

RECEIVED...

NOTICE OF WARNING
BUILDING SEWER STANDARDS WAIVER

FEB 06 2004

This Agreement is entered into effective this 5th day of February, 2004, by and between the **SOUTH DAVIS SEWER DISTRICT** ("District") and **PORTOLA DEVELOPMENT UTAH, L.C.**, a Utah Limited Liability Company ("Owner"), and the heirs, successors and assigns of Owner.

The parties covenant and agree as follows:

1. This Agreement covers all Buildings and all Units located within the development known as **COVENTRY AT FOXBORO PHASES 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10, Condominium Developments**, according to the Official Plats thereof recorded in the office of the Recorder of Davis County, Utah, more particularly described in attached Exhibit "A" which is incorporated herein by this reference (the "Parcel"). Owner represents and warrants that Owner is the fee title and beneficial owner of Parcel in its entirety.
2. District, a supplier of sanitary sewer services, pursuant to Resolution No. 105-2, paragraph 3, "Regulations for Use of Public Sewer," requires a separate service lateral or building sewer to connect each single "living or building" unit to the public sewer. Owner has requested and District is willing to grant an exception to allow two or more living units (which may be in the same building) or buildings within the Parcel to be connected to the same sewer lateral conditioned upon the requirements of this Agreement.
3. Owner acknowledges that, while sewer service laterals installed as allowed in paragraph 2 arguably may satisfy International Plumbing Code § 701.3, such installation does not meet District standards. It is not uncommon for sanitary sewer blockage and overflows to result from the use of a common sewer lateral. Owner and Owner's heirs, successors and assigns covenant and agree to assume all risk and liability for damage from sanitary sewer blockage and overflows, excluding only blockage in the District's main sanitary sewer line that backs into a Parcel sewer lateral. All sewer laterals serving the Parcel shall at all times be and remain the property of Owner (including Owner's heirs, successors and assigns) and Owner and Owner's heirs, successors and assigns shall solely be responsible for the installation, repair, maintenance and replacement of the same. No connection may be made to the District's sewer main without express written permission from the District and the connection shall be made in accordance with the District's specifications and standards (including Resolution No. 104, as amended) and subject to District inspection and approval, all at the cost of Owner. Owner agrees to defend, indemnify and hold the District free and harmless from and against any loss, cost, damage, liability, claim or expense whatsoever arising or resulting directly or indirectly from sanitary sewer overflows relating to the use of one or more common building and/or living unit sewer laterals serving the Parcel.

E 1960500 B 3471 P 384
RICHARD T. MAUGHAN, DAVIS CNTY RECORDER
2004 FEB 6 11:36 AM FEE 111.00 DEP MJW
REC'D FOR SOUTH DAVIS SEWER DISTRICT

4. This Agreement does not constitute a commitment by the District to provide sewer collection service to the Parcel or any part thereof. The District imposes requirements, including the payment of applicable impact and hookup fees, that must be satisfied before sewer service to the Parcel or part thereof will commence. Sewer service to the Parcel or part thereof shall at all times be subject to the policies, procedures, rules and regulations of the District, as modified or amended from time to time, and Owner agrees at all times to comply with the same.

5. This Agreement constitutes a covenant running with the land and shall be binding on all parties to this Agreement and all persons claiming by, through or under them and, in particular, shall be binding on all successive future owners of the Parcel, including portions thereof. All of the Parcel shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied, improved and enjoyed pursuant and subject to the covenants, conditions, restrictions and requirements of this Agreement, each and all of which are declared and agreed to be for the benefit of the District. Each and all of the covenants, conditions, indemnifications and agreements contained herein shall be deemed and construed to be continuing and to run with the land and shall be a burden to the land and to Owner, Owner's successors and assigns, and to any entity or person acquiring, renting, leasing or owning an interest in all or any part of the Parcel, and to their respective heirs, personal representatives, successors and assigns, and shall benefit the District.

6. Should any mortgage or deed of trust be foreclosed on the Parcel or part thereof, then the title acquired by such foreclosure, and the person or persons who thereupon and thereafter become the owner or owners of the Parcel, or any part thereof, shall be subject to and bound by all of the covenants, conditions, indemnifications and agreements enumerated herein.

