

Recorded at Request of ALTA TITLE CO. JUL 11 1978
at 9534 m Fee Paid \$ 33.50 KATIE L. DIXON, Recorder,
Salt Lake County, Utah, By Cheryl Warrington Dept. Date

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Title
No.

3135954

DECLARATION OF

COVENANTS, CONDITIONS AND RESTRICTIONS

SALT LAKE COUNTY, UTAH

THIS DECLARATION, made this 7th day of July, 1978, by COTTONWOOD LAND CO., INC. and ALTA TITLE CO., Utah Corporations, hereinafter referred to as "Declarant":

WITNESSETH:

WHEREAS, Declarant is the owner of the real property in the County of Salt Lake, State of Utah, described as:

Lots 1 through 29 inclusive in ROYAL LANE SUBDIVISION.

WHEREAS, Declarant has deemed it desirable to impose a general plan for the improvement and development of the portion of said tract and all of the property described herein and the adoption and establishment of covenants, conditions and restrictions upon said real property and each and every lot and portion thereof and upon the use, occupancy and enjoyment thereof, all for the purpose of enhancing and protecting the value, desirability, and attractiveness of said tract; and

WHEREAS, Declarant has deemed it desirable for the efficient preservation of the value, desirability and attractiveness of the portion of said tract and any additional property which may be annexed thereto, pursuant to the provisions of this Declaration, to create a corporation to which should be delegated and assigned the powers of maintaining and administering the common area and administering and enforcing these covenants, conditions and restrictions and collecting and disbursing funds pursuant to the assessment and charges hereinafter created and referred to; and

WHEREAS, ROYAL LANE HOMEOWNER'S ASSOCIATION, a non-profit corporation, will be incorporated under the laws of the State of Utah for the purpose of exercising the powers and functions aforesaid; and

WHEREAS, Declarant will convey title to all of said lots in the portion of said tract subject to certain protective covenants, conditions and restrictions hereinafter set forth;

NOW THEREFORE, Declarant hereby covenants, agrees and declares that all of said lots and property described above and such additions thereto as may hereafter be made pursuant to Article II hereof shall be held, sold and conveyed subject to the following covenants, conditions, restrictions and easements which are hereby declared to be for the benefit of the whole tract and all of the property described herein and the owners thereof, their successors and assigns. These covenants conditions, restrictions and easements shall run with the said real property and shall be binding on all parties having or acquiring any right, title or interest in the described real property or any part thereof and shall inure to the benefit of each owner thereof and are imposed upon said real property and every part thereof as a servitude in favor of each and every parcel thereof as the dominant tenement or tenements.

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ARTICLE I
DEFINITIONS

The following terms used in these covenants, conditions and restrictions shall be applicable to this Declaration and also to any supplemental declaration recorded pursuant to Article II hereof and are defined as follows:

SECTION 1. "Association" shall mean and refer to ROYAL LANE HOMEOWNER'S ASSOCIATION, a non-profit corporation, incorporated under the laws of the State of Utah, its successors and assigns.

SECTION 2. "Common area" and "common facilities" shall mean all real property owned by the Association for the common use and enjoyment of the members of the Association including, but not limited to, private streets, easements, rights-of-way.

SECTION 3. "Lot" shall mean and refer to a recorded lot within the existing property or any other properties annexed pursuant to this Declaration, upon which there has been or will be constructed a single family residence, but shall not mean or include any common area.

SECTION 4. "Member" shall mean and refer to every person or entity who holds membership in the Association.

SECTION 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties, including contract buyers, but excluding those having such interest merely as security for the performance of an obligation.

SECTION 6. "Declarant" shall mean and refer to COTTONWOOD LAND CO., INC. and ALTA TITLE CO., its successors and assigns.

SECTION 7. "Deed of trust" shall mean the conveyance of any lot or other portion of the property to secure the performance of an obligation.

SECTION 8. "Conveyance" shall mean and refer to conveyance of a fee simple title to any lot.

