

DECLARATION OF RESTRICTIVE COVENANTS AND CONDITIONS
AFFECTING THE REAL PROPERTY KNOWN AS
CEDAR HILLS SUBDIVISION

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WITNESSETH:

DIXIE B MATHESON - IRON COUNTY RECORDER
1994 JUN 07 14:39 PM FEE \$96.00 BY PTC
REQUEST: SD UTAH TITLE CO/CEDAR CITY

WHEREAS, the undersigned, Cedar Hills Associates, (hereafter "Cedar Hills"), is the sole owner and developer of the real property herein described, which is situated in Iron County, State of Utah, and more particularly known as Cedar Hills; and

WHEREAS, Cedar Hills desires to divide the subject property and to convey it subject to the restrictions and covenants herein contained between itself and the several purchasers of the subject property, and thereafter to impose the restrictive covenants and conditions between and among the several purchasers; and

WHEREAS, the property subject to these restrictive covenants is located in Iron County, State of Utah, and is more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference. The property will be divided and sold in parcels. Each of the separate parcels shall be subject to the covenants, restrictions and agreements herein contained; and

NOW THEREFORE, Cedar Hills hereby declares and decrees as follows:

SECTION I
CREATION OF COVENANT

The property herein described shall be hereafter held, sold, conveyed and occupied subject to the restrictions, covenants and conditions hereinafter set forth, which shall be covenants running with the land in perpetuity and which shall be binding between Cedar Hills and the several owners and purchasers, and between and among the several owners and purchasers themselves, and the heirs, successors and assigns of each.

SECTION II
PURPOSES AND DEFINITIONS

1. Purposes. This Declaration of Restrictive Covenants and Conditions (hereafter sometimes "Restrictive Covenants") is placed of record as a series of covenants running with the land, as herein set forth, for the purpose of establishing and preserving a quality residential subdivision. These Restrictive Covenants shall insure that the highest quality building standards will be preserved, that the Property will be kept free and clear of any rubbish, trash, noxious or offensive activity, and while each lot/owner must preserve the natural vegetation the owners of lots within the Subdivision will be assured of naturally

peaceful enjoyment of their lot, and the other lots within the Subdivision, as single family residential dwellings. Any person who purchases any lot within the Subdivision, after the date of recording of these Restrictive Covenants, takes title to their property subject to and with a commitment to abide by each of the covenants and conditions herein contained.

"Lot" shall mean any of the designated lots within the Subdivision.

"Owner" shall mean any person or entity, or combination thereof, including Cedar Hills, at any time owning a lot within the Subdivision, as shown on the records of Iron County, State of Utah. The term "Owner" shall not refer to any mortgagee, unless the mortgagee has acquired title for other than security purposes.

"Property" shall mean the property described in the recitals above.

"Subdivision" shall mean the property as divided into separate building lots.

SECTION III USE AND OCCUPANCY

1. The lots into which the Property shall be divided shall be used only for single family residential dwellings. There shall be no multiple unit dwellings of any kind, including but not limited to basement apartments, duplexes or apartment buildings. No condominiums of any kind are allowed. No timesharing of any kind is allowed.

2. Each dwelling shall be occupied only by a single family. No one shall be entitled to reside in a residence constructed on a Lot unless they are members of the immediate family therein residing, or are authorized foster children or wards. No boarding houses or other group housing for unrelated people of any kind is allowed, regardless of the method or structure of the occupancy arrangement.

3. No noxious, illegal, or offensive use of property shall be carried on any Lot, nor shall anything be done thereon that may be, or become, an annoyance or nuisance to the neighborhood. No grantee or grantees, under any conveyance, nor purchasers, shall at any time conduct or permit to be conducted on any residential lot any trade or business of any description, either commercial or non-commercial, religious or otherwise, including day schools, nurseries, or church schools, nor shall premises be used for any other purpose whatsoever except for the purpose of providing a private, single-family dwelling or residence.

4. No activity shall be conducted upon the Property, nor any improvements constructed thereon, which are or may become unsafe or hazardous to any person or property.