7. No waiver of any breach of any of the covenants, conditions and agreements herein contained shall be construed to be a waiver of any other breach of the same, or other covenants, conditions and agreements; nor shall failure to enforce any one of such covenants, conditions and agreements be construed as a waiver of any other covenant, condition or agreement.

8. The acceptance of a deed on the Parcel, or any part thereof, shall constitute an acceptance of all of the terms, covenants, conditions, limitations and agreements set forth in this Agreement. Every entity and person who owns, occupies or acquires any right, title or estate in the Parcel, or any part thereof, shall be conclusively deemed to have consented and agreed to every covenant, condition, restriction and requirement contained in this Agreement, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Parcel or any portion thereof and, from and after acquisition of an interest in the Parcel, shall be bound as Owner under this Agreement respecting such interest the same as if the entity or person was an original signatory hereto.

9. District shall have the right to enforce any covenants, conditions or agreements contained herein by any appropriate means, at District's option.

10. The provisions of this Agreement shall be liberally construed to effectuate its purposes.

REC'D JAN 30 2004

11. Attorney fees and costs shall be awarded to the substantially prevailing party in litigation arising hereunder.

E 1960500 B 3471 P 386

12. It is expressly agreed that, if any covenant, condition or agreement herein contained, or any portion thereof, is invalid or void, such invalidity or voidness shall in no way affect any other covenant, condition or restriction.


13. This Agreement may, in District's sole discretion, be recorded in the office of the Davis County, Utah Recorder. Any and all fees associated with such recording shall be paid by Owner to the District at signature and execution.

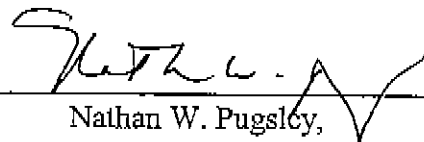
This Agreement is executed effective as of the date set forth above.

**PORTOLA DEVELOPMENT UTAH, L.C.,
A Utah Limited Liability Company**

**By Its Manager:
WOODSIDE HOMES CORP
a Utah Corporation**

SOUTH DAVIS SEWER DISTRICT

By: 
Dal D. Wayment,
General Manager

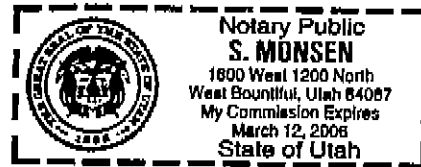
By: 
Nathan W. Pugsley,
Senior Vice-President

STATE OF UTAH)
)
:SS.
COUNTY OF DAVIS)

E 1960500 B 3471 P 387

On the 5th day of February, 2004, personally appeared before me DAL D. WAYMENT who, being by me duly sworn, did say that he is the General Manager of the SOUTH DAVIS SEWER DISTRICT and that the foregoing instrument was signed on behalf of the South Davis Sewer District.

S. Monssen
Notary Public



STATE OF UTAH)
)
:SS.
COUNTY OF DAVIS)

On the 3 day of February, 2004, personally appeared before me NATHAN W. PUGSLEY, who being by me duly sworn did say that he is the Senior Vice-President of WOODSIDE HOMES CORPORATION, which corporation is the manager of PORTOLA DEVELOPMENT UTAH, L.C., a Utah Limited Liability Company, the entity that executed the foregoing instrument, and said instrument was signed by him by authority of its by-laws (or by authority of a resolution of its board of directors as the case may be) on behalf of said corporation in its capacity of manager of said limited liability company.

Susan M. Gallegos
Notary Public

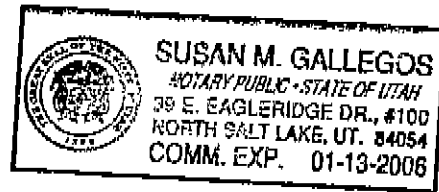


EXHIBIT "A"

LEGAL DESCRIPTION

E 1960500 B 3471 P 388

COVENTRY AT FOXBORO PHASES 1 - 10

Located in the Northwest Quarter of Section 3, T1N, R1W, SLB&M.,
According to the official plats on file with the Davis County Recorder.