ARTICLE II
ANNEXATION OF ADDITIONAL PROPERTY

Any real property may be annexed to and become subject to this Declaration by any of the methods set forth hereinafter in this Article, as follows:

SECTION 1. Annexation Without Approval and Pursuant to General Plan. Any real property may be annexed to and become subject to this Declaration and subject to the jurisdiction and a part of the Association without the approval, assent or vote of the Association or its members, providing and on condition that:

(a) Prior to the conveyance of title to any improved lots within the real property to be annexed to individual purchasers thereof, fee simple title or right-of-way to the

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common area within said real property shall be conveyed to the Association, free and clear of any and all encumbrances and liens, except current real property taxes, which taxes shall be prorated to the date of transfer, and easements, covenants, conditions and restrictions then of record, including those set forth in this Declaration.

(b) A supplementary Declaration of Covenants, Conditions and Restrictions, as described hereinafter in Section 3 of this Article, covering said real property described on Exhibit A attached hereto, shall be executed and recorded by COTTONWOOD LAND CO., INC., the owner of said real property, or its successors and assigns. The recordation of said Supplementary Declaration shall constitute and effectuate the annexation of the said real property described therein, making said real property subject to this Declaration and subject to the functions, powers and jurisdiction of the Association, and thereafter all of the owners of lots in said real property shall automatically be members of the Association.

SECTION 2. Annexation Pursuant to Approval. Upon approval in writing of the Association, pursuant to a two-thirds majority vote of those present at a meeting for this purpose that has been duly called of members including proxies who are entitled to vote, any owner of single-family residential property and/or property for the common use of owners of such residential property who desires to add such property to the plan of this Declaration and to subject such property to the jurisdiction of the Association, may file of record a Supplementary Declaration, as described in Section 3 of this Article.

SECTION 3. Supplementary Declarations. The additions authorized under the foregoing Sections shall be made by filing of record a Supplementary Declaration of Covenants, Conditions and Restrictions, or similar instrument with respect to the additional property which shall extend the plan of this Declaration to such property.

Such Supplementary Declarations contemplated above may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added property and as are not inconsistent with the plan of this Declaration. In no event, however, shall any such Supplementary Declaration merge or consolidate, revoke, modify or add to the covenants established by this Declaration within the existing property, except as hereinafter otherwise provided.

The recordation of said Supplementary Declaration shall constitute and effectuate the annexation of the said real property described therein, making said real property subject to this Declaration and subject to the functions, powers and jurisdiction of the Association, and thereafter all of the owners of lots in said real property shall automatically be members of the Association.

SECTION 4. Mergers or Consolidations. Upon a merger or consolidation of the Association with another Association, as provided in its Articles of Incorporation, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants, conditions and restrictions established by this Declaration within the existing property, together with the covenants and restrictions established upon any other property, as one plan.

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ARTICLE III
MEMBERSHIP

SECTION 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Association, shall be a member of the Association. The terms and provisions set forth in this Declaration, which are binding upon all owners of all lots and all members in the Association, are not exclusive, as the member shall, in addition, be subject to the terms and provisions of the Articles of Incorporation and the By-Laws of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No owner shall have more than one membership for each lot owned. Membership shall be appurtenant to and may not be separated from the fee ownership of any lot which is subject to assessment by the Association. Ownership of such lot shall be the sole qualification for membership.

SECTION 2. Transfer. The 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 such lot, and then only to the purchaser or deed of trust holder 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 the owner of any lot should fail or refuse to transfer the membership registered in his name to the purchaser of such lot, the Association shall have the right to record the transfer upon the books of the Association.

SECTION 3. Voting Rights. The Association shall have two (2) classes of voting membership:

CLASS A. Class A members shall be all those owners as defined in Section 1 above with the exception of the Declarant. Class A members shall be entitled to one (1) vote for each lot in which they hold the interest required for membership by Section 1. When more than one person holds such interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot.

CLASS B. The Class B member shall be the Declarant. The Class B Member shall be entitled to three (3) votes for each lot in which it holds the interest required for membership by Section 1.

All voting rights shall be subject to the restrictions and limitations provided herein and in the Articles and By-Laws of the Association.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON AREAS

SECTION 1. Members' Easements of Enjoyment. Every member shall have a right and easement of enjoyment in and to the common area, and such easement shall be appurtenant to and shall pass with the title to every assessed lot, subject to the following provisions:

(a) The right of the Association to establish uniform rules and regulations pertaining to the use of the common area including but not limited to private streets and the recreational facilities thereof.

