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RECORDED AT THE REQUEST OF
Joseph J. ...

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UTAH COUNTY RECORDER
DEPUTY RECORDER
PLAT NO. 14458
BOOK 1551
PAGE 512

Joseph J. ...
510 E. ...
6th St. ...
D.P.C. 84102
43182

AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR THE BULL RIVER PLANNED COMMUNITY A PLANNED UNIT DEVELOPMENT

THIS AMENDED DECLARATION, made on this 5th day of NOVEMBER 1977, by the BULL RIVER DEVELOPMENT COMPANY (hereinafter "Company") and the BULL RIVER PROPERTY OWNERS ASSOCIATION (hereinafter "Association") pursuant to a 90% approving vote of the respective lot owners of the Bull River Planned Community as reflected in the records of the Utah County Recorder.

R E C I T A L S

A. The Company was heretofore the owner of all of that certain property described in the Plat Map entitled "BULL RIVER PLANNED COMMUNITY, A PLANNED UNIT DEVELOPMENT", recorded with the Utah County Recorder as Entry No. 14457 on May 13, 1977.

B. The Company, as Declarant, did file a certain "Bull River Property Owners Protective Covenants" (hereinafter "Protective Covenants") contemporaneously with said Plat Map on May 13, 1977 as Entry No. 14458 in Book 1551, Pages 512 through and including 523.

C. It is the desire of the Company, the Association, and a majority of the Lot Owners of the Bull River Planned Community, that the aforescribed Protective Covenants be amended as set forth in this Amended Declaration pursuant to "CLAUSE III Amendments" of said Protective Covenants, and a duly held meeting of the Association wherein in excess of fifty-one percent (51%) of the number of eligible votes as required by said CLAUSE III were cast in favor of this amendment.

NOW THEREFORE, pursuant to the amendment provisions of said Protective Covenants, said Protective Covenants are hereby amended as follows:

1. The title to said Protective Covenants is hereby amended to read as follows:

"DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR THE BULL RIVER PLANNED COMMUNITY, A PLANNED UNIT DEVELOPMENT."

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2. The wording on the first page of said Protective Covenants commencing with the phrase, "WHEREAS Declarant is the . . ." and ending with the words, ". . . PROPERTY OWNERS ASSOCIATION", is hereby amended to read as follows:

WHEREAS, Declarant is the owner of the real property described in that certain Plat Map entitled BULL RIVER PLANNED COMMUNITY, A PLANNED UNIT DEVELOPMENT, recorded in the official records of the Utah County Recorder as Entry No. 14457 on May 13, 1977 (hereinafter "Plat Map"), and are desirous of subjecting all of said real property or any subdivision thereof to all of the covenants, conditions, restrictions, reservations of easements, liens, and charges hereinafter set forth, each and all of which is and are for the benefit of and shall pass with said real property, and each and every parcel or lot thereof, and shall apply to and bind the successors in interest, and any owner thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in said real property described above (hereinafter "Properties") and in any additional properties which may be annexed thereto pursuant to the provisions of this Declaration, to create a non-profit corporation under the Utah Non-Profit Corporation and Cooperative Association Act to which should be delegated and assigned the powers of owning, maintaining and administering the common area and administering and enforcing the covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant will or has caused such corporation, the members of which shall be respective Owners of Lots in the Properties, and Owners of the Lots in real property annexed pursuant to this Declaration, to be formed for the purpose of exercising the functions aforesaid; and

WHEREAS, Declarant will develop and convey all of the Properties (as hereinafter defined), pursuant to a general plan for all of the Properties and subject to certain protective covenants, conditions, restrictions, reservations of easements, equitable servitudes, liens and charges, all running with the Properties as hereinafter set forth.

NOW THEREFORE, it is hereby declared that all of the Properties shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following easements, restrictions, covenants, conditions and equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Properties, in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Properties, or any portion thereof. The covenants, conditions, restrictions, reservations, easements, and equitable servitudes set forth herein shall run with the Properties and shall be binding upon all persons having any right, title, or interest in the Properties, or any part thereof, their heirs, successors and assigns; shall inure to the benefit of every portion of the Properties and any interest therein; and shall inure to the benefit of and be binding upon Declarant, its successors in interest, and each Owner and his respective successors in interest; and may be enforced by any Owner, his successors in interest, and by the Association. The term "Owner" and "Association" as used herein shall be hereinafter defined. Notwithstanding the foregoing, no provision of this Declaration shall be construed as to prevent or limit Declarant's

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right to complete development of the Properties and construction of improvements thereon, nor Declarant's right to maintain model homes, constructions, sales or leasing offices and similar facilities on any Properties owned by Declarant or the Association or Declarant's right to post signs incidental to construction, sales or leasing.

3. "CLAUSE I" of said Protective Covenants is hereby deleted with the following substituted in its place:

ARTICLE I - DEFINITIONS

Unless otherwise expressly provided, the following words and phrases when used in this Declaration shall have the meanings hereinafter specified:

Section 1. "Architectural committee" shall mean and refer to the "Architectural and Landscape Committee" as described in Article 12 of the Articles of Incorporation of the Bull River Property Owners Association, a copy of which Articles of Incorporation is attached hereto as Exhibit "A" and incorporated herein by reference, as such Articles may be amended from time to time.

Section 2. "Articles" shall mean the Articles of Incorporation of the Bull River Property Owners Association, a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference, as such articles may be amended from time to time.

Section 3. "Common Assessment" shall mean the charge against each Owner and his Lot, representing a portion of the total costs of the Association of maintaining, improving, repairing, replacing, managing and operating the Common Area, which are to be paid uniformly and equally by each Owner to the Association, as provided herein.

Section 4. "Special Assessments" shall mean a charge against a particular Owner and his Lot, directly attributable to the Owner, equal to the costs incurred by the Association for corrective action performed pursuant to the provisions of this Declaration, plus interest thereon as provided for in this Declaration.

Section 5. "Reconstruction Assessment" shall mean a charge against each Owner and his Lot, representing a portion of the costs of the Association for reconstruction of any portion or portions of the improvements of the Common Area pursuant to the provisions of this Declaration.

Section 6. "Capital Improvement Assessment" shall mean a charge against each Lot Owner and his Lot, representing a portion of the costs of the Association for the installation or construction of any improvements on any portion of the Common Area which the Association may from time to time authorize.

Section 7. "Association" shall mean the Bull River Property Owners Association, a corporation formed under the Utah Non-Profit Corporation and Co-operative Association Act, and its successors and assigns.

Section 8. "Beneficiary" shall mean a mortgagee under a mortgage or beneficiary or holder under a deed of trust, as the case may be, and the assignees of such mortgagee, beneficiary or holder.

Section 9. "Plat Map" shall mean and refer to that plat map entitled "BULL RIVER PLANNED COMMUNITY, A PLANNED UNIT DEVELOPMENT" recorded in the official records of the Utah County Recorder as Entry No. 14457 on May 13, 1977.

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Section 10. "Common Area" shall mean all of the property within the boundaries of the "private road easements" and "open space easements" as the same are delineated upon the said Plat Map, together with any and all improvements heretofore or hereinafter constructed upon such property. In addition, the Common Area shall include any and all common areas added to the Bull River Planned Community by virtue of any subsequent annexations to the Bull River Planned Community project.

Section 11. "Common Expenses" shall mean the actual and estimated costs of maintenance, management, operation, repair and replacement of the Common Area (including unpaid special assessments, reconstruction assessments and capital improvement assessments), including any costs not paid by the Owner responsible for payments; costs of management and administration of the Association including, but not limited to, compensation paid by the Association to managers, accountants, attorneys, and other employees; the costs of all utilities, gardening and other services benefiting from the Common Area, and any recreational facilities thereon heretofore or hereafter as authorized by the Association; the costs of fire, casualty and liability insurance, and other insurance covering the Common Area; and the costs of bonding of the members of the management body; any taxes paid by the Association; the costs of any item or items designated by, or in accordance with other expenses incurred by, the Association for any reason whatsoever in connection with the Properties, for the benefit of all of the Owners.