COVENTRY AT FOXBORO PHASE 1, A Condominium Development

Building 111, Unit A	413 Kent Lane, North Salt Lake	01-308-0001
Building 111, Unit B	415 Kent Lane, North Salt Lake	01-308-0002
Building 111, Unit C	419 Kent Lane, North Salt Lake	01-308-0003
Clubhouse	420 Kent Lane, North Salt Lake	01-308-0004

COVENTRY AT FOXBORO PHASE 2, A Condominium Development

Building 112, Unit A	403 Kent Lane, North Salt Lake	01-309-0001
Building 112, Unit B	405 Kent Lane, North Salt Lake	01-309-0002
Building 112, Unit C	409 Kent Lane, North Salt Lake	01-309-0003
Building 122, Unit A	406 Kent Lane, North Salt Lake	01-309-0004
Building 122, Unit B	408 Kent Lane, North Salt Lake	01-309-0005
Building 122, Unit C	402 Kent Lane, North Salt Lake	01-309-0006
Building 123, Unit A	416 Kent Lane, North Salt Lake	01-309-0007
Building 123, Unit B	418 Kent Lane, North Salt Lake	01-309-0008
Building 123, Unit C	412 Kent Lane, North Salt Lake	01-309-0009

COVENTRY AT FOXBORO PHASE 3, A Condominium Development

Building 113, Unit A	342 Birmingham Lane, North Salt Lake	01-310-0001
Building 113, Unit B	344 Birmingham Lane, North Salt Lake	01-310-0002
Building 113, Unit C	348 Birmingham Lane, North Salt Lake	01-310-0003
Building 114, Unit A	332 Birmingham Lane, North Salt Lake	01-310-0004
Building 114, Unit B	334 Birmingham Lane, North Salt Lake	01-310-0005
Building 114, Unit C	338 Birmingham Lane, North Salt Lake	01-310-0006
Building 115, Unit A	322 Birmingham Lane, North Salt Lake	01-310-0007
Building 115, Unit B	324 Birmingham Lane, North Salt Lake	01-310-0008
Building 115, Unit C	328 Birmingham Lane, North Salt Lake	01-310-0009

COVENTRY AT FOXBORO PHASE 4, A Condominium Development

Building 116, Unit A	312 Birmingham Lane, North Salt Lake	01-311-0001
Building 116, Unit B	314 Birmingham Lane, North Salt Lake	01-311-0002
Building 116, Unit C	318 Birmingham Lane, North Salt Lake	01-311-0003
Building 117, Unit A	302 Birmingham Lane, North Salt Lake	01-311-0004
Building 117, Unit B	304 Birmingham Lane, North Salt Lake	01-311-0005
Building 117, Unit C	308 Birmingham Lane, North Salt Lake	01-311-0006
Building 118, Unit A	292 Birmingham Lane, North Salt Lake	01-311-0007
Building 118, Unit B	294 Birmingham Lane, North Salt Lake	01-311-0008
Building 118, Unit C	298 Birmingham Lane, North Salt Lake	01-311-0009

COVENTRY AT FOXBORO PHASE 5, A Condominium Development

Building 119, Unit A	282 Birmingham Lane, North Salt Lake	01-312-0001
Building 119, Unit B	284 Birmingham Lane, North Salt Lake	01-312-0002
Building 119, Unit C	288 Birmingham Lane, North Salt Lake	01-312-0003
Building 120, Unit A	277 Birmingham Lane, North Salt Lake	01-312-0004
Building 120, Unit B	279 Birmingham Lane, North Salt Lake	01-312-0005
Building 120, Unit C	273 Birmingham Lane, North Salt Lake	01-312-0006
Building 121, Unit A	307 Birmingham Lane, North Salt Lake	01-312-0007
Building 121, Unit B	309 Birmingham Lane, North Salt Lake	01-312-0008
Building 121, Unit C	303 Birmingham Lane, North Salt Lake	01-312-0009