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5. No automobiles, trailers, recreational vehicles, boats or other vehicles may be parked, kept or stored on streets within the Subdivision. No automobiles, trailers, recreational vehicles, boats or other vehicles may be parked, kept or stored on the Lots

unless they are concealed and on top of approved surfaces as set forth in Section 4 Paragraph 15, as well as in running condition, properly licensed and are being regularly used.

6. No signs of any kind shall be displayed to public view on any Lot, except that each owner may display one sign of not more than five (5) square feet advertising the property for sale. Anything contained herein notwithstanding, Cedar Hills may, during the course of development of the Property and sale of Lots, place attractive signs in excess of this five square foot restriction as necessary to advertise the Property.

7. No animals, livestock or poultry of any kind shall be raised, bred or kept on the Property, or any Lot, excepting only household pets. Dogs, cats and other household pets may not be kept for commercial purposes and are restricted to the Owner's premises or under the Owner's control by leash or otherwise.

8. All Lots shall be used and kept free from trash, rubbish, garbage or other waste, and the Property shall at all times be kept by the various Owners in a sightly and attractive manner.

9. All such waste shall be kept at all times in appropriate sanitary containers. Garbage containers shall at all times be stored out of prominent view. Any building materials or construction materials shall be neatly stacked and kept upon the Property and shall not remain thereon for more than thirty (30) days following the completion of construction.

10. All land use and all buildings constructed shall fully comply with all zoning and land-use ordinances and regulations applicable to the property, which include the land-use and zoning ordinances of the State of Utah, of Iron County, and of Cedar City. All grading shall be done so as to preserve or restore the drainage of the land and so as to comply with all flood control requirements of any applicable agency.

11. No lot within the Property shall be divided or conveyed in part.

12. Easements for installation and maintenance of utilities and drainage are reserved, as shown on the recorded plat. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities. This easement area of each lot shall be maintained continuously by the owner except for those improvements for which a public or utility company is responsible.

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SECTION IV
BUILDING RESTRICTIONS

1. No dwelling shall be constructed or erected on any Lot which has a finished, ground-level living area of less than:

	Type I Lots 1-8, 47-50 and 60-64	Type II Lots 9-23, 51-59 and 46	Type III Lots 24-45
One Story Minimum Square Foot	1,200	1,400	1,500
Two Story Minimum Square Foot Ground Level Portion	900	1,100	1,200
Two Story Combined Minimum Square Foot	1,400	1,700	1,800

excluding garages and other outbuildings, except that a dwelling which has two or more levels above ground shall have a minimum square feet on ground level as shown above (excluding garage and other outbuildings) and a two level or tri-level combined total as shown above ground. Maximum heights for any primary dwelling will be governed by local ordinance.

2. No natural vegetation shall be removed outside of a 10 foot radius of the home building envelope without prior approval from the Architectural Control Committee. Any such approval for removal of natural vegetation outside of said 10 foot radius may require Owner to replace with similar or suitable vegetation and will be submitted as part of the landscaping plans. Construction of any kind should be avoided on any part of any lot where such terrain exceeds 30% slope. It is the desire and intent of the Architectural Control Committee to preserve and maintain the natural elements of the property wherever and whenever possible.

3. Every dwelling constructed on the Property shall have an attached garage with a minimum capacity of two cars. All garages shall be fitted with a door, which shall be closed, except for normal use.

4. The minimum side yard setback for any dwelling shall be ten feet on each side, with the total width of the two required side yards not less than 20 feet. The minimum front yard setback for all dwellings shall be 25 feet. All other setback and other location requirements shall at all times be in accordance with the ordinances of Cedar City Corporation.

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5. No temporary buildings, structures, or improvements of any kind shall ever be erected or maintained on any of the Lots within the Property. Provided, however, that in a reasonable manner during construction, a general or subcontractor shall be entitled to keep a temporary construction trailer or portable building on the Property, however, said construction trailer or portable building cannot be used as a residence by any person during or after construction.

6. No pre-fabricated, pre-built, or modular dwellings may be moved onto or constructed on the Property. All dwellings shall be of stick-built, on-site construction. Cedar Hills Associates may install or build and maintain a Sales Trailer or model home on the property until the last lot is closed and then must remove or convert to single family residence same respectfully.