Section 12. "Declaration" shall mean this instrument as it may be amended from time to time.

Section 13. "Deed of Trust" shall mean and refer to a mortgage or deed of trust, as the case may be.

Section 14. "Lot" shall mean and refer to a lot as the same is designated as such upon said Plat Map.

Section 15. "Family" shall mean (1) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, or (2) a group of not more than three (3) persons not also related, inclusive of their domestic servants, who maintain a common household and a residence on a Lot.

Section 16. "Improvement" shall mean all structures and appurtenances thereto of every type and kind, including but not limited to buildings, outbuildings, walkways, sprinkler pipes, carpets, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, landscaping, hedges, windbreaks, planting strips, planted trees and shrubs, poles, signs, exterior air conditioning and water softener fixtures or equipment.

Section 17. "Properties" shall mean and refer to all of the real property described in said Plat Map.

Section 18. "Member" shall mean any person or entity holding a membership in the Association as provided herein.

Section 19. "Mortgage"; "Mortgagee" shall mean any mortgage or deed of trust or other conveyance of a Lot to secure the performance of an obligation, which will be void and reconveyed upon the completion of such performance. The term "deed of trust" or "trust deed" when used herein shall be synonymous with the term "mortgage". The term "mortgagee" shall mean a person or entity to whom a mortgage is made and shall include the beneficiary of a deed of trust; "mortgagor" shall mean a personal entity who mortgages his or its property to another "i.e. the maker of a mortgage", and shall include the trustor of a deed of trust. The term "trustor" shall be synonymous with the term "mortgagor", and the term "beneficiary"

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shall be synonymous with the term "mortgagee". The term "first mortgagee" shall include any mortgagee or the beneficiary under any deed of trust who, by virtue of their mortgage or deed of trust, hold a first and prior lien upon any Lot to that of any other mortgagee.

Section 20. "Owner" shall mean and refer to the person or persons or other legal entity or entities, including Declarant, holding fee simple of record to any Lot which is a part of the Properties, including sellers under executory contracts of sale, but excluding those having such interests merely as security for the performance of an obligation.

Section 21. "Person" shall mean a natural individual or any other entity with the legal right to hold title to real property.

4. "CLAUSE II" of the Protective Covenants commencing on page 2 thereof is hereby deleted and replaced with the following:

ARTICLE II - DURATION AND EFFECT OF DECLARATION

A. Duration of Covenants: The covenants and restrictions of this Declaration shall run with and bind the Properties and shall inure to the benefit of and be enforceable by the Association or any Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, perpetually so long as there are mortgages against the property. Thereafter, the Owners possessing at least seventy-five percent (75) of the voting rights in the Association may sign and have recorded an instrument in writing agreeing to change such covenants in whole or in part to eliminate the same. Nothing herein shall limit the amendment provisions as hereinafter provided. Any person or entity entitled to enforce these covenants, conditions, and restrictions shall in fact do so through proceedings at law or in equity against any person or persons violating or attempting to violate any of these covenants, conditions, or restrictions shall be entitled to recover attorneys fees, costs of court and other damages incurred as a result of the enforcement.

B. Severability: Invalidation of any one of these covenants, conditions, or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect to the extent permitted by law.

ARTICLE III - RESERVATION OF EASEMENTS: MEMBERSHIP

A. The Association shall have possession and ownership of all of the easements shown on the Plat Map as delineated as open space easements and private road easements. In addition, Declarant shall have the right to the use and enjoyment of such easement so long as it is the Owner of any of the Properties on a non-exclusive use basis. Nothing herein shall preclude the Association from holding ownership, in addition to such easements, of the fee simple interest in and to any of the Common area real property; and the Association shall hold the fee simple ownership in and to the real property of the Common Area as contemplated in the submission of the Bull River Planned Community to the approving governmental authorities, although it is recognized that none of the fee simple ownership of any Lot, with the exception of Lot 11, was contemplated to be owned by the Association pursuant to such submission.

B. Membership: Every Owner of a Lot shall be a member of the Association, and no Owner shall have more than one membership in the Association. Memberships in the Association shall not be assignable, except to the successor in interest of the Owner and to the Owner's Lot, and every membership in the Association shall be pertinent to and may not be separated from the fee ownership of such Lot. Ownership of a Lot shall be the sole qualification for membership in the Association.

C. Transfer of Membership: The Association membership held by any Owner of a Lot shall not be transferred, pledged, or alienated in any way, except upon the sale or encumbrance of the Lot giving rise to such membership, and then only to the purchaser or mortgagee of such Lot. Any attempt to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association. In the event an Owner of a Lot shall fail or refuse to transfer the membership registered in his name to the purchaser of his Lot upon transfer of fee title thereto, the Board of Trustees of the Association shall have the right to record the transfer upon the books of the Association. The Board of Trustees of the Association shall have the right to charge a reasonable special assessment against any Owner, and his Lot, equal to the cost to the Association of effectuating any such transfer of his membership upon the books of the Association.

D. Owners' Property Rights and Owners' Easements of Enjoyment: Every Owner shall have, by virtue of his membership, a right and easement of ingress and egress and of enjoyment in, to and over the Common Area which shall be appurtenant to and shall pass with title to every Lot, subject to the following provisions:

(1) The right of Declarant to annex additional property and Common Areas to the Bull River Planned Community project as provided in ARTICLE XIV below.

(2) The right of the Association to reasonably limit the number of guests of Owners using the Common Area facilities.

(3) The right of the Association to establish uniform rules and regulations pertaining to the use of the Common Area and the recreational facilities thereof, whether heretofore or hereinafter constructed, including, but not limited to, the right and obligation of the Association to enforce all parking restrictions within the Common Area.

(4) The right of the Association to charge uniform and reasonable admission and other fees for any recreational facilities situated upon a portion of the Common Area; provided, however, that none of the Common Area facilities, recreational facilities, parking spaces or other amenities of the Properties shall be leased to the Owners.

(5) The right of the Association in accordance with the Articles of Incorporation, Bylaws (of the Association) and this Declaration, with the vote or the written assent of its members possessing seventy-five percent (75%) of the voting rights in the Association to borrow money for the purpose of improving the Common Area and facilities and subject to the provisions of Article ___ of this Declaration, to mortgage, pledge, deed and trust, or hypothecate any or all of its rights in the Common Area as security for money borrowed or debts incurred.

(6) The right of the Association to suspend the voting rights and right to use any Common Area facilities by any Owner for any period during which any assessment against his Lot remains unpaid and delinquent; and for a period not to exceed thirty (30) days for any single infraction of the published rules and regulations of the Association, provided that any suspension of such voting rights or right to use the Common Area facilities, shall be made only by the Board of Trustees of the Association, after notice and opportunity for hearing as may be provided in the rules of the Association as adopted from time to time.

(7) The right of the Declarant, and its sales agent, customers and representative, to the non-exclusive use of the Common Area and the facilities thereof, without charge, for sales, display, access, ingress, egress and exhibit purposes, which right Declarant hereby reserves, provided however,

that such use shall not be for a period of more than five (5) years after the date of the recording of this Declaration. Upon the request of the Declarant and upon the affirmative vote of seventy-five percent (75%) of the voting rights in the Association this term may be extended for an additional period of time.

(8) The right of the Association, by action of its Board of Trustees, to reconstruct, replace, or refurnish any improvement or portion thereof upon the Common Area, in accordance with the original design, finish or standard of construction of such improvement, or of the general improvements within the Properties, as the case may be; and not in accordance with such original design, finish or standard of construction only with the vote or written consent of the Owners holding seventy-five percent (75%) of the voting power of the Association, and of all first mortgagees.

