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DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

PARKWAY PALISADES

PHASES II AND III

SOUTH JORDAN, UTAH

BK7320P61651

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR PARKWAY PALISADES
PHASES II AND III
SOUTH JORDAN, UTAH

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR PARKWAY PALISADES is made this 30th day of January, 1996, by Parkway Palisades I, L.C., a Utah limited liability company (the "Declarant").

Recitals:

A. Declarant is the Owner of certain real property located in Salt Lake County, Utah, more particularly described on Exhibit A to this Declaration, which real property shall be the initial Covered Property under this Declaration. Declarant has recorded a subdivision plat of the real property described in Exhibit "A", which plat subdivided said real property as indicated thereon and is entitled "Parkway Palisades No. 2 Subdivision and Parkway Palisades No. 3 Subdivision". The plat of Parkway Palisades No. 2 Subdivision was recorded as Plat No. 95-12-344 and Entry No. 6227113, on December 4, 1995, and the plat of Parkway Palisades No. 3 Subdivision was recorded as Plat No. 95-12-343 and Entry No. 6227112 on December 4, 1995, in the office of the Salt Lake County Recorder. Declarant may in the future acquire certain real property which is adjacent to the Covered Property and may, from time to time by recorded instrument, annex such additional property to this Declaration, in which case the additional property shall become a part of the "Covered Property". This Declaration is being imposed upon the Covered Property.

B. Declarant intends to develop a residential subdivision on the Covered Property. Declarant will develop and convey all of the lots within the Covered Property subject to a general plan of development, and subject to certain protective covenants, conditions and restrictions all as set forth in this Declaration, and which are deemed to be covenants running with the land mutually burdening and benefiting each of such lots.

NOW THEREFORE, Declarant declares as follows:

DECLARANT HEREBY DECLARES that all of lots within the Covered Property shall be held, sold, conveyed, encumbered, leased, used, occupied and improved subject to the protective covenants, conditions, restrictions and equitable servitude set forth in this Declaration. It is the intention of the Declarant in imposing these covenants, conditions and restrictions to create a general plan of development, to protect and enhance the property values and aesthetic values of the Covered Property. The covenants, conditions and restrictions contained herein are intended to, and shall in all cases run with the title of the land, and be binding upon the successors, assigns, heirs, and any other person holding any ownership or possessory interest in the Covered Property, and shall inure to the benefit of all other lots in the Covered Property.

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The covenants, conditions, and restrictions shall be binding upon the Declarant as well as its successors in interest, and may be enforced by the Declarant or by any Owner, as hereinafter defined. Notwithstanding the foregoing, no provisions of this Declaration shall prevent the Declarant from doing any of the following, which shall be deemed to be among Declarant's reserved rights in addition to such rights as may be described elsewhere in this Declaration: (1) Installation and completion of the Improvements, as hereinafter defined; (2) Use of any Lot owned by the Declarant as a model home, or for the placement of a temporary construction or sales office; (3) Installation and maintenance of signs incidental to sales or construction, subject to applicable laws and ordinances; (4) Assignment of Declarant's rights under this Declaration in whole or part to one or more builders intending to construct homes on the Covered Property; and (5) Addition of additional adjacent real property as Covered Property under this Declaration.

Notwithstanding any applicable theory relating to a mortgage, deed of trust or similar instrument, the term Lot Owner, Owner, or Owners shall not mean or include the mortgagee or beneficiary or trustee under a deed of trust unless and until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

ARTICLE I

DEFINITIONS

Unless the context clearly requires otherwise, the following terms used in this Declaration shall have the following meanings:

"City" shall mean the city of South Jordan, Utah and its appropriate departments, officials and boards.

"Committee" shall mean the architectural review committee created under Article III of this Declaration.

"Covered Property" shall have the meaning set forth in the recitals.

"Declarant" shall mean and refer to Parkway Palisades I, L.C., its successors and assigns.

"Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions, together with any subsequent amendments or additions.

"Dwelling" shall mean the single family residence built or to be built on any Lot, including the attached garage.

"Improvement" shall mean all structures and appurtenances of every type and kind, including but not limited to buildings, dwellings, garages, storage buildings, walkways, retaining walls, sprinklers, pipes, driveways, fences, landscaping, pools, decks, stairs, poles, lighting, signs, satellite dishes or

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other antennas, and any mechanical equipment located on the exterior of a building.

"Lot" shall mean any numbered building Lot shown on any official plat of all or a portion of the Covered Property.

"Owner" shall mean the person or persons having title to any Lot. Owner shall mean the person holding fee simple title, including the Declarant, and buyers under any contract for deed, but shall exclude any person or entity holding title for purposes of securing performance of an obligation, including the trustee and/or beneficiary under a deed of trust or mortgagee under a mortgage.