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(b) The right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the common area and facilities and to aid thereof, to mortgage said property, provided that the rights of such mortgages shall be subordinate to the rights of the members.

(c) The right of the Association to dedicate or transfer all or any part of the common area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless a written instrument pursuant to a two-thirds majority vote of those present at a meeting for this purpose that has been duly called of members including proxies who are entitled to vote has been recorded, agreeing to such dedication or transfer, and unless written notice of the proposed action is sent to every member not less than TEN (10) DAYS in advance. However, the Declarant reserves the right to grant easements over the road system or any other designated utility easement areas for utility purposes.

(d) The right of Declarant (and its sales agents and representatives) to the non-exclusive use of the common area and the facilities thereof, for display and exhibit purposes in connection with the sale of residential units within the tract or any property annexed hereto, which right Declarant hereby reserves. No such use by Declarant or its sales agents or representatives shall otherwise restrict the members in their use and enjoyment of the common areas of facilities thereof.

SECTION 2. Delegation of Use. Any member may delegate, in accordance with the By-Laws, his right of enjoyment to the common area and facilities to the members of his family, his tenants or contract purchasers who reside on the property.

SECTION 3. Waiver of Use. No member may exempt himself from personal liability for assessments duly levied by the Association, nor release the lot 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 other than by sale thereof.

SECTION 4. Title to the Common Area. The Declarant hereby covenants for itself, its successors and assigns, that it will convey its title or rights-of-way to common areas in the existing property to the Association, free and clear of all encumbrances and liens, except current real property taxes, which taxes shall be prorated to the date of transfer, and easements, conditions and reservations then of record, including those set forth in this Declaration.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

SECTION 1. Creation of the Lien and Personal Obligation of Assessments. Each Class A member, by acceptance of a uniform real estate contract or deed therefor, whether or not it shall be so expressed in any such contract or deed, is deemed to covenant and agree to pay to the Association: (1) regular assessments or charges, and (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The regular and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the lot against which each such assessment is made. Each such assessment together with such interest, costs and reasonable attorney's 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. The personal obligation shall not pass to his successors in title unless

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expressly assumed by them. No membership may be transferred to a subsequent lot owner until all due interest and penalty charges have been paid in full.

SECTION 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the members of the Association and, in particular, for the improvement and maintenance of the properties, services and facilities devoted to this purpose and related to the use and enjoyment of the common area, including gatekeepers.

SECTION 3. Regular Assessments. The amount and time of payment of regular assessments shall be determined by the Board of Trustees of the Association pursuant to the Articles of Incorporation and By-Laws of said Association after giving due consideration to the current maintenance costs and future needs of the Association. Written notice of the amount of an assessment, regular or special, shall be sent to every owner, and the due date for the payment of same shall be set forth in said notice.

SECTION 4. Special Assessments for Capital Improvements. In addition to the regular assessments, the Association may levy in any calendar year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the common area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds of the votes of the members who are voting in person or by proxy at a meeting duly called for this purpose (excluding the voting power of Declarant), written notice of which shall be sent to all members not less than TEN (10) DAYS in advance of the meeting, setting forth the purpose of the meeting.

SECTION 5. Uniform Rate of Assessment. Both regular and special assessments shall be fixed at a uniform rate for all lots owned by Class A members and may be collected on a monthly or annual basis.

SECTION 6. Date of Commencement of Regular Assessments and Fixing Thereof. The regular assessments provided for herein shall commence as to all lots on the first day of the month following the purchase of each lot to an individual owner. Monthly or annual assessments will be payable at times determined by the Board of Trustees of the Association.

All Class A members of the Association shall be assessed a flat rate of \$50.00 per lot per year, based upon ownership on the last day of each year. Said fee shall not include the services of a security guard(s) if such is established during this period by vote of members of the Association.