(9) The right of the Association to replace destroyed trees or other vegetation and plant trees, shrubs, and ground cover upon any portion of the Common Area.

E. Delegation of Use of Common Areas: Any Owner may delegate, in accordance with the rules and regulations as established by the Association, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside in the residential structure upon his Lot.

F. Easements for Vehicular Traffic: In addition to the general easement for use of the Common Area reserved herein, there is hereby reserved on behalf of Declarant and all future owners within the Properties, that each and every Owner shall have a non-exclusive easement appurtenant for vehicular traffic over all private streets within the Properties. Declarant reserves the right to grant similar easements to Owners of Property in any part of subdivisions annexed hereto. There shall be no parking on any private streets without the Association's approval through published rules.

G. Easements for City and County Public Service Use: In addition to the foregoing easements over the Common Area, there shall be reserved in favor of Declarant and all future Owners within the Bull River Planned Community, easements for city, county and federal public services including, but not limited to, the right for police to enter upon any part of the Common Area for the purpose of enforcing the law. Any county or governmental easements over the Bull River project as shown on said Plat Map are hereby recognized.

H. No Exemption from Liability: No Owner may exempt himself from personal liability for assessments to be levied by the Association, nor release the Lot or other property owned by him from the liens and charges hereof, by waiver of the use and enjoyment of the Common Area and the facilities thereon or by abandonment of his Lot or any other property in the Properties.

I. Taxes: Each Owner shall execute such instruments and take such action as may be reasonably specified by the Association to obtain separate real estate tax assessments on each Lot. If any taxes or assessments may, in the opinion of the Association, nevertheless be a lien on more than one Lot, not under common ownership, or any part thereof, they may be paid by the Association, and each Owner shall be obligated to pay or reimburse the Association for, as the case may be, the taxes and assessments assessed by the County Assessor or other taxing authority against his Lot and interest, if any, in the Common Area. Each Lot Owner who has a portion of his Lot encumbered by a Common Area easement hereto shall pay the full tax on his Lot and shall not be reimbursed from the Association for any tax on his Lot that may be attributable to the portion of his Lot encumbered by the Common Area easement unless the taxing authority establishes a separate tax identification number for the specific portions of the Properties covered by the easements, in which event the Association shall pay such taxes and levy

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an equal and pro rata assessment against each Owner to pay such Common Area taxes.

J. Exercise of Voting Rights, Etc. by Purchasers of Lots on Executory Contracts: It is understood that from time to time a Lot may be sold on contract with the purchaser under such contract having the right to the possession of such Lot but not the right to transfer of title to the Lot and membership in the Association until all of the sums under the contract are fully paid by the purchaser. In such event, transfer of membership in the Association to the prospective Owner of the Lot shall not be transferred upon the books of the Association until such time as legal title to a Lot is transferred to the purchaser upon completion of the contract. However, a notation shall be made on the books of the Association that the Lot is being purchased under contract and that the prospective purchaser shall have the right to exercise the voting and other rights of such membership to the exclusion of the contract seller so long as the purchaser is not in default under the contract.

K. Voting Rights: With respect to exercising any and all voting rights in the affairs of the Association or as provided in this Declaration, an Owner of each Lot shall have two (2) votes for each full Lot he owns as reflected upon the records of the Utah County Recorder. Should any subsequently annexed territory contain any Lot of less than a full acre, the Owner of such Lot will be accorded one (1) vote. In the event a Lot is owned jointly by more than one person, all of such joint owners shall be considered as a single Owner, for voting purposes, with no Lot experiencing increased voting rights as a result of multiple ownership. There shall be no split voting as to the voting rights attending any Lot - all votes attributable to a Lot must be cast unanimously or not at all. Any co-owners or co-owner present at a meeting of the Association shall be entitled to cast the votes attendant to their or his Lot, regardless of the absence of their or his co-owner or co-owners; provided, however, that if unanimity cannot be reached by all of the co-owners of a Lot in attendance at such a meeting as to how the Lot vote or votes should be cast, no vote or votes shall be cast with respect to such Lot.

ARTICLE IV - RIGHTS OF PARTNERS OF DECLARANT

All rights reserved in this Declaration with respect to the non-exclusive use of the Common Area and facilities for sales, display, access, ingress, egress, and exhibit purposes and similar rights shall inure to the benefit of each individual partner of Declarant acting alone or in conjunction with other partners or persons, whether such partner shall be acting, in exercising such rights, in behalf of the Declarant or in favor of the partner, himself or in behalf of himself and others.

ARTICLE V - DUTIES AND POWER OF THE ASSOCIATION

The Association, acting through the Board of Trustees, shall have the power and duty to:

(a) Maintain, repair and otherwise manage the Common Area and any facilities thereon, improvements and landscaping thereof, in accordance with the provisions of this Declaration, including, but not limited to, tree and shrub planting along roadways in the Common Area.

(b) Maintain all private streets and culverts of the Common Area, including, but not limited to, cleaning and periodic resurfacing, the placement of such entry gates and signs as the Association shall deem appropriate, and maintenance of the same, and the placement of such fences separating the Bull River Project from publicly dedicated roads and highways as the Association deems appropriate, and the proper maintenance of such fences.

(c) Maintain any and all private sewer systems within any Common Area, water lines, or other improvements.

(d) Grant any easements or rights of way for utilities and sewer facilities over any Common Area to serve the Common Area and the Lots.

(e) Maintain such policy or policies of liability and fire insurance with respect to the Common Area and personal property, if any, owned by the Association as provided herein in furthering the purposes of and protecting the interests of the Association and Members and as directed by this Declaration and/or the Articles of Incorporation or Bylaws of the Association.

(f) The Association may, but shall not be obliged to, employ or contract with a professional manager to perform all or any part of the duties and responsibilities of the Association, and shall have the power to delegate its powers to committees, officers and employees. Any such agreement shall be for a term not in excess of three (3) years, subject to cancellation by either party without cause or payment of a termination fee upon ninety (90) days or less written notice.

(g) After fifteen (15) days' written notice, without being liable to any Owner, enter upon any Lot, for the purpose of enforcing by peaceful means the provisions of this Declaration, or for the purpose of maintaining or repairing any such area if for any reason whatsoever the Owner thereof fails to maintain or repair any such area as required by this Declaration. Institute any and all proceedings necessary to enforce this Declaration.

(h) Provide necessary spraying and cutting of weeds in the Common Area to reduce fire hazards and take other necessary measures, such as removal of brush and fire hazards in the Common Area.

(i) Remove any fire hazard in any Owner's Lot which the Lot Owner refuses to remove immediately upon oral or written notification from the Association. Costs for the Association removing such a hazard shall be immediately reimbursed by the Lot Owner and shall constitute a lien upon the Lot until reimbursed; such costs advanced shall be reflected by a Special Assessment and enforced as such as provided below.

(j) Provide fire and erosion control with respect to the Bull River project.

(k) Maintain and repair any drainage ditch situated on any Lot not properly maintained by the Owner after ten (10) days' written notice to the Owner when the Owner, in said 10 day period, fails to correct any failure to maintain and repair said drainage ditch. Costs expended by the Association in this regard shall be reimbursed by the Lot Owner immediately and shall constitute a lien and Special Assessment on said Lot until reimbursed.

(l) Levy and collect all assessments as provided herein in sufficient quantity to enable the Association to adequately perform its duties hereunder.

(m) Such additional powers as shall be reasonable and necessary for the Association to accomplish the purposes of its creation as set forth in its Articles of Incorporation and this Declaration.

