

EASEMENT AGREEMENT, DEDICATION OF COMMON FACILITIES,
AND CONDITIONS OF ACCEPTANCE OF COMMON FACILITIES

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This "Easement Agreement, Dedication of 'Common Facilities,' and Conditions of Acceptance of 'Common Facilities,'" hereafter referred to as the "Agreement" is entered into by and between Orin L. Lund and Beverly Stringham Lund, and Val J. Lund and Jane Lund ("Developers"), and the Royal Lane Homeowners Association (the "Association") this 8th day of October, 1991.

WHEREAS the Developers are the owners of the real property in the County of Salt Lake, State of Utah, which is particularly described in that "Second Supplemental Declaration of Covenants, Conditions and Restrictions (As Amended)" dated April 7, 1990 and recorded in the official records of the Salt Lake County Recorder as Entry No. 4902580 in Book 6211 at pages 1649 to 1673 (hereafter referred to as the "Declaration," such real property described therein being hereafter described as the "Royal Lane Subdivision No. 2"), and

WHEREAS the Developers desire to improve and develop the Royal Lane Subdivision No. 2 in strict accord with the covenants and conditions of the Declaration, and,

WHEREAS, it is the duty and power of the Association to own and maintain all common areas and common facilities, which include (without limitation) all streets, rights of way, and other facilities established for the common use of members of the Association, and

WHEREAS the Developers intend to construct certain new roadways, and new surface water drainage facilities and to construct underground facilities to provide water, sewer, electrical, telecommunications and sewerage services in order to develop the Royal Lane Subdivision No. 2, and

WHEREAS, such construction activity will necessitate the excavation of paved roadways and the disruption of traffic, and

WHEREAS upon completion of such construction, the Developers desire that the Association accept the roadways and surface water drainage facilities as additional "common areas" and "common facilities" to be maintained by the Association,

WHEREFORE, the Developers and the Association hereby agree as follows:

1. Dedication of Additional Common Areas. Developers hereby declare that upon recordation of any subdivision plat affecting all or part of the real property referred to as the Royal Lane Subdivision No. 2, (whether such plat encompasses the

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KATIE L. DIXON
RECORDER, SALT LAKE COUNTY, UTAH
RAY QUINNEY & NEBEKER
PO BOX 45385 SLC, 84145-0385
REC BY: REBECCA GRAY , DEPUTY

BK 6363 PG 2750

whole or any portion of the proposed Royal Lane Subdivision No. 2), all roadways and rights of way, all easements for surface water drainage facilities, all easements for the installation and maintenance of water, sewer, electric and telecommunications lines and all other similar types of facilities designed for the use and enjoyment of the members of the Association generally are hereby dedicated to the Association as "common areas" and "common facilities" as defined in the Declaration. (Such dedication shall include all such facilities whether or not specifically described on the plat or plats of such subdivision.)

2. Extension of Surface Water Drain. Developers hereby grant unto the Association a perpetual easement for the replacement, improvement, maintenance and operation of a surface water drain line (to be constructed by Developers at their sole expense) over and across Lot 1, Royal Lane Subdivision and described as a fifteen foot wide strip of land, the center line of which is described as follows:

Beginning on the West line of Royal Lane Subdivision No. 2, at a point which lies 911.23 feet North and 816.45 feet East from the Center of Section 34, Township 2 South, Range 1 East, S.L.B. & M., and running thence South (across Lot 1, Royal Lane Subdivision) 77 degrees West 120 feet to the North bank of Little Cottonwood Creek at a point below the weir of the Richards Ditch.

3. Covenant of Workmanship and Covenant to Restore. Developers covenant and agree with the Association that all such common facilities shall be constructed and installed in a workmanlike manner using high quality materials and design standards acceptable to the Association and acceptable to the Development Services Division of Salt Lake County. All surface drain covers, grates and manhole covers shall be installed to minimize the risk of child entrapment. In the event that the installation or extension of common facilities necessitates the removal of asphalt pavement and/or the excavation of sewer, or water lines, Developers covenant to cut the pavement in a manner designed to minimize damage and to schedule such excavation so as to minimize disruption and inconvenience to members of the Association. All waste material shall be promptly removed from construction sites and all piles of excess soil leveled as soon as practicable. All asphalt paving shall be promptly restored with good quality materials equal to or better than the paving which existed prior to the excavation, each restoration to be completed in a manner entirely acceptable to the Architectural Committee of the Association.

4. Conditions Precedent to Acceptance of Common Facilities by Association. Developers and the Association agree that as each improvement is completed or installed Developers shall notify the Architectural Committee of completion (e.g. as roadways are paved or as soon as drain pipes are installed) thereof whereupon the Architectural Committee shall immediately inspect the same. Failure of the Architectural Committee to notify the Developers of any defects or unfinished work within twenty days shall be deemed to be acceptance of such improvements "as is". Notwithstanding the foregoing, the Association shall not accept any common facilities except upon satisfaction of the following conditions:

A. Developers shall provide evidence satisfactory to the Association all such common facilities are "lien free" and all materialmen and workmen have been paid in full; and

B. Developers shall provide evidence satisfactory to the Association that the Development Services Division of Salt Lake County (or any other agency responsible for inspection of such improvements) have inspected such facilities as installed and have approved the same.