7. No dwelling shall be constructed or erected on any Lot until the plans i.e., home and landscape, specifications and plot plans showing the location and style of such dwelling and landscape have been approved in writing as to conformity with these covenants and harmony with external design and the natural surroundings and existing structures in the Subdivision, by the Architectural Control Committee, as set forth in Section V, below. All dwellings shall have as their exterior color, colors that are earth tone in nature. Any modification, alteration (including re-painting) of an existing structure, or any other improvement, or construction, which requires a building permit shall also require approval of the Architectural Control Committee.

8. No fence, wall or hedge shall be constructed except after approval and review by the Architectural Control Committee, and all fences, if any, shall be designed and constructed so as to be compatible with the neighborhood. No fence, wall or hedge higher than 6 feet shall be erected or maintained on any Lot. All fences, if any, shall be designed and constructed so as to conform to local planning ordinances and not constitute a nuisance or offensive effect on other persons residing within the subdivision. Chain-link fences, if any, for animal containment purposes, with proper screening from neighbors and public view, may be acceptable on approval of the Architectural Control Committee only. All fences, if any, shall be maintained after installation.

9. All construction within the Subdivision shall be with new materials only, except that used brick and stone may be used when properly approved by the Architectural Control Committee.

10. The prior approved front and side yard landscaping shall be completed for each Lot within eight months after the occupancy of any dwelling on said Lot.

11. Heat pumps, propane tanks, solar devices, chimney flues, hot tub pumps, swimming pool pumps and filtration systems, satellite dishes, and similarly exposed mechanical equipment, shall be aesthetically concealed from view on all sides and shall be shielded in such a manner as to minimize noise and safety concerns.

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12. Each home plan submitted for approval shall also include in it's plans and specifications provisions for an exterior light to be located ten (10) feet from the front property line and no further than ten (10) feet from the driveway on the side opposite from the closest side property line. Said light shall be of a standard design accepted by the Architectural Control Committee with a 75 watt incandescent bulb. Said light will be controlled with a photo-control for automatic operation of light and with a "911" emergency feature that will cause the light to blink on and off when the homeowner calls for (help) 911. Each light shall be the responsibility of the homeowner for it's maintenance and shall be in a state of repair at all times.

13. All mailboxes and mailbox holders shall be of standard design accepted by the Architectural Control Committee and adhering to the applicable specifications of the U.S. Postal Service. All mailboxes shall be located as directed by the U.S. Postal Service. Each Lot Owner shall be responsible for the maintenance and replacement of his or her mailbox so as to keep it in a state of repair at all times.

14. All Lot Owners shall provide and maintain proper facilities to control storm water run-off onto adjacent properties and to ensure that sediments do not enter the natural drainage system.

15. All lines or wires for telephone, power, cable television, or otherwise shall be placed underground and no such wires shall show on the exterior of any building unless the same shall be in underground or in a conduit attached to a building. All television or radio antenna shall be installed inside an existing structure.

16. Roof pitches shall be a minimum of 4-12, unless otherwise approved by the Architectural Control Committee. All roofing material shall be approved by the Architectural Control Committee.

17. All driveways and parking bays shall be constructed of concrete, concrete aggregate, or asphalt, unless written approval for the use of some other material is given by the Architectural Control Committee.

SECTION V ARCHITECTURAL CONTROL COMMITTEE

1. Architectural Control Committee. Cedar Hills Associates hereby establishes an Architectural Control Committee for the purpose of enforcing Section III, use and occupying and Section IV Building Restrictions within the Subdivision. No excavation of any kinds, dwelling or any other structure shall be constructed without the approval of the Architectural Control Committee. The Architectural Control Committee shall consist of three members, to be selected annually subsequent to initial appointments pursuant to Section V 6 by the record owners of the majority of lots, with the members to be chosen for varying terms so as to achieve staggered terms and continuity of membership of such committee. The initial Architectural Control Committee is composed of David R. McEntire, James F. Jonsson, and Dan Roberts.

A. Any property owner seeking to construct a new home or other appurtenant structure, or to add to or modify any portion of the exterior of an existing home, shall submit the plans to the Architectural Control Committee for review. A modification of the home exterior will include drives, decks, hot tubs, patios, pools, and similar alterations. Construction of new structures includes equipment and material housing, dog runs, gazebos, arbors associated with landscaping, and other similar construction.