ARTICLE VI - COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Declarant, for each Lot owned by it within the Properties, hereby covenants and each Owner of any Lot, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and

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agree to pay to the Association (1) Annual Common Assessments for Common Expenses, (2) Capital Improvement Assessments, (3) Special Assessments, and (4) Reconstruction Assessments, such assessments to be established and collected as hereinafter provided. Such assessments, together with interests, costs, and reasonable attorneys fees for the collection thereof, shall be a charge on the land and shall be a continuing lien upon the Lot against which said assessment is made. Each such assessment, together with interest, costs, reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. Subject to the provisions of this Declaration protecting First Mortgagees, the personal obligation for delinquent assessments shall pass to the successors in interest of such Owner. The Association shall be obligated to assess sufficient assessments to adequately fulfill its repair, maintenance, and replacement obligations as provided in this Declaration.

Section 2. Purpose of Common Assessments: The Common Assessments levied by the Association shall be used to promote the common health, safety, benefit, recreation and welfare of the Owners and for the improvement and maintenance of the Common Area situated upon the Lots and the Properties as provided herein. The Common Assessments shall also be for an adequate reserve to be used as appropriate for maintenance, repairs and replacement of those elements of the Common Area that must be replaced on a periodic basis, such as resurfacing of private roads, and replacement of diseased shrubs. Nothing in this Declaration shall be construed in such a way as to permit the Association to use any assessments to abate any nuisance or annoyance emanating from outside the boundaries of the Properties. Nothing contained herein shall limit, preclude or impair the establishment of additional Bull River Planned Community maintenance funds by the Association, so long as the amounts deposited into any such fund are earmarked for specific purposes authorized by this Declaration.

Section 3. Damage to Common Area by Owners: The foregoing maintenance, repairs, or replacements within the Common Area arising out of or caused by the willful or negligent act of an Owner, his family, guests or invitees, shall be done at said Owner's expense and a Special Assessment therefore shall be made against his Lot.

Section 4. Basis of Common Assessment: Common Assessments shall be levied annually on the first day of January of each year. Such Assessment may be paid by the Lot Owners in full at the beginning of the year, or may be paid quarterly on the 10th day of January, April, July, and October of each year. Written notice shall be given each Lot Owner of the annual Common Assessment on or before the first day of January of each year. Such notice shall be deemed effective when deposited in the United States mail, postage fully prepaid, addressed to the last known address of each Owner.

Common Assessments may be increased at any time during a given year should the Association deem it necessary to adequately accumulate funds to fulfill the purposes of the Common Assessment.

The Common Assessment shall be equally apportioned among the Lot Owners by dividing the total amount by the number of Lots in the Bull River Planned Community, including any Lots hereafter annexed to the project. Should a new Lot be added to the project during a given year, the assessments of the previously existing Lots shall not be reduced, although the new Lot shall be required to pay an assessment identical to the previously existing Lots, but prorated to pay only so much of the Assessment as is attributable to the remainder of the year in which the Assessment is made.

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The initial Common Assessment for each Lot for the year 1977 shall be \$5.00 per Lot per month, commencing with respect to Lot Owners other than Declarant on the date such Lot was sold by Declarant, either by contract or otherwise. The \$5.00 monthly assessment against the Lots owned by Declarant shall commence in the month of October, 1977. In addition, an additional monthly Common Assessment shall be assessed against each Lot Owner during the year 1977 in the amount of \$5.00 per month commencing against each Lot Owner at the time any construction to place an improvement on his Lot is commenced. For purposes of this paragraph, an improvement shall mean a home, barn, shed, or any facility requiring culinary water and/or electrical power hookup.

Section 5. Capital Improvement Assessment: In addition to the Common Assessments authorized above, the Board of Trustees of the Association may levy, in any assessment year, a Capital Improvement Assessment applicable to that year only for the purpose of defraying in whole or in part the cost of any construction of a capital improvement or other such addition upon the Common Area, including fixtures, and personal property related thereto; provided that any such total assessment (including the aggregate of assessments against all Lot Owners) shall not be made in excess of \$2,000.00 without the prior vote or written consent of seventy-five percent (75%) of the eligible votes of Members who are subject to such assessment, excluding therefrom the votes of Declarant. For purposes of this paragraph, a Capital Improvement shall mean a fence, building, recreational facility, or similar improvement or structure constructed upon the Common Area not provided in the initial plans of the Bull River Planned Community.

Section 6. Reconstruction Assessment: In addition to the Common Assessments and Capital Improvement Assessments authorized above, the Board of Trustees of the Association may levy, in any assessment year, a Reconstruction Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any reconstruction or replacement of a Capital Improvement as defined in Section 5 above, including fixtures, and personal property, related thereto, subject however, to the same dollar restrictions as set forth with respect to Capital Improvements as described in Section 5 above.

Section 7. Special Assessments: The Association may levy Special Assessments against selected Owners who have caused the Association to incur special expenses due to willful or negligent acts of said Owners, their guests or agents.

Section 8. Notice of Change in the Amount of Common Assessments, Capital Improvement Assessments, or Reconstruction Assessments: Notice of any change in the amount of any Common Assessment, Capital Improvement Assessment, or Reconstruction Assessment shall be sent to every Owner subject thereto at least thirty (30) days prior to the effective date of such change. The due date shall be established by the Board of Trustees.

Section 9. Certificate of Assessment: The Association shall, upon demand and for reasonable charge, furnish a certificate signed by an officer or agent of the Association, setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments against a Lot is binding upon the Association as of the date of its issuance.

Section 10. Allocation of Payments to Assessments: The respective assessments may be paid by an Owner to the Association in one check or payment or in separate checks or payments attributable to the various assessment funds.

In the event a check or payment is not designated to be paid to a particular fund, or in the event a check or payment is designated to be paid to several funds but the amount is insufficient to pay all of the assessments with respect to such funds, the check or payment shall be allocated first to Common Assessments, second to any Reconstruction Assessment, and third to any Capital Improvement Assessment.

Section 11. Exempt Property: All properties dedicated to and accepted by a local public authority and the Common Area shall be exempt from assessments herein.

ARTICLE VII - EFFECT OF NON-PAYMENT OF ASSESSMENTS REMEDIES OF THE ASSOCIATION

Section 1. Effect of Non-Payment of Assessments: Remedies of the Association. Any installment of a Common Assessment, Capital Improvement Assessment, Special Assessment or Reconstruction Assessment not paid within thirty (30) days after the due date shall bear interest from the due date of such installment at the rate of 12 percent (12%) per annum. If any installment of an assessment is not paid within thirty (30) days after it is due, the Owner responsible therefor may be required further by the Board of Trustees to pay a late charge of Five Dollars (\$5.00) or five percent (5%) of the amount of the delinquent installment, whichever is greater. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. If any installment of a Common Assessment is not paid within thirty (30) days after its due date, the Board shall mail an acceleration notice to the Owner and to each First Mortgagee of a Lot which has requested a copy of the notice. The notice shall specify (1) the fact that the installment is delinquent, (2) the action required to cure the default, (3) a date, not less than thirty (30) days from the date the notice is mailed to the Owner, by which such default must be cured, and (4) that failure to cure the default on or before the date specified in the notice may result in acceleration of the balance of the installments of the Common Assessment for the then current fiscal year and sale of the Lot. The notice shall further inform the Owner of his right to cure after acceleration and to bring a court action to assert the non-existence of a default or any other defense of the Owner to acceleration and sale. If the delinquent installments of Common Assessments and any charges thereon are not paid in full on or before the date specified in the notice, the Board at its option may declare all of the unpaid balance of the annual Common Assessment to be immediately due and payable without further demand and may enforce the collection of the full Common Assessment and all charges thereon in any manner authorized by law and this Declaration.