SECTION 7. Certificate of Payment. The Association shall, upon demand, furnish to any owner liable for said assessment, a certificate in writing signed by an officer of the Association, setting forth whether the regular and special assessments on a specified lot have been paid, and the amount of the delinquency, if any. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

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SECTION 8. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein:

- (a) All properties dedicated to and accepted by a local public authority;
- (b) The common area;
- (c) All Class B Memberships

ARTICLE VI

NON-PAYMENT OF ASSESSMENTS

SECTION 1. Delinquency. Any assessment provided for in this Declaration, which is not paid when due, shall be delinquent. With respect to each assessment not paid within FIFTEEN (15) DAYS after its due date, the Association may, at its election, require the owner to pay a "late charge" in a sum to be determined by the Association, but not to exceed \$10.00 per each delinquent assessment. If any such assessment is not paid within THIRTY (30) DAYS after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of 10% per annum, and the Association may, at its option, bring an action at law against the owner personally obligated to pay the same, or, upon compliance with the notice provisions set forth in Section 2 hereof, to foreclose the lien (provided for in Section 1 of Article V hereof) against the lot, and there shall be added to the amount of such assessment the late charge, the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include said interest and a reasonable attorney's fee, together with the costs of action. Each owner vests in the Association or its assigns, the right and power to bring all actions at law or lien foreclosure against such owner or other owners for the collection of such delinquent assessments.

SECTION 2. Notice of Lien. No action shall be brought to foreclose said assessment lien or to proceed under the power of sale herein provided less than THIRTY (30) DAYS after the date of notice of claim of lien is deposited in the United States mail, certified or registered to the owner of said lot.

SECTION 3. Foreclosure Sale. Any such foreclosure and subsequent sale provided for above is to be conducted in accordance with the laws of the State of Utah relating to liens, mortgages, and deeds of trust. The Association, through its 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 claim of lien was filed by the Association, the officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting owner of a fee, to be determined by the Association, but not to exceed \$25.00, to cover the costs of preparing and filing or recording such release, together with the payment of such other costs, interest or fees as shall have been incurred.

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SECTION 5. Cumulative Remedies. The assessment lien 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 Assessment Liens. If any lot subject to a monetary lien created by any provision hereof shall be subject to the lien of a deed of trust: (1) the foreclosure of any lien created by anything set forth in this Declaration shall not operate to affect or impair the lien of such deed of trust; and (2) the foreclosure of the lien of deed of trust or the acceptance of a deed in lieu of foreclosure of the deed of trust shall not operate to affect or impair the lien hereof, except that the lien hereof for said charges as shall have accrued up to the foreclosure or the acceptance of the deed in lieu of foreclosure shall be subordinate to the lien of the deed of trust, with the foreclosure-purchaser or deed-in-lieu-grantee taking title free of the lien hereof for all said charges that have accrued up to the time of the foreclosure of deed given in lieu of foreclosure, but subject to the lien hereof for all said charges that shall accrue subsequent to the foreclosure or deed given in lieu of foreclosure.

ARTICLE VII

ARCHITECTURAL CONTROL

SECTION 1. Architectural Approval. No building, fence, wall, or other structure shall be commenced or erected upon the properties, nor shall any exterior addition to or change or alteration therein, including antennas, be made until the plans and specifications showing the nature, kind, shape, size, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Committee provided for in Section 5 hereof.

SECTION 2. Landscaping Control. Each member shall maintain his lot in an attractive and safe manner so as not to detract from the community.

SECTION 3. Maintenance of Entrance Ways. Commencing at the time of occupancy or completion of the dwelling, each Class A owner of corner lots shall be responsible to maintain in an attractive manner any special landscaping emplaced at street entrances by the Declarant or the Association: such maintenance shall include watering and weeding of planting areas. The Association shall be responsible for maintenance of signs and special lighting as outlined in Article VIII Section 1 (b).

SECTION 4. Building and Landscaping Time Restrictions. The exterior construction of all structures shall be completed within a period of two (2) years following commencement of construction. The front yard of each lot shall be landscaped within a period of one (1) year following completion or occupancy of each dwelling. Side and rear yards shall be landscaped within a period of two (2) years following completion or occupancy of each dwelling. Areas covered with natural foliage (e.g. scrub oak) will be considered landscaped.

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All Class A members of the Association possessing vacant lots shall be responsible for keeping such lots clean in appearance and free from all refuse and potential fire hazards. No vacant lot shall be used for storage of any kind except during the construction period.

