

5861726

AGREEMENT AND GRANT OF LIEN

This Agreement is made between F. Barton Reuling
970 E 600 So. Salt Lake city ut. 84102

[names and addresses] (referred to as "Property Owner" even if consisting of more than one person) on the one hand and Cardiff Associated Property Owners, a Utah non-profit corporation (the "Association") on the other hand.

RECITALS

A. The Association operates a water system for its members, who own parcels of land with cabins located in the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$, Pine Lodge Subdivision and that part of the E $\frac{1}{2}$ of the NW $\frac{1}{4}$ lying south of Pine Lodge subdivision, all in Section 18, Township 2 South Range 3 East, in the state of Utah.

B. Property Owner desires to become a member of the Association and to obtain from the Association a connection to such water system.

C. Property Owner owns the land described on Exhibit A attached hereto and incorporated herein by this reference (the "Property").

TERMS AND CONDITIONS

In consideration of the foregoing and the covenants contained in this Agreement, it is agreed:

1. Water Connection. Upon qualifying as a member of the Association, Property Owner shall become entitled to one water connection for the Property, all in accordance with the Bylaws and Regulations of the Association.

2. Compliance. Property Owner shall be bound by and comply with the provisions of the Bylaws of the Association and of any Regulations adopted by the Board of the Association including any amendments which may be made to such Bylaws or Regulations from time to time. Property Owner shall pay when due such charges and fees as may be assessed or required by the Association with respect to the establishment, maintenance, or operation of the water system, which may, without limitation, include capital assessments, water charges, overhead charges, inspection fees, disconnection fees, and reconnection fees. Owner shall comply with any laws, ordinances, injunctions, court orders, rules, regulations, or other mandates of any governmental entity, court, or administrative agency with jurisdiction over the water system or any part of it,

BK6970PG2555

or with the power to disconnect the Association from its source of water or to suspend, terminate, or otherwise materially affect any right of the Association to take or receive water or to deliver water to its members. Any amounts owing to the Association not paid when due shall bear interest at the rate of twelve percent (12%) per annum until paid.

2. Designated Owner. If Property Owner consists of more than one person, Property Owner shall designate in writing one of its number in the manner provided in the Bylaws of the Association to act on behalf of Property Owner with respect to all Association membership and water system matters. Such person when so designated shall be the lawful agent and attorney-in-fact of each person who is one of Property Owner and shall have full power and authority to so act for each such person with respect to such matters. The Association may rely upon such designation and the power and authority of the holder of such designation until a replacement designation in recordable form is delivered to the Association. Nevertheless, the Association may, in its discretion, require that all persons who are part of Property Owner execute any documents necessary or appropriate with respect to membership matters or the water system.

3. Lien. Property Owner hereby grants to the Association a lien, which may be foreclosed in the same manner as a mortgage, on the property described on Exhibit A in order to secure the payment by Property Owner of all dues, fees, charges and other amounts which may be or become payable to the Association pursuant to the Bylaws, Regulations, or published fee or charge schedules of the Association or pursuant to this Agreement, up to but not exceeding the sum of one thousand five hundred dollars (\$1,500) in the aggregate. The limitation on the amount of the lien shall not be construed to be a limit on the Property Owner's liability to the Association. Upon receipt from any person who is one of the Property Owner of a written request, the Association shall provide that person or someone else designated by that person an estoppel certificate setting forth as of the date of such certificate the amount, if any, of dues, fees, charges, or other amounts then payable to the Association. Such certificate shall be binding on the Association and may be relied upon by the Property Owner or anyone dealing for value with the Property Owner.

4. Disconnection. Property Owner grants and confirms to the Association the right and power to disconnect the Property and the Property Owner from the water system for any violations of (i) this Agreement, (ii) any Regulations of the Association, (iii) the Bylaws of the Association, or (iv) any laws, ordinances, injunctions, court orders, rules, regulations, or other mandates of any governmental entity, court, or administrative agency with jurisdiction over the water system or any part of it, or with the power to disconnect the Association from its source of water or to

suspend, terminate, or otherwise materially affect any right of the Association to take or receive water or to deliver water to its members. The Association and any agent of it shall have the right, power and authority to enter onto the Property or any other property of Property Owner for purposes of effecting such disconnection. The Association shall not make such disconnection until it has mailed, by first class mail, postage prepaid, or hand delivered a notice of default to the Property Owner or to the person designated by the Property Owner as described in paragraph 2 above and the default has not been cured for a period of fifteen days after such mailing or such hand delivery or such longer time as may be stated in the notice of default; provided, however, that if the default threatens immediate irreparable harm to the water system or the ability of the Association to provide water to its members if an immediate disconnection is not made, or if charges are accruing against the Association for water if an immediate disconnection is not made, then in any such event the Association shall have the right to make the disconnection without giving prior notice to the Property Owner or the person designated by the Property Owner.