Section 2. Notice of Assessment. No action shall be brought to enforce any assessment lien herein, unless at least thirty (30) days has expired following the date a Notice of Assessment is deposited in the United States mail, postage prepaid, to the Owner of the Lot, and a copy thereof has been recorded by the Association in the office of the County Recorder in which the Properties are located; said Notice of Assessment must recite a good and sufficient legal description of any such Lot, the record Owner or reputed Owner thereof, the amount claimed (which may at the Association's option include interest on the unpaid assessment at twelve percent (12%) per annum, plus reasonable attorney's fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the claimant. Such Notice of Assessment shall be signed and acknowledged by an officer of

the Association, and said lien shall be prior to any declaration of homestead recorded after the date on which this Declaration is recorded. The lien shall continue until fully paid or otherwise satisfied.

Section 3. Foreclosure Sale. Any such sale provided for above may be conducted by the Board of Trustees, its attorneys or other persons authorized by the Board in accordance with the provisions of the Utah Code Annotated, 1953 As Amended, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted by law. The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.

Section 4. Curing of Default. Upon the timely curing of any default for which a Notice of Assessment was filed by the Association, the officers thereof shall record an appropriate Release of Lien, upon payment by the defaulting Owner of a fee, to be determined by the Association, but not to exceed Fifty Dollars (\$50.00), to cover the cost of preparing and recording such release. A certificate executed and acknowledged by any two (2) members of the Board stating the indebtedness secured by the liens upon any Lot created hereunder shall be conclusive upon the Association and the Owners as to the amount of such indebtedness as of the date of the certificate, in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Owner upon request at a reasonable fee, not to exceed Ten Dollars (\$10.00).

Section 5. Cumulative Remedies. The assessment liens and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments, as above provided.

Section 6. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage (meaning any recorded mortgage with first priority or seniority over other mortgages) made in good faith and for value and recorded prior to the date on which the assessment came due. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or deed in lieu thereof, shall extinguish the lien of such assessments as to installments which became due prior to such sale or transfer. However, no sale or transfer shall relieve such Lot from liability for any installments of assessments thereafter becoming due or from the lien thereof.

ARTICLE VIII - ARCHITECTURAL CONTROL

Section 1. Members of Committee. The Architectural Committee, sometimes referred to in this Declaration as the "Committee", shall consist of five (5) members. The initial members of the Committee shall consist of the President and Vice President of Declarant and three (3) other Members appointed by such President and Vice President. Each of said persons shall hold office until the election of the first Board of Trustees by the membership of the Association. Thereafter, new members of the Committee shall be appointed by the Board of Trustees and shall hold office until such time as he has resigned or has been removed or his successor has been appointed, as provided herein. Members of the Committee may be removed at any time without cause. The Board of Trustees shall have the right to appoint and remove all members of the Committee. Members of the Committee shall be selected from Members of the Association.

Section 2. Types, Design and Placement of Structures. No "improvement" (this term shall include home, barn, shed corral, fence, driveway, culvert, bridge, or the like) shall be erected, placed or altered on any Lot in Bull River Planned Community until the plans thereof, specifications and the plot plan showing the locations of such structures have been approved in writing by the Architectural Committee. Such approval will concern itself with the acceptability and harmony of the external design, building material, color, etc., with existing structures in Bull River Planned Community and as to the location of the structures with respect to lot lines, topography and finished ground elevation. In the event said Committee, or its designated representatives, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, such approval will not be required and this Declaration will be deemed to have been fully complied with. At the time such plans, etc., are received by the Architectural Committee, the Committee will issue to the applicant a dated receipt briefly listing the items submitted.

The Committee may condition its approval of proposals or plans and specifications on such changes therein as it deems appropriate and may require submission of additional plans and specifications or other information prior to approving or disapproving materials submitted. The Committee may also issue rules or guidelines setting forth procedures for the submission of plans for approval, requiring a fee payable to the Association to accompany each application for approval, or additional factors which it will take into consideration in reviewing submissions. The Committee may provide the amount of such fee, which shall be uniform or may be determined in any other reasonable manner, such as considering the reasonable cost of construction, alterations or additions contemplated, provided, however, that in no event shall such fee exceed One Hundred Dollars (\$100.00). Such fee shall be held by the Committee for the benefit of the Association to pay for reimbursement to the Committee for out-of-pocket expenses or reimbursement to the Association for out-of-pocket expenses incurred by the Committee or the Association due to the performance of the Committee of its duties hereunder. Any fees remaining at the end of a calendar year not used or necessary for such reimbursement, shall be paid to the Association and placed in the Common Assessment fund for the general benefit of all Members. The Committee may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevation drawings and description or samples of exterior material and colors. Until receipt by the Committee of all required plans and specifications, the Committee may postpone review of any plans submitted for approval.

Section 3. Meetings of the Committee. The Committee shall meet from time to time as necessary to perform its duties hereunder. The Committee may from time to time, by resolution unanimously adopted in writing, designate a Committee Representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the Committee, except the granting of variances. In the absence of such designation, the vote of any three (3) members of the Committee taken without a meeting, shall constitute an act of the Committee.

Section 4. No Waiver of Future Approvals. The approval of the Committee 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 the committee 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 matter whatever subsequently or additionally submitted for approval or consent.

Section 5. Compensation of Members. The members of the Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder.

Section 6. Inspection of Work. The Committee shall make periodic inspections of the progress of work whose plans and specifications have been approved, and the Committee may, at any time, cause such work to cease and remedial action taken by the Lot Owner should the Committee determine that construction is not in compliance with the plans and specifications approved by the Committee. If the Owner fails to take such remedial measures as required by the Committee, the Association may undertake such remedial work, including removal of all previous work done by the Owner, and levy a Special Assessment against such Owner's Lot for the cost of the Association in remedying the non-complying work.

Section 7. Non-Liability of Committee Members. Neither the Committee nor any member thereof, nor its duly authorized Committee representative shall be liable to the Association, or to any Owner for any loss, damage or injury arising out of or in any way connected with the performance of the Committee's duties hereunder, unless due to the willful misconduct or bad faith of the Committee.

Section 8. Variance. The Committee may, in writing, authorize variances from compliance with any of the architectural provisions of this Declaration or any Supplemental Declaration, including restrictions upon height, size, floor area or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental consideration may require. Such variances must be approved by Utah County and other governing authorities.

ARTICLE IX - MAINTENANCE AND REPAIR OBLIGATIONS

Section 1. Maintenance Obligations of Owners. Subject to the duty of the Association to provide for maintenance as provided in this Declaration, it shall be the duty of each Owner, at his sole cost and expense, subject to the provisions of this Declaration regarding Architectural Committee approval, to maintain, repair, replace and restore areas subject to his exclusive control, safe in a neat, sanitary and attractive condition. If all of or any portion of any Lot or residence is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner of said Lot or residence to rebuild, repair or reconstruct said residence in a manner which will restore it substantially to its appearance and condition immediately prior to the casualty.

Section 2. Time Limitation. The Owner or Owners of any damaged residence, the Association and the Architectural Committee shall be obligated to proceed with all due diligence hereunder, and the responsible party shall commence reconstruction within six (6) months after the damage occurs and complete reconstruction within one (1) year after commencement of construction, unless prevented by causes beyond his reasonable control.

ARTICLE X - USE RESTRICTIONS

All real property within the Properties shall be held, used and enjoyed subject to the following limitations and restrictions, subject to the exemption of Declarant in Article III hereof:

Section 1. Single Family Residence. Subject to the right of Declarant (and/or its partner or partners as discussed above) to use the Common Area or its Lots for the sale and promotion of the Properties, each Lot shall be used as a residence for a single family and for no other purpose, with no commercial, business, manufacturing, mercantile, storing, vending, or other such non-residential purposes being conducted thereon unless approved by a seventy-five percent (75%) vote of the eligible votes of the Association. Nothing in this Section 1 shall be construed to preclude the use and maintenance of a reasonably discreet and circumspect fine arts studio by any Lot Owner upon his Lot, provided that the same is not violative of any governmental zoning ordinance or other rule, law, or regulation, or of any of the remaining covenants and restrictions hereunder.