SECTION 5. Appointment of Architectural Committee. The Declarant shall appoint the Architectural Committee, consisting of not less than three (3) members. In the event of the death or resignation of any member of the Committee, the Board of Trustees of the Association, with the approval of the Declarant, shall appoint such member's successor.

SECTION 6. General Provisions. The members of such Committee shall not be entitled to any compensation for services performed pursuant to this covenant. The powers and duties of such Committee shall be in force for a period of twenty-five (25) years from the date of the recording of this declaration. Such powers and duties shall continue following the twenty-five year period until a written instrument has been executed and duly recorded by the then record owners of a majority of the lots appointing a representative or representatives who shall thereafter exercise the same powers previously exercised by said Committee. Said Representatives may be the members of the Board of Trustees of the Association.

ARTICLE VIII

DUTIES AND POWERS OF THE ASSOCIATION

SECTION 1. Duties and Powers. In addition to the duties and powers enumerated in the Articles of Incorporation and By-Laws, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall:

(a) Own, and/or maintain and otherwise manage all of the common areas and all facilities, improvements and landscaping thereon, including but not limited to the private streets and street fixtures, guard house at the entrance to the common area, and all other property acquired by the Association.

(b) Establish and maintain street entrance ways on corner lots, including maintenance of street signs and special lighting which may exist. Watering and weeding of planting areas shall be the responsibility of lot owners as specified in Article VII, Section 3.

(c) Have the authority to obtain, for the benefit of all of the common areas, all water, gas and electric services and refuse collection.

(e) Grant easements where necessary for utilities and sewer facilities over the common areas to serve the common areas and the lots.

(f) Maintain such policy or policies of insurance as the Board of Trustees of the Association deems necessary or desirable in furthering the purposes of protecting the interests of the Association and its members.

(g) Have the authority to employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, provided that any contract with a person or firm appointed as a manager or managing agent shall provide for the right of the Association to terminate the same at the first annual meeting of the members of the Association.

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(h) Have the power to establish and maintain a working capital and contingency fund in an amount to be determined by the Board of Trustees of the Association.

(i) Have a duty to maintain the streets, common areas and provide for refuse collection and snow removal.

ARTICLE IX

EASEMENTS

SECTION 1. The rights and duties of the owners of lots within the properties with respect to sanitary sewer and water, electricity, gas and telephone and Cable Television lines and drainage facilities shall be governed by the following:

(a) Wherever sanitary sewer connections and/or water connections or electricity, gas or telephone and Cable Television lines or drainage facilities are installed within the properties, which connections, lines or facilities, or any portion thereof lie in or upon lots owned by Association or other than the owner of a lot served by said connections, the Association and the owners of any lot served by said connections, lines or facilities shall have the right, and are hereby granted an easement to the full extent necessary therefor, to enter upon the lots or to have utility companies enter upon the lots within the properties in or upon which said connections, lines or facilities, or any portion thereof, lie, to repair, replace and generally maintain said connections as and when the same may be necessary as set forth below.

(b) Wherever sanitary sewer connections and/or water connections or electricity, gas or telephone or Cable Television lines or drainage facilities are installed within the properties, which connections serve more than one lot, the owner of each lot served by said connections shall be entitled to the full use and enjoyment of such portions of said connections as service his lot.

SECTION 2. Easements over the lots and common area properties for the installation and maintenance of electric, telephone, Cable Television, water, gas and sanitary sewer lines, drainage facilities, and street entrance ways as shown on the recorded tract map of the properties, or other documents of record, are hereby reserved by Declarant, together with the right to grant and transfer the same for the use and benefit of the members of the Association.

SECTION 3. Easements for the purpose of installing and maintaining the security of the perimeter fencing are hereby reserved by Declarant, together with the right to grant and transfer the same.

SECTION 4. There is hereby reserved over the lots the right to emplace on, under or across such property, transmission lines and other facilities for a Community Antenna Television System and the right to enter upon the property to service, maintain, repair, reconstruct and replace said lines or facilities: provided, however, that the exercise of such rights does not unreasonably interfere with the owner's reasonable use and enjoyment of said lot.

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SECTION 5. Easements over the lots and common area for the purpose of drainage, the installation and maintenance of drainage facilities and ingress and egress for the purpose of such installation and maintenance are hereby reserved to Declarant, together with the right to grant and transfer the same.