"Paths" shall mean the paths established for walking, bicycle, and horse travel which are dedicated to the City of South Jordan and which are approximately ten feet wide, as shown more specifically on the Plat.

"plat" shall mean an official ownership plat of any portion of the Covered Property, as approved by the City and recorded in the office of the Salt Lake County Recorder, as such plat may be amended from time to time.

"Subdivision Improvements" shall mean all improvements and facilities to be installed outside of the boundaries of Lots or within easements for Horse Trails and Paths, as identified on the Plat, including those items that are necessary to provide access and utility service to the Lots and items required by the City as a condition of its approval of subdivision of the Covered Property.

ARTICLE II

RESTRICTIONS ON ALL LOTS

2.1 Zoning Regulations. The zoning ordinances of the City and any applicable building, fire, and health codes are in full force and effect in the Covered Property, and no Lot may be occupied or used in a manner that is in violation of any such ordinance or Code.

2.2 Business or Commercial Uses. No portion of the Covered Property may be used for any commercial, mining, or business use. Nothing in this provision is intended to prevent (a) the Declarant from using one or more Lots for purposes of a construction office or sales office during construction of the Subdivision Improvements or until the Lots are sold, whichever occurs later, or (b) the conduct of a home occupation entirely within a Dwelling. No home occupation will be permitted which requires or encourages clients, customers, patients or others to come to a Dwelling to conduct business, or which requires any employees outside of the Owner's immediate family or household.

2.3 Restriction on Signs. No signs will be permitted on any Lot within the Covered Property, except for (a) traffic control signs placed by

the City, temporary signs warning of some immediate danger, (b) signs not in excess of six square feet identifying the contractor and/or architect of any Dwelling unit while it is under construction, (c) signs indicating the Lot is for sale, which sign must be placed in accordance with City sign regulations and shall not exceed six square feet in size, and (d) signs stating the address or the name of the owner of a Lot, subject to the consent of the Committee. Notwithstanding the foregoing, the Declarant may erect and maintain a sign at the entrance to the Covered Property for a period of no more than two years after the recordation of the last Plat within the Covered Property announcing the availability of Lots and giving sales information.

2.4 Completion Required Before Occupancy. No Dwelling may be occupied prior to its completion and the issuance of a certificate of occupancy by the City.

2.5 Dwelling to be Constructed First. No garage, storage unit, or other out building may be constructed prior to the construction of the Dwelling on a Lot.

2.6 Livestock, Poultry and Pets. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any lot under $\frac{1}{4}$ acre in size, except that dogs, cats or other household pets may be kept; provided that they are not kept, bred or maintained for any commercial purpose and are restricted to the owner's control; provided further that no more than two such household pets of over six months of age shall be kept on any lot. "Control" for the above purposes shall only mean on a leash or lead, within a vehicle, within the residence of the owner, or within the fenced confines on the Lot. Fierce, dangerous or vicious animals, or animals that cause a nuisance by barking or other offensive activity shall not be permitted. Large animals shall be permitted on $\frac{1}{4}$ acre and larger lots, subject to applicable City ordinances.

2.7 Underground Utilities. All gas, electrical, telephone, television, and any other utility lines in the Covered Property are to be underground, including lines within any Lot which service Improvements within that Lot. No propane tanks or oil tanks may be installed on any Lot except for temporary heat during construction.

2.8 Service Yards. No clothes lines, service yards, or storage yards shall be permitted. Exterior mechanical equipment must be screened in a manner approved by the Committee so that it is not visible from adjoining Lots, except as provided herein.

2.9 Maintenance of Property. All Lots and the Improvements on them shall be maintained in a clean, sanitary, and attractive condition at all times. No unsightliness is permitted on any Lot. This shall include, without limitation, the open storage of any building materials (except during construction of Improvements) open storage or parking of farm or construction equipment, boats, campers, camper shells, trailers, trucks larger than pick-up trucks (except during periods of actual loading and unloading) or inoperable motor vehicles; accumulations of lawn or tree clippings or trimmings; accumulations of construction debris or waste; household refuse or garbage except as stored in tight containers in an enclosure such as a garage, lawn or

garden furniture except during the season of use; and the storage or accumulation of any other material, vehicle, or equipment on the Lot in a manner that is visible from any other Lot or any public street.

2.10 No Noxious or Offensive Activity. No noxious or offensive activity shall be carried out on any Lot, including the creation of loud or offensive noises or odors that detract from the reasonable enjoyment of nearby Lots.

