; compile and keep current at the principal office of the Master Association, a complete list of the Owners and their last known post office addresses; keep current and retain custody of the Minute Book of the Master Association, containing the minutes of all annual and special meetings of the Master Association and all sessions of the Board of Directors including resolutions.

4. Treasurer. The Treasurer shall have custody of all funds and securities that are not under the control of the Managing Agent, and with the assistance of the Managing Agent, shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all monies and other valuable effects in such depositories as may be designated by the Board of Directors; disburse funds as ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and members, at the regular meetings of the Board of Directors, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Project.

#### ARTICLE V FISCAL YEAR

The fiscal year of the Master Association shall be the calendar year consisting of the twelve (12) month period commencing on January 1 of each year terminating on December 31 of the same year. The fiscal year herein established shall be subject to change by the Board of Directors should it be deemed advisable or in the best interests of the Master Association.

#### ARTICLE VI AMENDMENT TO BYLAWS

1. Amendments. These Bylaws may be modified or amended either (a) unilaterally by the Developer during the Period of Developer's Control or (b) by the affirmative vote of a majority of the Members of the Board of Directors.

2. Recording. An amendment to these Bylaws shall become effective immediately upon recordation in the Office of the County Recorder.

ARTICLE VII  
NOTICE

1. Manner of Notice. All notices, demands, bills, statements, or other communications provided for or required under these Bylaws (except as to notices of Master Association meetings which were previously addressed in Article II of these Bylaws) shall be in writing and shall be deemed to have been duly given if delivered personally or sent by regular U.S. Mail postage pre-paid, a) if to an Owner, at the address of his Lot and at such other address as the Owner may have designated by notice in writing to the Secretary; or b) if to the Board of Directors or the Manager, at the principal office of the Manager or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section.

2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes, the Master Declaration, or of these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the provisions of the Master Declaration.

ARTICLE VIII  
COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

1. Conflict. These Bylaws are subordinate and subject to all provisions of the Master Declaration. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Master Declaration. In the event of any conflict between these Bylaws and the Master Declaration, the provision of the Master Declaration shall control.

2. Waiver. No restriction, condition, obligation, or provision of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

3. Captions. The captions contained in these Bylaws are for convenience only and are not part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.

4. Interpretation. Whenever in these Bylaws the context so requires, the singular number shall refer to the plural and the converse; and the use of any gender shall be deemed to include both masculine and feminine; and the term "shall" is mandatory while the term "may" is permissive.

5. Severability. The invalidity of any one or more phrases, sentences, subparagraphs, subsections or sections hereof shall not affect the remaining portions of this instrument or any part thereof, and in the event that any portion or portions of this

document should be invalid or should operate to render this document invalid, this document shall be construed as if such invalid phrase or phrases, sentence or sentences, subparagraph or subparagraphs, paragraph or paragraphs, subsection or subsections, or section or sections had not been inserted.

6. Effective Date. The effective date for this document shall be the date it is recorded in the Office of the County Recorder.

DATED this \_\_\_\_ day of February, 2007.

DEVELOPER:  
LEGACY COMMUNITIES, LLC

By: *David L. Evans*  
Name: David L. Evans  
Title: Manager

**ACKNOWLEDGMENT**

STATE OF UTAH                      )  
  ss:  
COUNTY OF SALT LAKE     )



The foregoing instrument was acknowledged before me this 8<sup>th</sup> day February 2007 by David L. Evans, the Manager of LEGACY COMMUNITIES, LLC., a Utah limited liability company, and said David L. Evans duly acknowledged to me that said LEGACY COMMUNITIES, LLC. executed the same.

*Sheri Farnsworth*  
NOTARY PUBLIC  
Residing at: *Salt Lake City*  
My Commission Expires: *12/22/08*

CONSENTED TO:

IVORY HOMES, LTD



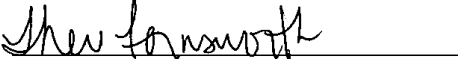
By: Ivory Homes, Ltd  
Name: Clark D. Ivory  
Title: Managing Member of Value, L.C.  
Who is General Partner of  
Ivory Homes, LTD.

**ACKNOWLEDGMENT**

STATE OF UTAH                    )  
  SS:  
COUNTY OF SALT LAKE    )



The foregoing instrument was acknowledged before me this 15 day of February, 2007 by Clark D. Ivory, the Managing Member of Value, L.C., who is General Partner of Ivory Homes, LTD., and said Clark D. Ivory duly acknowledged to me that said Value, L.C. executed the same.



NOTARY PUBLIC  
Residing at: Salt Lake City  
My Commission Expires: 12/22/08