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B. No excavation, construction, change, modification, or alteration for which plans are to be submitted to the Architectural Control Committee pursuant to paragraph A, immediately above, shall commence until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same have been submitted to and approved in writing by the Architectural Control Committee as to the harmony of the external vegetation design and location in relation to surrounding structures and topography, size, estimates of cost, and other such factors as the Architectural Control Committee considers necessary, appropriate, and relevant to maintain property values of nearby properties. In the event the Architectural Control Committee fails to approve or disapprove such excavation design and location of plans within thirty (30) days after such plans and specifications have been submitted and received to it, approval will not be required and full compliance with this section of the Declaration will be deemed to have occurred.

C. In spite of the foregoing provisions, the Architectural Control Committee shall have no affirmative obligation to be certain that all elements of the design comply with the restrictions contained in this Declaration, and no member of the Architectural Control Committee shall have any liability, responsibility, or obligation, whatsoever for any decision or lack thereof, in carrying out of duties as a member of such committee. Such committee and its members shall have only an advisory function, and the sole responsibility for compliance with all of the terms of this Declaration shall rest with the homeowner. Each homeowner agrees to save, defend, and hold harmless the Architectural Control Committee and each of its members on account of any activities of the Architectural Control Committee relating to such owner's property or buildings to be constructed on his or her property.

D. The Architectural Control Committee, if it observes deviations from or lack of compliance with the provisions and this Declaration, may enforce such deviations or lack of compliance in behalf of a majority of lot owners by proceedings at law or in equity against any person or persons violating any covenant either to restrain violation or recover damages.

E. The approval of building plans and specifications shall not be unreasonably withheld by the Committee. The Committee shall, however, have the sole and absolute discretion to evaluate plans and specifications for the purpose of assuring that the proposed buildings and accessory structures are consistent with the use contemplated by these Restrictive Covenants, that the plans and specifications are in all particulars consistent with applicable laws and ordinances and that the proposed construction is aesthetically consistent with the objectives herein set forth. Any owner or builder may not, however, rely on the opinion of the Architectural Control Committee as to whether the plans meet the applicable laws and municipal ordinances in place at the time of construction. It shall be the sole and exclusive responsibility of the owners of the lots within the Subdivision to be sure that all laws and ordinances are complied with in connection with their construction.

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3. Membership. At any time, the then record owners of a majority of the lots shall have the power to change the membership of the Committee or to withdraw from the Committee or restore to it, any of its power and duties.

4. Architectural Control Committee Enforcement Authority. In addition to the enforcement rights set forth in Section VI, below, the Architectural Control Committee shall have the right independently to enforce these restrictive covenants against any owner who is in violation thereof. If any enforcement action is necessary, the Architectural Control Committee shall be entitled to injunctive relief, damages and such other remedies as the law allows, and shall be entitled to recover from the owner or other person in violation all of its costs, expenses and a reasonable attorney's fee.

5. Community Open-Space. Cedar Hills may create additional subdivisions adjacent to or in the immediate area of Cedar Hills Subdivision. There is a sixteen (16) acre open-space easement buffer behind and above Cedar Hills created by Mesa Hills, and shall be developed, paid for, and maintained by the Mesa Hills Homeowners Association, as provided in their Declaration.

6. Cedar Hills Associates Temporary Authority. Until such time as one hundred percent of the Cedar Hills subdivision lots are sold to third parties. Cedar Hills Associates shall be entitled to perform all functions of the Architectural Control Committee set forth herein. Cedar Hills Associates shall have the right to assign its duties as the Architectural Control Committee during any period of time it is vested with that authority. Upon the recordation of one hundred percent of the lots sold, Cedar Hills Associates shall have no further involvement nor responsibility in connection with the Architectural Control Committee or its responsibilities and duties as herein set forth.

SECTION VI ENFORCEMENT

1. The restrictions set forth in this document shall operate as covenants running with the land for the benefit of any and all persons who now may own, or who may hereafter own, property in the Cedar Hills Subdivision, and such persons are specifically given the right to enforce these restrictions through any proceeding, at law or in equity, against any person or persons violating or threatening to violate such restrictions and to recover any damages suffered by them from any violation thereof.