ARTICLE X
USE RESTRICTIONS

SECTION 1. All lots in the tract and in such property as shall be annexed thereto shall be known and described as residential lots and shall be used for no purpose other than residential purposes, save and except the lots owned by the Community Association, i.e., the community area lots on which there will be placed landscaping and recreational facilities and private streets. No building shall be erected, altered, placed or permitted to remain on any such residential lot other than a building used as a single family dwelling.

All water, gas, electrical, telephone and other utility lines within the limits of the ROYAL LANE SUBDIVISION except for meter or junction boxes shall be buried underground wherever possible and not be exposed above the surface of the ground.

All clothes lines, yard equipment and other materials remaining outside any building on any lot shall be screened by planting or fencing so as to conceal them from the view of neighboring lots, streets, access road and areas surrounding the subdivision.

SECTION 2. No part of the properties shall be used for any commercial, manufacturing, mercantile, storing, vending, or other such non-residential purposes. Declarant, its successors or assigns, and the owners of any tract annexed pursuant to Article II hereof, may use the properties for a model home site, display, and sales office during the construction and sales period.

SECTION 3. No sign or billboard of any kind shall be displayed to the public view on any portion of the properties or any lot, except one sign for each building site, of not more than eighteen (18) inches by twenty-four (24) inches, advertising the property for sale or rent or except signs used by Declarant, its successors or assigns, to advertise the property during the construction and sales period.

SECTION 4. Each lot and all improvements on any lot shall be kept and maintained by the owner thereof in a clean, safe, attractive and sightly condition and in good repair

SECTION 5. No noxious or offensive activity shall be carried on nor shall anything be done or placed which is a nuisance or cause embarrassment, disturbance or annoyance of any kind to others, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood or which shall in any way interfere with the quiet enjoyment of each of the owners of his respective dwelling unit or which shall in any way increase the rate of insurance, nor shall any activities be conducted, nor improvements constructed, which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon the subdivision property and no open fire shall be lighted or permitted except in a contained barbeque unit while attended and in use for cooking purposes, or within a safe and well designed interior fireplace.

SECTION 6. No light shall be emitted from any lot which is unreasonably bright or causes unreasonable glare; no sound shall be emitted from any lot which is unreasonably

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loud or annoying including but without limitations, speakers, horns, whistles, bells and other sound devices, except musical instruments or security and fire alarm devices used exclusively to protect land or buildings; and no odors shall be emitted from any lot which are noxious or offensive to others.

SECTION 7. No unsightliness shall be permitted without limiting the generality of the foregoing, (a) any unsightly facilities, equipment, tools, boats, campers, trailers, or vehicles other than automobiles, objects and conditions shall be appropriately screened from view, except during the time such items are in actual use; (b) no mobile homes, or trucks (other than pickup trucks) shall be kept or permitted to remain upon the lot; (c) no vehicle, boat or equipment shall be constructed, reconstructed, repaired or abandoned upon the lot, except for work done entirely within garages, storage buildings, or residences, or work otherwise screened from view; and (d) except when deposited for collection, all refuse, garbage and trash shall be placed and kept at all times in covered containers and such containers shall be kept within an enclosed structure or appropriately screened from view.

SECTION 8. Animals, except household pets, will not be maintained for commercial breeding purposes or for production of food, fur, or fiber. No kennels will be maintained and no stables will be constructed. No trash, ashes or any other refuse may be dumped on any part of this Parcel; notwithstanding the foregoing, no animals or fowl may be kept on the properties which result in an annoyance or are obnoxious to residents in the vicinity.

SECTION 9. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, or mineral excavations or shafts be permitted upon the surface of any lot. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon any lot except by Declarant, its successors or assigns for the benefit of the Association.

SECTION 10. No television, radio, or other electronic antenna or device of any type shall be erected, constructed, placed or permitted to remain on any of the houses or structures on the lots in said tract unless and until the same shall have been approved in writing by the Architectural Committee of the Association. No television, radio or other electronic antenna shall be erected, constructed, placed or permitted to remain on any of the lots in said tracts, unless and until the same shall have been approved in writing by the Architectural Committee of the Association.