5. Acceptance by Association of Completed Common Facilities. Upon acceptance of the common facilities, the Association shall assume the obligation to provide necessary maintenance and upkeep of the common facilities.

6. Developers' Covenant to Fund a "Maintenance Fund". Developers covenant and agree with the Association that a Maintenance Fund shall be funded from the collection of "Impact Fees" to be paid by purchaser-owners of improved lots in Royal Lane Subdivision No. 2. Developers contemplate that the Maintenance Fund shall be funded from the sale of four or more improved lots prior to December 31, 1993 and a cumulative total of seven improved lots prior to December 31, 1995. Developers covenant and agree that the Association shall be paid a cumulative total of not less than \$1,000.00 (solely from the collection of "Impact Fees") by December 31, 1993 and a cumulative total of not less than \$2,000.00 (solely from the collection of "Impact Fees") by December 31, 1995.

7. Miscellaneous. This Agreement shall inure to the benefit of all members of the Association, including members not residing within the boundaries of the Royal Lane Subdivision No. 2. The burdens and benefits of this Agreement shall run with the land and the parties agree that because of the unique nature of the plan of development intended by the Declaration, the remedy of specific performance shall be available to either party, and in the event of any failure to fund the "Maintenance Fund" according

to the funding schedule contemplated herein, a lien in favor of the Association in the unfunded amount shall be automatically imposed (without further action of the Association) upon those improved lots of the Royal Lane Subdivision No. 2 (which are subject to said "Impact Fees") with respect to which the applicable "Impact Fee" (whether or not assessed and whether or not yet owned by the Developers) remains unpaid (excepting proposed lot 2, and those lots not having access to Royal Lane which would not be subject to such "Impact Fees"). Such lien shall be apportioned pro rata among the parcels and shall be in addition to (and not in lieu of) any other assessments or fees otherwise payable to the Association and such lien shall be due and payable when assessed and shall bear interest as provided in the Declaration. Developers shall have no personal liability for the nonpayment of the amounts of such lien except with respect to the prorata amounts thereof assessed on lots then yet owned by Developers. Val J. Lund and Jane Lund shall have no liability beyond their prorata share of the unfunded portion of the Maintenance Fund (one lot only and only if "Impact Fee" is unpaid with respect to such lot).

The officers of the Association who sign this Agreement hereby certify that this Agreement was duly authorized under a resolution duly adopted by the board of trustees of the Association at a lawful meeting duly held and attended by a quorum. (A copy of the plat of the proposed Royal Lane Subdivision No. 2 is attached hereto for clarification).

In witness whereof, the undersigned Association has caused its corporate seal and name to be hereunto affixed by its duly authorized officers and the parties have set their hands hereunto this 8th day of October, 1991.

"DEVELOPERS"

Orin L. Lund
Orin L. Lund

Beverly Stringham Lund
Beverly Stringham Lund

Val J. Lund
Val J. Lund

Jane H. Lund
Jane Lund

"ASSOCIATION"

ROYAL LANE HOMEOWNERS ASSOCIATION

By:

J. Russell Hansen
President

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

On the 7 day of Oct, 1991, personally appeared Orin L. Lund, who duly acknowledged to me that he is the signer of the foregoing instrument. IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

My Commission Expires:

May 29, 1995

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

On the 7 day of Oct, 1991, personally appeared Beverly Stringham Lund, who duly acknowledged to me that she is the signer of the foregoing instrument. IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

My Commission Expires:

May 29, 1995

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

On the 7 day of Oct, 1991, personally appeared Val J. Lund, who duly acknowledged to me that he is the signer of the foregoing instrument. IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

My Commission Expires:

May 29, 1995

Vickie Peterson
Notary Public
Residing at Salt Lake County, Utah



NOTARY PUBLIC
VICKIE PETERSON
37 West 1700 South
Salt Lake City, UT 84115
My Commission Expires
May 29, 1995

STATE OF UTAH

Vickie Peterson
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STATE OF UTAH

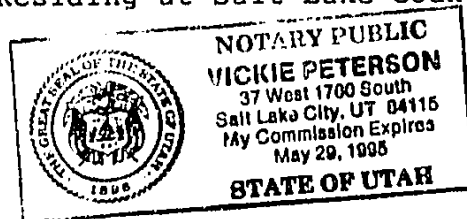
STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the 7 day of Oct, 1991, personally appeared Jane Lund, who duly acknowledged to me that she is the signer of the foregoing instrument. IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Vickie Peterson
Notary Public
Residing at Salt Lake County, Utah

My Commission Expires:

May 29, 1995



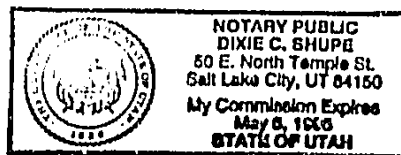
STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the 8th day of October, 1991, personally appeared before me J. Russell Homer, who being by me duly sworn, did say that he is of Royal Lane Homeowners Association, and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its board of trustees and said J. Russell Homer duly acknowledged to me that said corporation executed the same and that the seal affixed is the seal of said corporation.

Dixie C. Shupe
Notary Public
Residing at Salt Lake County, Utah

My Commission Expires:

May 5, 1992



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