Section 2. Insurance Rates. Nothing shall be done or kept in the Properties which will increase the rate of insurance on any property insured by the Association without the approval of the Board, nor shall anything be done or kept in the Properties which would result in the cancellation of insurance on any property insured by the Association or which would be in violation of any law.

5. The following paragraphs of "CLAUSE II" of the Protective Covenants, are hereby incorporated into said Protective Covenants as follows, and shall continue to be a part of the covenants, conditions, and restrictions governing the Properties; provided, however, that the term "Bull River" as used in said paragraphs shall refer to the Bull River Planned Community, and the term "Architectural and Landscape Committee" shall mean and refer to the Architectural Committee as defined in this Amended Declaration:

A. All of the provisions of paragraph "(i) Types, Design and Placement of Structures" of said "CLAUSE II" is hereby incorporated herein except the first full paragraph thereof which is dealt with elsewhere in this Amended Declaration.

B. All of paragraphs "(j)", through and including "(z)" of said "CLAUSE II" are hereby incorporated herein by reference, except that 1) normal trash removal and collection shall be the responsibility of the Association, and 2) the speed limit on the private roads shall be twenty (20) miles per hour or the legal speed limit imposed by governmental authorities, whichever is lower.

6. The following is hereby added to said Protective Covenants:

ARTICLE XI - DAMAGE OR DESTRUCTION TO COMMON AREA

Damage to or destruction of all or any portion of the Common Area shall be handled in the following manner, notwithstanding any provision in this Declaration to the contrary:

(a) In the event of damage or destruction to the Common Area, and the insurance proceeds are sufficient to effect total restoration, then the Association shall cause such Common Area to be repaired and reconstructed substantially as it previously existed.

(b) If the insurance proceeds are within Two Thousand Dollars (\$2,000.00) or less of being sufficient to effect total restoration, then the Association shall cause such Common Area to be repaired and reconstructed substantially as it previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a Reconstruction Assessment equally against each of the Lot Owners, in accordance with the provisions of this Declaration.

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(c) If the insurance proceeds are insufficient by more than Two Thousand Dollars (\$2,000.00) to effect total restoration to the Common Area, then by written consent or vote of a majority of the Owners, they shall determine whether (1) to rebuild and restore in substantially the same manner as the improvements existed prior to damage and to raise the necessary funds over the insurance proceeds by levying equal Reconstruction Assessments against all Lots, (2) to rebuild and restore in a way which utilizes all available insurance proceeds and an additional amount not in excess of Two Thousand Dollars (\$2,000.00), and which is assessable equally to all Owners but which is less expensive than replacing these Improvements in substantially the same manner as they existed prior to being damaged, or (3) subject to the provisions of Article XII, to not rebuild and to distribute the available insurance proceeds equally to the Owners and Mortgagees of the Lots as their interests may appear.

(d) Each Owner shall be liable to the Association for any damage to the Common Area not fully covered by insurance which may be sustained by reason of the negligence or willful misconduct of said Owner or of his family and guests, both minor and adult. Notwithstanding the foregoing, the Association reserves the right to charge a Special Assessment equal to the increase, if any, in the insurance premium directly attributable to the damage caused by such Owner. In the case of joint ownership of a Lot, the liability of such Owners shall be joint and several, except to the extent that the Association has previously contracted in writing with such joint owners to the contrary. The cost of correcting such damage shall be a Special Assessment against the Lot and may be collected as provided herein for the collection of Special Assessments.

ARTICLE XII - INSURANCE

Section 1. Common Area. The Association shall keep all insurable property of the Common Area insured against loss or damage by fire for the full insurance replacement cost thereof, and may obtain insurance against such other hazards and casualties as the Association may deem desirable with the Association as owner and beneficiary of the policies. The Association may also insure any other property whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Association may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to the Common Area shall be written in the name of, and the proceeds thereof shall be payable to the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. Premiums for all insurance carried by the Association are Common Expenses included in the Common Assessments made by the Association.

Section 2. Insurance Obligations of Owners. Each Owner shall insure his entire residence against loss or damage by fire or by any other casualty, under the standard form of extended endorsement and broad form now in use in the State of Utah or under such other insurance as may be required by any Mortgagee of the residence.

Section 3. Waiver of Subrogation. As to each policy of insurance maintained by the Association, which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Owners, the Manager, Declarant, and the agents and employees of each of the foregoing, with respect to any loss covered by such

insurance, whether or not caused by negligence of or breach of any agreement by said persons, but only to the extent that insurance proceeds are received in compensation for such loss.

Section 4. Liability Insurance. The Association shall obtain comprehensive public liability insurance, including medical payments, liquor liability insurance and malicious mischief, in the amount of \$500,000. per occurrence for personal injury and/or property damage arising from the activities of the Association or with respect to property under its jurisdiction, including, if obtainable, a cross-liability endorsement insuring each insured against liability to each other insured. Such insurance shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of a Lot Owner because of negligent acts of the Association or other Lot Owners.

Section 5. Other Insurance and General. The Association may also obtain, through the Board, Workmens Compensation Insurance and other liability insurance as it may deem desirable, insuring each Lot Owner and the Association, Board of Trustees and Manger, from liability in connection with the Common Area, the premiums for which are common expenses included in the Common Assessments made against the Owners. Such insurance policies shall have severability of interest clauses or endorsements which shall preclude the insurer from denying the claim of a Lot Owner because of the negligent acts of the Association or other Lot Owners.

All policies shall be reviewed at least annually by the Board of Trustees and the limits increased at its discretion.

ARTICLE XIII - MORTGAGE PROTECTION CLAUSE

Notwithstanding any and all provisions of this Declaration to the contrary, the following provisions are added hereto (and to the extent these added provisions conflict with any other provisions of the Declaration, these added provisions shall control):

(a) Each first Mortgagee of a Mortgage encumbering any Lot, at his written request, is entitled to written notification from the Association of any default by the Mortgagor of such Lot in the performance of such Mortgagor's obligations under this Declaration, the Articles of Incorporation of the Association or the Bylaws of the Association, which default is not cured within thirty (30) days after the Association learns of such default.

(b) Each Owner, including every first Mortgagee of a Mortgage encumbering any Lot which obtains title to such Lot pursuant to the remedies provided in such Mortgage, or by foreclosure of such Mortgage, or by deed (or assignment) in lieu of foreclosure, shall be exempt from any "right of first refusal".

(c) Each first Mortgagee of a Mortgage encumbering any Lot which obtains title to such Lot pursuant to the remedies provided in such Mortgage or by foreclosure of such Mortgage, shall take title to such Lot free and clear of any claims of unpaid assessments or charges against such Lot which accrued prior to the acquisition of title to such Lot by the Mortgagee.

(d) Unless at least seventy-five percent (75%) of first Mortgagees (based upon one vote for each Mortgage owned), or Members holding seventy-five percent (75%) of the voting rights in the Association have given their prior written approval, neither the Association nor the Owners shall:

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(1) by act or omission seek to abandon, partition, alienate, subdivide, release, hypothecate, encumber, sell or transfer, directly or indirectly, the Common Area or any of the Improvements thereon which are owned by the Association;

(The granting of easements for public utilities or for other public purposes consistent with the intended use of such property by the Association or the transfer of the Common Area or Improvements to an unincorporated association of the Owners in accordance with the Articles of Incorporation of the Association shall not be deemed a transfer within the meaning of this clause.)

(2) change the method of determining the obligations, assessments, dues or other charges which may be levied against a Lot Owner;

(3) by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design of the exterior appearance of the Lot improvements (including residences), the exterior maintenance of said improvements, the maintenance of common property party walks, party walls or common fences and driveways, or the upkeep of lawns and plantings in the Properties;

(e) First Mortgagees shall have the right to examine the books and records of the Association during normal business hours.

