

North Ogden city
Form: Sub 1

COVENANT AND AGREEMENT

KNOW ALL MEN BY THESE PRESENT:

1. The undersigned R & K Properties, L.C. being the record owners of the hereinafter described real property, situated within the corporate limits of the City of North Ogden, in Weber County, State of Utah, and which the said owners are now seeking to sub-divide in accordance with the provisions of the laws of the State of Utah and the ordinances of said North Ogden City, in such case made and provided, said undersigned owners being hereinafter called "the Sub-dividers", for and in consideration of the approval of said sub-division plat and dedication as heretofore submitted to said North Ogden City Corporation, and to guarantee the installation of the special improvements required by the ordinances of said North Ogden City, do hereby covenant and agree with said North Ogden City Corporation, that the said sub-dividers will not lease nor convey any of the real property hereinafter described to any third person whomsoever without the said sub-divider having first, as a condition precedent thereto, either:

(1) within two years from the date hereof installed and fully paid for all of the special improvements specified in the applicable ordinances of North Ogden City, in full compliance with the plans and specifications approved by the City Engineer of said City for said subdivision and under his inspection and to his satisfaction in the streets fronting on the land so to be conveyed or in easements for such improvements or utilities dedicated to the public use for such purpose, and thence along the streets or utility easements aforesaid in the case of sewer and water utilities to a connection with the nearest existing outfall or supply, as the case may be, and in the case of other improvements to a connection with the existing improvements of the same kind, or to the boundary of the said hereinafter described real property nearest to the said existing improvements, whichever is closer; or

(2) filed with the North Ogden City Recorder, or deposited with a bank duly authorized to do business in the State of Utah, a good and sufficient corporate surety bond issued by a corporate surety duly authorized to execute such bonds in the State of Utah, in an amount not less than the cost of all of such special improvements not then installed, plus ten percent (10%) as estimated by the City Engineer, which bond shall be conditioned upon and shall guarantee the installation of all such improvements within such period of two years from the date hereof; and which said bond shall be approved by the City Council and by the City Attorney; or

(3) deposit with the City Recorder, or with some bank or approved Escrow agent, under escrow agreement approved by the City Council & City Attorney, lawful money of the United States in a sum not less than the said cost as estimated by the City Engineer to complete all special improvements, not then installed, plus ten percent (10%), within such period of two years from the date hereof. All sums so deposited in escrows shall be held to secure the construction and installation of the improvements aforesaid and shall be applied from time to time in payment of the cost and expenses incident to the installation and construction thereof upon the deposit of the written certificate of the City Engineer, approved by the City Council, that the improvements or substantial portion thereof have been properly completed, specifying the cost of the completed portion thereof to be paid out of such escrow funds, and specifying the names of the persons or firms to whom such money is due for the work and materials incident to such installation of construction. When the City Engineer, with the approval the City Council, as aforesaid, shall certify that all of the improvements

1 - Et. 1718456 BK2083 PG2971
DOUG CRUTS, WEBER COUNTY RECORDER
31-JUL-00 1029 AM FEE \$.00 DEP JPM
REC FOR: NORTH. OGDEN. CITY

North Ogden City
Form: Sub 1
Page 2

have been paid in full, and have been completed according to specifications, any surplus then remaining in the hands of the City Recorder, or Escrow Agent, as the case may be, less a sum equal to 10% of the original amount escrowed (retained for one year guarantee period in accordance with the Developer's Agreement with North Ogden City Corporation), shall be repaid by the escrow holder to the said subdivider, or his assigns."

2. The said sub-dividers do hereby give and grant unto said North Ogden City Corporation a lien on the said lands hereinafter described to secure the installation of all of the aforesaid improvements as hereinabove specified, together with all cost, including a reasonable attorney's fee, which said North Ogden City may reasonably incur in enforcing any of the terms and provisions hereof. The City shall, from time to time, by the City Council release of record this lien and covenant on such lots and parcels of land which this covenant has been fully performed either by the installation of the improvements and payment therefor, or by the deposit of a bond as aforesaid, or by deposit of funds in escrow, as aforesaid, to secure such installation and payment.

3. This covenant shall be deemed to be a covenant running with the lands for the benefit of said North Ogden City Corporation and its citizens.

4. This agreement shall be recorded in the office of the Weber County Recorder.

5. The lands referred to herein are situated in Weber County, Utah, and are particularly described as follows, to-wit:

16-230-0001 TO 0030

Pebble Beach of the Great Lake Bonneville - Phase #8

IT WITNESS WHEREOF the undersigned sub-divider (s) hereunto set this hand this 19th
July, 2000.

R & K Properties L.C.

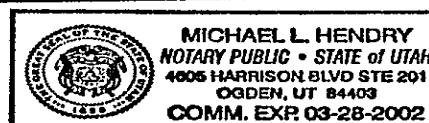
By: Karen Macriot

State of Utah,)
ss.
County of Weber)

On this 19 day of July, 2000, personally appeared
before me Karen F. Macriot, the signer(s) of the above instrument,
and duly acknowledged to me that (t) he (y) executed the same, on behalf of R & K Properties L.C.

Michael L. Hendry
Notary Public residing at

My commission expires:



E# 1718456 BK2083 PG2972