SECTION 11. All slopes or terraces on any lot shall be maintained so as to prevent any erosion thereof upon adjacent streets or adjoining property.

SECTION 12. No ingress or egress to the tract described herein shall be permitted for use of any person or vehicle except through designated gateways, unless authorized in writing by the Board of Trustees. Any such authorization shall become null and void if the security of said area is diminished. However, Declarant, its successors or assigns, reserves the right to maintain and use or convey the right to use established easements and rights-of-way.

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SECTION 13. Owners whose lots are located along the perimeter of the tract described herein shall be responsible for maintaining the fencing according to its original state or replacing such with a wall or fence for the purpose of preserving or improving the security of the area. Alternative or replacement fencing shall meet the prior written approval of the Board of Trustees.

SECTION 14. No living trees or shrubs naturally grown on the ROYAL LANE SUBDIVISION or any parcel thereof shall be removed from any lot except as may be reasonably necessary to provide for the construction and maintenance of homes, garages, driveways, walkways, roads, streets or other subdivision improvements, such as sewer lines, water lines, etc. If such trees or shrubs die, the lot owner shall replace the same with a suitable or similar shrub or tree, as the case may be. All such buildings, walkways and driveways shall be sited upon the lots to accommodate existing vegetation whenever possible and care shall be taken to minimize the removal of such living trees and shrubs whenever practicable. No living trees or shrubs located within 40 feet of the banks of Little Cottonwood Creek shall be removed except as may be necessary to remove hazards to the safety or health of the residents or except as may be necessary to remove diseased or dead vegetation or vegetation which constitutes a flood hazard. No lot owner shall cause to be constructed any walkways, patios, terraces, or similar improvement along the banks or in the bed of Little Cottonwood Creek and no walls shall be constructed along the said banks or in the said streambed except as may be necessary to arrest serious erosion of the streambank which erosion would endanger any permanent improvements on adjoining lots and such banks and streambed shall be maintained in a natural state insofar as possible. No materials or refuse of any kind whatsoever shall be dumped into Little Cottonwood Creek. Owners of those lots which adjoin said stream shall promptly remove all refuse and debris from the adjoining streambed and such owners shall report and remove from said streambed all potential flood hazards. No rock, metal or concrete riprap shall be installed in said streambed and no excavation or unnatural channelization shall be permitted in Little Cottonwood Creek, in particular, that portion of the Creek which borders the ROYAL LANE SUBDIVISION.

SECTION 15. Inasmuch as this property borders a natural stream, and the possibility of a flood, though remote, is present, all the structures shall be constructed in such a manner as will prohibit or prevent flood water penetration into said structure from the ground level or bottom floor of said structure to a point which is ten inches above the existing ground level on which said structure is to be built.

SECTION 16. No fence shall be constructed or remain on any lot with a height in excess of six feet from the natural level of the ground. In addition, no fence or barrier of any type may be located, erected, or maintained on any lot except as follows: Upon the construction and occupancy of a dwelling unit a fence may be constructed in the rear yard portion of said lot upon which the dwelling has been constructed. Said rear yard fence may not be constructed any closer to the front yard than the center line of the constructed dwelling unit.

SECTION 17. No buildings shall be erected or placed upon any parcel in ROYAL LANE SUBDIVISION other than single family dwellings including an attached storage facility and a detached or attached garage. No detached sheds or out buildings shall be

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erected or placed upon any lot, except that detached patio roofs, storage buildings, gazebos, etc. (not to exceed one story in height and not used for rental purposes or for the sheltering or harboring of any fowl or other animals) may be constructed if screened from the view of neighboring lots, streets, access roads and areas surrounding the subdivision. No building or structure of any type whatsoever (except fences as permitted earlier) may be erected within 40 feet of the bank of Little Cottonwood Creek. Each dwelling erected or placed upon the subdivision shall have a minimum ground floor living area of 1,700 square feet if a two-story structure, or 2,000 square feet if other than a two-story structure; and all dwellings which are to be constructed in this subdivision must have Architectural Committee approval as outlined in ARTICLE VII, and in particular, all house elevations must be approved by the Architectural Committee for all lots. i.e. no three or four story houses or houses which may block the view or views of adjoining property owners, or not be in harmony with the surrounding area.