2. In the event any enforcement action is necessary, the person or persons seeking enforcement shall be entitled to enjoin the violation of these covenants, and to recover any and all damages of any kind suffered by them because of the violation. In addition, the prevailing party in any action to enforce these restrictive covenants shall be entitled to recover from the other all costs, reasonable attorney's fees and expenses incurred in the enforcement action.

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3. The Architectural Control Committee in behalf of the recorded majority of owners is hereby given a right of enforcement for any violations of these restrictive covenants, and shall have the same rights as the owners which are set forth herein.

SECTION VII
MISCELLANEOUS COVENANTS

1. Amendment. The restrictions, covenants and conditions set forth herein may be amended by a majority vote, except Section 5 Paragraph 6, of three-fourths of the lot Owners; provided, however, that Section III and Section IV of these restrictive covenants shall not be amended except upon unanimous vote of the lot owners. The amendment shall not be enforceable nor effective until an instrument is recorded in the Iron County Recorder's office indicating that a vote has been duly and properly taken on the proposed amendment, that it has been approved by the requisite percentage of owners within the subdivision, and is signed and acknowledged by each Owner in favor of the modification.

2. Liberal Construction. The provisions of these Restrictive Covenants shall be liberally construed to achieve the goal and intent of the provisions hereof.

3. Mailing Addresses. Each lot owner shall register with the Architectural Control Committee, c/o Cedar Hills Associates, P.O. Box 1327, Cedar City, Utah 84721-1327 (this address will change upon 100% lots sold) the current mailing address. All notices or demands intended to be served upon any owner may be sent by first-class U.S. Mail, postage prepaid, addressed to the owner at his registered mailing address and shall be effective when so mailed.

4. Legal Proceedings. Any Lot Owner, or the Architectural Control Committee, may maintain any legal proceedings to compel or enforce any of the terms and conditions of this Declaration.

5. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

6. Failure to Enforce Not a Waiver. Failure by declarant, the Architectural Control Committee, or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

7. Subordination. No breach of any of the conditions herein contained or reentry by reason of such breach shall defeat or render invalid the lien of any mortgage made in good faith and for the value as to the subdivision of any lot therein; provided, however, that such conditions shall be binding on any owner whose title is acquired by foreclosure, trustee's sale, or otherwise.

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DATED this 25TH day of MAY, 1993.

CEDAR HILLS ASSOCIATES,

By: [Signature]
David R. McEntire
Executive Vice President
Cedar Properties Managing Partner

By: [Signature]
James Jonsson
Vice President
Cedar Properties Managing Partner

STATE OF NEVADA)
)ss
COUNTY OF CLARK)

On the 25TH day of MAY, 1994, personally appeared before me DAVID R. MCENTIRE, who being first duly sworn did say that he, DAVID R. MCENTIRE, is the Executive Vice President of CEDAR HILLS ASSOCIATES, a Utah Corporation, and that the foregoing instrument was signed in behalf of said Corporation by authority of a resolution of its Board of Directors and that the said DAVID R. MCENTIRE acknowledged to me that said corporation executed the same.

[Signature]
Notary Public

My Commission Expires:

Residing In: 1455 E. TROPICANA, #125
LAS VEGAS, NEVADA 89119



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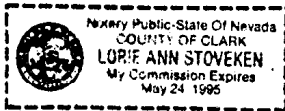
STATE OF NEVADA)
)ss
COUNTY OF CLARK)

On the 25TH day of MAY, 1994 personally appeared before me JAMES JONSSON, who being first duly sworn did say that he, JAMES JONSSON, is the Vice President of CEDAR HILLS ASSOCIATES, a Utah Corporation, and that the foregoing instrument was signed in behalf of said Corporation by authority of a resolution of its Board of Directors and that the said JAMES JONSSON acknowledged to me that said corporation executed the same.


Notary Public

My Commission Expires:

Residing In: 1455 E. TROPICANA, #125
LAS VEGAS, NV 89119



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EXHIBIT "A"

All of Lots 1 through 64, inclusive, CEDAR HILLS SUBDIVISION, formerly known as Rancho Vista Estates, according to the Official Plat thereof, as filed in the Office of the Iron County Recorder.

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