4. Authority to Associates. The officers of the Association or the water master of the Association shall have authority directly or through agents to enter onto the Property and to take action on any pipes belonging to the Property Owner for any appropriate purpose concerning the water system including inspecting, repairing, disconnecting, protecting, or maintaining the water system or any pipes connected to it.

6. Enforcement. All person who are one of the Property Owner shall be jointly and severally bound by this Agreement. This Agreement may be enforced by the Association which shall be entitled to all remedies available at law or in equity including the remedy of specific performance. Upon breach of this Agreement by Property Owner, the Association shall be entitled to all costs and expenses of enforcing this Agreement, including attorneys' fees.

7. General. This Agreement shall be governed by the law of the state of Utah. This Agreement and the Bylaws and Regulations of the Association, as they may be amended from time to time, contain the entire understanding between the parties. This Agreement shall not be amended or modified, or any provision waived, except by a written instrument signed by or on behalf of the party to be charged with it. This Agreement may be executed

in any number of counterparts, all of which together shall constitute but one instrument.

Dated this 2ND day of JUNE, 1994.

CARDIFF ASSOCIATED PROPERTY OWNERS

PROPERTY OWNER

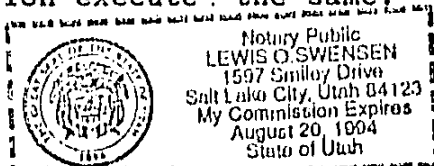
By Jan Fasselini
Printed name: JAN FASSELINI
Title: PRESIDENT

F. Barton Reuling
F Barton Reuling

Cardiff Associated Property Owners, 1931 Nunley Circle, Salt Lake City, Utah 84121

STATE OF UTAH)
COUNTY OF SALT LAKE) ss.

On the 2ND day of June, 1994, personally appeared before me JAN FASSELINI, who being by me duly sworn did say that he is the PRESIDENT of CARDIFF ASSOCIATED PROPERTY OWNERS, and that the within and foregoing instrument was signed in behalf of said corporation by authority of its bylaws or a resolution of its board of directors and said JAN FASSELINI duly acknowledged to me that said corporation execute the same.



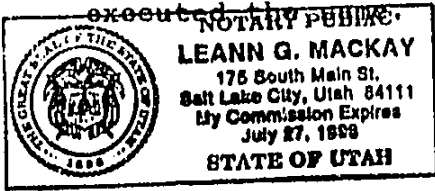
Lewis O Swensen
Notary Public
Residing at: SALT LAKE CITY,
UT

My Commission Expires: 8-20-94

STATE OF UTAH)
COUNTY OF Salt Lake) ss.

On the 26 day of January, 1993 personally appeared before me F. Barton Reuling, the signer of

the within instrument, who duly acknowledged to me that he



Leann G Mackay
Notary Public

Residing at: 175 So. Main,
SLC Utah 84111

My Commission Expires:
7-27-96

STATE OF UTAH)
) ss.
COUNTY OF _____)

On the ___ day of _____, 19___, personally appeared before me _____, the signer of the within instrument, who duly acknowledged to me that he executed the same.

Notary Public

Residing at: _____

My Commission Expires:

STATE OF UTAH)
) ss.
COUNTY OF _____)

On the ___ day of _____, 19___, personally appeared before me _____, the signer of the within instrument, who duly acknowledged to me that he executed the same.

Notary Public

Residing at: _____

My Commission Expires:

CARDIFF ASSOCIATED PROPERTY OWNERS

EXHIBIT A TO
AGREEMENT AND GRANT OF LIEN

Cabin No. 10-64

Parcel No. 24-18-176-016-0000

BEGINNING at the center of Section 18, Township 2 South, Range 3 East, Salt Lake Base and Meriden, and running thence South 89 degrees 32' West 45 feet; thence North 71 degrees West 580.5 feet; thence North 0 degrees 2' West 495.0 feet, more or less, to the center of Mill "D" South Fork, a branch of Big Cottonwood Creek; thence Southeasterly 640.0 feet, more or less, along the center of said Mill "D" South Fork to a point which is North 0 degrees 28' West 434.94 feet, more or less, from the point of beginning; thence South 0 degrees 28' East 434.94 feet, more or less, to the point of beginning.

06/28/94 1:31 PM 5861726 21.00
KATIE L. DIXON
RECORDER, SALT LAKE COUNTY, UTAH
CHARLES A NICKERSON
2505 SKYLINE CIR SLC UT 84108
REC BY: S WEST , DEPUTY - WI

BK6970PG2560