(f) All first Mortgagees who have requested the same shall be given (1) thirty (30) days written notice prior to the effective date of any proposed, material amendment to this Declaration or the Articles of Incorporation or Bylaws of the Association and prior to the effective date of any termination of an agreement for professional management of the Properties following a decision of the Owners to assume self-management of the Properties; and (2) immediate notice following any damage to the Common Area whenever the cost of reconstruction exceeds Two Thousand Dollars (\$2,000.00), and as soon as the Board of Trustees learns of any threatened condemnation proceedings or proposed acquisition of any portion of the Properties;

(g) First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Area property and may pay any overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such property, and first Mortgagees making such payments shall be reimbursed by the Association.

(h) Distribution of proceeds or condemnation awards for losses to or taking of Common Area Property to the respective Lot Owners shall be distributed to the respective Owners and/or the First Mortgagees of their Lots in the same manner as provided by the First Mortgagees' respective mortgages; with respect to the distribution of insurance proceeds or condemnation awards regarding the loss of taking of the Lot property itself. For example: were there an award of insurance or condemnation funds for the taking or loss of Common Area Property, the right of each Lot Owner and his First Mortgagee in the Lot Owner's share of such award would be governed by the First Mortgage on the Owner's Lot, with such share being considered the same as an award with respect to a taking or loss of a portion of the Owner's Lot itself.

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(i) Unless at least seventy-five percent (75%) of all First Mortgagees (based upon one vote for each Mortgage owned) and Members holding seventy-five percent (75%) of the voting rights in the Association have given their prior written approval, neither the Association nor the Owners shall:

(1) fail to maintain Fire and Extended Coverage Insurance on insurable Common Area Property on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurance value (based on current replacement cost); or

(2) use hazard insurance proceeds for losses to any Common Area property for other than the repair, replacement or reconstruction of such improvements.

Neither this Declaration nor the Articles of Incorporation nor Bylaws of the Association will be amended in such a manner that the rights of any first Mortgagee will be adversely affected.

ARTICLE XIV - ANNEXATION OF ADDITIONAL PROPERTY

Section 1. (a) Additions by Developer. If Declarant, its successors or assigns, shall develop, or cause to be developed, that real property described in Exhibit "C" attached hereto and incorporated herein by reference (Annexed Property) within the area located in the County of Utah, State of Utah, Declarant or its successors or assigns shall have the right from time to time to add such Annexed Property or any portion or portions thereof to the Properties and to bring such Annexed Property within the general plan and scheme of this Declaration without the approval of the Association, its Board of Trustees, or Members; provided that such a right of Declarant and its successors and assigns shall terminate five (5) years from date of recording this Declaration, and provided all governmental authorities having jurisdiction over the Bull River Planned Community and the Annexed Property approve such annexation.

Section 2. Other Additions. In addition to the provisions for annexation specified in Section 1 above, additional real property may be annexed to the Properties and brought within the general plan and scheme of this Declaration upon the approval by vote or written consent no less than seventy-five percent (75%) of the voting power of the Members of the Association, excluding the vote of Declarant.

Section 3. Title to Common Area. Prior to the conveyance of any Lot improved with a residence within the Annexed Property to an individual purchaser thereof, whether such annexation was accomplished by either method set forth in Section 1 and 2 above, title to the Common Area, within said Annexed Property shall be conveyed to the Association, free and clear of any and all encumbrances and liens, subject to reservations, easements, covenants, conditions and restrictions then of record, including those set forth in this Declaration.

Section 4. Notice of Addition of Territory. The additions authorized under Sections 1 and 2 of this Article XIV shall be made by filing of record a Notice of Addition of Territory, or other similar instrument (which Notice or Instrument may contain the Supplemental Declaration, if any, affecting each Subdivision), with respect to the additional property which shall be executed by Declarant or the Owner thereof and shall extend the general plan and scheme of this Declaration to such Annexed Property. The filing of record of said Notice of Addition shall constitute and effectuate the annexation of the Annexed Property described therein, and thereupon said Annexed Property shall become and constitute a part of the Properties, become subject to this Declaration and encompassed within the general plan and scheme of covenants, conditions, restrictions, reservation of easements and equitable servitude contained herein, and become subject to the functions, powers and jurisdiction of the Association; and the Owners of Lots in said Annexed Property shall automatically become

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Members of the Association. Such Notice of Addition may contain such additions and modifications of the covenants, conditions, restrictions, reservation of easements and equitable servitudes contained in this Declaration as may be necessary to reflect the different character, if any, of the Annexed Property, or as Declarant may deem appropriate in the development of the Annexed Property, and as are not inconsistent with the general plan and scheme of this Declaration. In no event, however, shall such Notice of Addition revoke, modify or add to the covenants, conditions, restrictions, reservation of easements, or equitable servitudes established by this Declaration as the same shall pertain to the real property originally covered by this Declaration. No addition of territory shall substantially increase assessments or substantially increase the burden upon the Common Area facilities.

ARTICLE XV - GENERAL PROVISIONS

Section 1. Enforcement. This Declaration, the Articles of Incorporation and the Bylaws may be enforced by the Association as follows:

(a) Breach of any of the covenants contained in the Declaration or the Bylaws and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings by an Owner, by the Association or the successors-in-interest of the Association. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorneys' fees in an amount as the court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection and court costs.

(b) The result of every act or omission whereby any of the covenants contained in this Declaration or the Articles are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance either public or private shall be applicable against every such result and may be exercised by any Owner, by the Association or its successors-in-interest.

(c) The remedies herein provided for breach of the covenants contained in this Declaration or in the Articles shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

(d) The failure of the Association to enforce any of the covenants contained in this Declaration or in the Articles shall not constitute a waiver of the right to enforce the same thereafter.

(e) A breach of the covenants, conditions or restrictions contained in this Declaration or in the Articles shall not affect or impair the lien or charge of any bona fide first Mortgage or Deed of Trust made in good faith and for value on any residential Lot or the improvements thereon, provided, however, that any subsequent Owner of such property shall be bound by said covenants, whether such Owner's title was acquired by foreclosure in a trustee's sale or otherwise.

Section 2. Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community and for the maintenance of community recreational facilities and Common Area. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter.

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Section 3. Amendments. This Declaration may be amended only by the affirmative vote or written consent of the Owners holding not less than seventy-five (75%) percent of the voting power of the Association; provided, however, that the prior written approval of one hundred percent (100%) of all first Mortgagees must be obtained also, before Article XIII may be amended. Notwithstanding any other provision of this Declaration, no amendment to this Declaration shall be effective unless such amendment be approved in writing by the Utah County Planning Commission having jurisdiction over the Bull River Planned Community, including any annexed territory.

Provided, however, that this Declaration shall not be amended in such a manner that the rights and protections of First Mortgagees as provided in this Declaration shall be adversely affected, and provided, further, that Section 10 of this ARTICLE XV may not be amended without the written consent of one hundred percent (100%) of all Lot Owners.

Section 4. No Public Right or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Properties to the public, or for any public use.

Section 5. Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Lot or other portion of the Properties does and shall be conclusively deemed to have consented and agreed to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired an interest in the Properties, or any portion thereof.