COVENTRY AT FOXBORO PHASE 6, A Condominium Development

Building 109, Unit A	443 Kent Lane, North Salt Lake	01-313-0001
Building 109, Unit B	445 Kent Lane, North Salt Lake	01-313-0002
Building 109, Unit C	449 Kent Lane, North Salt Lake	01-313-0003
Building 110, Unit A	433 Kent Lane, North Salt Lake	01-313-0004
Building 110, Unit B	435 Kent Lane, North Salt Lake	01-313-0005
Building 110, Unit C	439 Kent Lane, North Salt Lake	01-313-0006
Building 124, Unit A	436 Kent Lane, North Salt Lake	01-313-0007
Building 124, Unit B	438 Kent Lane, North Salt Lake	01-313-0008
Building 124, Unit C	432 Kent Lane, North Salt Lake	01-313-0009

COVENTRY AT FOXBORO PHASE 7, A Condominium Development E-1960500 B 3471 P 390

Building 108, Unit A	453 Kent Lane, North Salt Lake	01-314-0001
Building 108, Unit B	455 Kent Lane, North Salt Lake	01-314-0002
Building 108, Unit C	459 Kent Lane, North Salt Lake	01-313-0003
Building 125, Unit A	446 Kent Lane, North Salt Lake	01-314-0004
Building 125, Unit B	448 Kent Lane, North Salt Lake	01-314-0005
Building 125, Unit C	442 Kent Lane, North Salt Lake	01-314-0006
Building 126, Unit A	456 Kent Lane, North Salt Lake	01-314-0007
Building 126, Unit B	458 Kent Lane, North Salt Lake	01-314-0008
Building 126, Unit C	452 Kent Lane, North Salt Lake	01-314-0009

COVENTRY AT FOXBORO PHASE 8, A Condominium Development

Building 107, Unit A	463 Kent Lane, North Salt Lake	01-315-0001
Building 107, Unit B	465 Kent Lane, North Salt Lake	01-315-0002
Building 107, Unit C	469 Kent Lane, North Salt Lake	01-315-0003
Building 127, Unit A	466 Kent Lane, North Salt Lake	01-315-0004
Building 127, Unit B	468 Kent Lane, North Salt Lake	01-315-0005
Building 127, Unit C	462 Kent Lane, North Salt Lake	01-315-0006
Building 128, Unit A	476 Kent Lane, North Salt Lake	01-315-0007
Building 128, Unit B	478 Kent Lane, North Salt Lake	01-315-0008
Building 128, Unit C	472 Kent Lane, North Salt Lake	01-315-0009

COVENTRY AT FOXBORO PHASE 9, A Condominium Development

Building 105, Unit A	483 Kent Lane, North Salt Lake	01-316-0001
Building 105, Unit B	485 Kent Lane, North Salt Lake	01-316-0002
Building 105, Unit C	489 Kent Lane, North Salt Lake	01-316-0003
Building 106, Unit A	473 Kent Lane, North Salt Lake	01-316-0004
Building 106, Unit B	475 Kent Lane, North Salt Lake	01-316-0005
Building 106, Unit C	479 Kent Lane, North Salt Lake	01-316-0006
Building 129, Unit A	486 Kent Lane, North Salt Lake	01-316-0007
Building 129, Unit B	488 Kent Lane, North Salt Lake	01-316-0008
Building 129, Unit C	482 Kent Lane, North Salt Lake	01-316-0009

COVENTRY AT FOXBORO PHASE 10, A Condominium Development 1260500A 3471 P 391

Building 101, Unit A	102 Birmingham Lane, North Salt Lake	01-317-0001
Building 101, Unit B	104 Birmingham Lane, North Salt Lake	01-317-0002
Building 101, Unit C	108 Birmingham Lane, North Salt Lake	01-317-0003
Building 102, Unit A	112 Birmingham Lane, North Salt Lake	01-317-0004
Building 102, Unit B	114 Birmingham Lane, North Salt Lake	01-317-0005
Building 102, Unit C	118 Birmingham Lane, North Salt Lake	01-317-0006
Building 103, Unit A	122 Birmingham Lane, North Salt Lake	01-317-0007
Building 103, Unit B	124 Birmingham Lane, North Salt Lake	01-317-0008
Building 103, Unit C	128 Birmingham Lane, North Salt Lake	01-317-0009
Building 104, Unit A	132 Birmingham Lane, North Salt Lake	01-317-0010
Building 104, Unit B	134 Birmingham Lane, North Salt Lake	01-317-0011
Building 104, Unit C	138 Birmingham Lane, North Salt Lake	01-317-0012