SECTION 18. As outlined in other parts of these Covenants, each lot owner shall be responsible and shall pay a prorata share (based upon the total number of lots served thereby) of the cost of repairing and of maintaining said designated rights-of-way or streets including the cost of snow removal, and including any bridges. Repairs shall be made and expenses incurred for repairs and maintenance of the designated rights-of-way or street only as outlined herein by the owners association whose decision shall be binding upon all lot owners and whose decision shall be enforceable in law and in equity. Any unpaid prorata share of such costs and expenses shall accrue as a lien with interest against those lots whose attributable share of such costs and expenses has not been discharged.

ARTICLE XI

GENERAL PROVISIONS

SECTION 1. Enforcement. The Association or any owner or the successor in interest of an owner shall have the right to enforce by proceedings at law or in equity all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration or any amendment thereto, including the right to prevent the violation of any such restrictions, conditions, covenants or reservations and the right to recover damages or other dues for such violation; provided, however, that with respect to assessment liens, the Association shall have the

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exclusive right to the enforcement thereof. Failure by the Association or by any owner to enforce any covenant, condition or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

SECTION 2. 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.

SECTION 3. Term. The covenants, conditions and restrictions of this Declaration shall run with and bind the lots, and shall inure to the benefit of and be enforceable by the Association or the Owner of any lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of FORTY (40) YEARS from the date this Declaration is recorded, after which time said covenants, conditions and restrictions shall be automatically extended for successive periods of TEN (10) YEARS, unless an instrument signed by a majority of the then owners of the lots has been recorded, agreeing to change said covenants, conditions and restrictions in whole or in part.

SECTION 4. Construction. 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 or tract and for the maintenance of common recreational facilities and common areas and streets. 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.

SECTION 5. Amendments. This Declaration of Covenants, Conditions and Restrictions may be amended only by the affirmative assent or vote of not less than seventy-five percent (75%) of the owners, and further, this amendment provision shall not be amended to allow amendments by the assent or vote of less than seventy-five percent (75%) of the owners; provided, however, that Article VI, Section 6 and Article XI, Section 6 shall not be amended without the consent of the lien holder under any first deed of trust. Any amendment or modification must be properly recorded.

SECTION 6. Mortgage Protection Clause. No breach of the covenants, conditions or restrictions herein contained nor the enforcement of any lien provisions herein, shall defeat or render invalid the lien of any deed of trust made in good faith and for value, but all of said covenants, conditions and restrictions shall be binding upon and effective against any owner whose title is derived through foreclosure of trustee's sale, or otherwise.

SECTION 7. Singular Includes Plural. Whenever the context of this Declaration requires same, the singular shall include the plural and the masculine shall include the feminine.

SECTION 8. Nuisance. The result of every act or omission whereby any provision, condition, restriction, covenant, easement or reservation contained in this Declaration is violated in whole or in part, is hereby declared to be and constituted 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 the Association, or any other land owner in the tracts. Such remedy shall be deemed cumulative and not exclusive.

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IN WITNESS WHEREOF, Declarant has executed this instrument the day and year first hereinabove written.

COTTONWOOD LAND CO., INC.

BY [Signature] Pres.

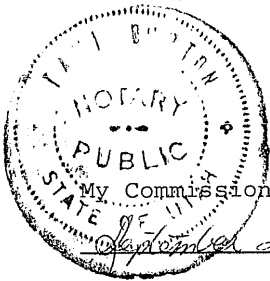
ALTA TITLE CO.

BY [Signature] Pres.

STATE OF UTAH)
: SS
COUNTY OF SALT LAKE)

On the 7th day of July, 1978,
before me, the undersigned, a Notary Public in and for said County and State, personally appeared Stephen M. Harmsen known to me to be the President of COTTONWOOD LAND CO., INC. and known to me to be the President of ALTA TITLE CO., the corporations that executed the within instrument, and known to me to be the person who executed the within instrument on behalf of the corporations therein named, and acknowledged to me that such corporations executed the same.

WITNESS My hand and official seal.



Tami D. Benton
NOTARY PUBLIC
Residing at Salt Lake City, Utah

My Commission Expires:
September 2, 1980

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