Section 6. Reservation of Easements. Reciprocal easements are hereby reserved for the benefit of adjoining Lot Owners for the control, maintenance and repair of the utilities of adjoining Lot Owners. Declarant expressly reserves for the benefit of all of the real property in the Properties, and the Owners, reciprocal easements of access, ingress and egress over all Lots, and over the Common Area, for the use and enjoyment of the Lots in accordance with this Declaration, including without limitation, for installation and repair of utility services, for drainage over, across and upon adjacent Lots for water resulting from the normal use of adjoining Lots, for maintenance and repair of any dwelling. Such easements may be used by Declarant, its successors, purchasers and all Owners, their guests, tenants and invitees, residing on or temporarily visiting the Properties, for pedestrian walkways, vehicular access and such other purposes reasonably necessary for the use and enjoyment of a Lot and the Common Area. Declarant further expressly reserves for the benefit of the Association, its agents and employees, easements of access, ingress and egress, over the Lots and the Common Area, for the purpose of maintaining, repairing and installing sewer pipelines and laterals, in accordance with the provisions of this Declaration, and as otherwise provided by law.

Section 7. Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered at the time a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the residence of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.

Section 8. Ownership of Common Area Facilities. All improvements placed upon the Common Areas, including, but not limited to, recreational facilities shall be and remain the property of the Association.

Section 9. Separation of Easement Property From Lots.
No Lot Owner shall convey or separate any of the property of his Lot subject to the Common Area easements as presently depicted in the Plat Map from his Lot unless such area is conveyed to the Association; provided, however, nothing in this Section shall preclude a Lot Owner from subdividing his Lot with the plan and scheme of this Declaration and applicable governmental rules, regulations, and laws.

Section 10. Subdivision of Lots. Notwithstanding anything elsewhere in this Declaration to the contrary, any owner may, at any time and provided he complies with the laws, rules, and regulations of governmental authorities, subdivide his Lot as he shall deed fit, provided, however, that no such subdivision shall be permitted if it would result in the creation of a Lot of less than two (2) acres. In accomplishing such subdivision, it shall not be necessary to consult or receive the approval of the Association or any of its Members. It is expressly understood that this Section 10 cannot be amended so long as this Declaration is in effect either in whole or in part without the written consent of one hundred percent (100%) of all Lot Owners.

Section 11. Legal Rate of Interest and Other Charges.
Should for any reason any interest assessment or other charge contemplated to be imposed under authority of this Declaration exceed the maximum amount of such interest or other charge allowed by law, only the maximum amount of such interest or other charge allowed by law shall be imposed.

Section 12. Foreclosure to Include Trustee's Sale.
When the term "foreclosure" is used in this Declaration, it shall include, but not be limited to, the institution of formal court foreclosure proceedings with respect to a mortgage or deed of trust or the sale of property under a Trustee's sale under any deed of trust.

Section 13. Capital Improvement Assessments and Reconstruction Assessments. The Capital Improvement Assessments and Reconstruction Assessments shall be levied at such time and manner as the Association shall determine.

Section 14. County Approval and Compliance with State and Local laws. It is understood that nothing in this Declaration shall be construed to exempt any person or entity from fully complying with all State and local laws and ordinances with respect to subdividing any property, annexing any property to the Properties, or engaging in any activity whatsoever; in addition, all Owners shall fully comply with all State and local laws and ordinances in the use and management of their Lots, including construction.

Section 15. Articles of Incorporation to Include Amendments. When the Articles of Incorporation of the Bull River Property Owners Association are referred to in this Declaration, the term shall include such Articles as amended from time to time, including, but not limited to the Articles of Amendment of Bull River Property Owners Association attached hereto as Exhibit "B" and incorporated herein by reference; any reference to "Bylaws" of the Association shall not necessarily require that such formal bylaws be adopted, and this Declaration shall be valid and binding notwithstanding the absence of such bylaws.

Section 17. Qualifying lots for "Green Belt" Taxation
Notwithstanding anything elsewhere in this Declaration to the contrary, any owner may, at any time qualify his lot under "Green Belt" by meeting the acreage and yearly income requirements as defined by the Utah County Assessor. All types of farming, animals, etc. used for income must be reviewed by the Architectural Committee for nuisances prior to qualifying.

ARTICLE XVI - FAILURE OF ARCHITECTURAL COMMITTEE
TO INSIST ON STRICT PERFORMANCE - NO WAIVER

The failure of the Architectural Committee or Board of Trustees to insist in any one or more instances, upon the strict performance of any of the terms, conditions, or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice of or to institute any action, shall not be construed as a waiver or a relinquishment for the future, of such term, covenant, condition, or restriction but such term, covenant, condition, or restriction shall remain in full force and effect. The receipt by the Architectural Committee or Board of Trustees of any assessment from a Lot Owner, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the Architectural Committee or Board of Trustees of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Architectural Committee or Board of Trustees.

7. All of "CLAUSE III" of the Protective Covenants is hereby deleted.

BULL RIVER DEVELOPMENT COMPANY

By ~~Joseph W. Linton, Partner~~

BULL RIVER PROPERTY OWNERS
ASSOCIATION

By ~~Joseph W. Linton, Trustee~~

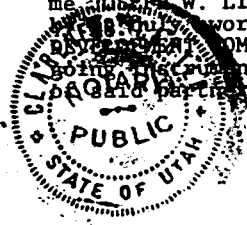
By *[Signature]*
Trustee

By *[Signature]*
Trustee

J. Rosemary Rigg

STATE OF UTAH)
County of Salt Lake) ss

On the 6th day of December, 1977, personally appeared before me JOSEPH W. LINTON, the signer of the within instrument, who being duly sworn, did say that he is a general partner in BULL RIVER DEVELOPMENT COMPANY, a partnership, and that the within and foregoing instrument was signed in behalf of said partnership by authority of said partnership as the act and deed of said partnership.



Clarence D. Carter
Notary Public

Residing at: Bountiful, Ut.

My Commission Expires:
Sept 15, 1980

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The undersigned, and each of them, by affixing their respective signatures hereto, hereby specifically approve the foregoing Amended Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for the Bull River Planned Community, a Planned Unit Development and all of the contents thereof, and further acknowledge and state that such document was approved by NINETY percent (90%) of the total voting rights of the Membership of the Bull River Property Owners Association pursuant to a duly noticed and properly conducted meeting thereof with respect to the subject matter thereat considered, and further acknowledge that the undersigned collectively represent NINETY percent (90%) of the voting rights of the Membership of the Association.

Date <u>11/5/77</u>	<u>Charles D. Handt</u>
Date <u>11/5/77</u>	<u>Azazel L. Garner</u>
Date <u>11/5/77</u>	<u>J. Ramsey Hipp</u>
<u>11/5/77</u>	<u>Francis J. Hipp</u>
<u>11/5/77</u>	<u>Nolan Taylor</u>
<u>11/5/77</u>	<u>Bubba M. Taylor</u>
<u>11/5/77</u>	<u>Gene L. Davis</u>
<u>11/5/77</u>	<u>Roger L. Davis</u>
<u>11/5/77</u>	<u>Paul Barron</u>
<u>11/5/77</u>	<u>Dixie Barron</u>
<u>11/5/77</u>	<u>Linda Steppich</u>
<u>11/5/77</u>	<u>Janet Block</u>
<u>11/5/77</u>	<u>Keith Steppich</u>
<u>11/9/77</u>	<u>Jonathan Dowersbank</u>
<u>11/9/77</u>	<u>Ronda Dowersbank</u>
<u>11/5/77</u>	<u>_____</u>
<u>11-5-77</u>	<u>_____</u>
<u>11/5/77</u>	<u>Dennis W. Gibson</u> ATTORNEY
<u>11/5/77</u>	<u>Carole C. Gibson</u> ATTORNEY
<u>12/6/77</u>	<u>Will Hadlock</u>
<u>12/6/77</u>	<u>Karen Hadlock</u>

Approved by the Utah County Planning Commission on November 8, 1977.

Buck Rose Acting Director Keith A. Peckham Chairman Carol Ann Gibson Secretary

On the 5th Day of November, A.D. 1977, the above signers of the within instrument duly acknowledged to me that they executed the same.

My commission expires Sept 15, 1980

Cherene J. Carter

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