2.11 No Hazardous Activity. No activity may be conducted on any Lot that is, or would be considered by a reasonable person to be unreasonably dangerous or hazardous, which would cause the cancellation of conventional homeowners insurance policy. This includes, without limitation, the storage of caustic, toxic, flammable, explosive or hazardous materials in excess or those reasonable and customary for household uses, the discharge of firearms or fireworks other than in connection with celebration of the 4th of July and 24th of July holidays, and setting open fires (other than properly supervised and contained barbecues).

2.12 Exterior Lighting. Any outdoor lighting shall be subject to approval by the Committee, and no outdoor lighting shall be permitted except for lighting that is designed to aim downward and limit the field of light to the confines of the Lot on which it is installed. This restriction shall not prevent street lighting maintained by the City a front yard post light or lighting installed on top of a mail box structure.

2.13 Annoying Sounds. No speakers, wind-bells, windchimes, or other noise making devices may be used or maintained on any Lot which create noise that might reasonably be expected to be unreasonably or annoyingly loud to adjoining Lots, except for security or fire alarms.

2.14 Fuel Storage. No fuel oil, gasoline, propane, or other fuel storage tanks may be installed or maintained on the property. Dwellings shall be heated with natural gas, solar, or electric heat. Propane or other such containerized fuels may be used only during construction of the Dwelling until the permanent heating system is installed and operational.

2.15 Transient Lodging Prohibited. Lots are to be used for residential housing purposes only, and shall not be rented in whole or in part for transient lodging purposes, boarding house, "bed and breakfast," or other uses for providing commercial accommodations. No lease of any Dwelling shall be for a period of less than 30 days. No Dwelling on a Lot shall be subjected to time interval ownership.

2.16 Re-Subdivision. No Lot may be re-subdivided without the consent of the Committee, and no re-subdivision of any Lot may result in the construction of any additional Dwellings within the Lot.

2.17 Recontouring. No lot shall be recontoured, excluding grading for purposes of basement construction, without the prior written approval of the Committee.

2.18 Drainage. No Owner shall alter the direction of natural drainage from his Lot, nor permit accelerated storm run-off to leave his Lot without first using reasonable means to dissipate the flow energy. Each Owner shall require its builder to deliver finished grades to streets and other common water carriers such as trails, paths, creek, canal or ditch.

2.19 Sewer Connection Required. All Lots are served by sanitary sewer service, and no cesspools, septic tanks, or other types of waste disposal systems are permitted on any Lot. All Dwelling units must be connected to the sanitary sewer system.

2.20 Trash and Rubbish. All Lots (improved or unimproved) shall be kept free of rubbish, weeds, and other unsightly items, and shall be maintained in such a manner as not to detract from the residential quality of the Covered Property. Trash, rubbish, garbage or other waste shall not be kept except in covered containers. Garbage and trash receptacles shall be permitted when kept in a visually screened enclosure.

2.21 Vehicles Restricted to Roadways. No motor vehicle will be operated on the Covered Property except on improved roads and driveways. No snowmobiles or motorcycles will be operated on any Lot except for ingress and egress or while loading the equipment for lawful transport on public streets. No vehicle parking shall be permitted in front or visible side yards other than on designated driveways.

2.22 Overnight Parking and Storage of Vehicles. The storage of any automobiles, trucks, buses, tractors, trailers, camping vehicles, boats, boat trailers, snowmobiles, mobile homes, two and three wheeled motor vehicles, or other wheeled motor vehicles shall be prohibited unless such vehicles are kept from the view of the general public.

2.23 Kennels. No kennel or dog run may be placed or maintained closer than 50 feet to any Dwelling other than the Dwelling on the Lot where the kennel or dog run is maintained.

2.24 Paths. Paths are located throughout the Covered Property as marked on the Plat. Horses shall be permitted on the Paths within the Covered Property, but shall not be permitted on other streets. Paths are available for homeowners' enjoyment by foot, bicycle or horseback. Motor vehicles are prohibited from the Horse Trails and Paths, except for occasional access by Owners to the rear portion of their Lots through a locked gate. Parking is prohibited on the Paths. Declarant shall deed the Paths to the City, by granting an easement or by conveyance of fee ownership thereto. In any event, use of the Paths shall be subject to the limitations set forth in this Declaration.

ARTICLE III

Committee

It is the intention and purpose of this Declaration to impose architectural standards on the Improvements to any Lot of a type and nature that result in buildings which are architecturally compatible in terms of lot coverage, proportion, materials, colors and general appearance, while at the same time allowing for appropriate diversity in style and design. To accomplish this goal, the Declarant hereby establishes the Committee, which is empowered to oversee and enforce the Architectural Design Standards set forth in this Declaration.

3.1 Committee Composition. The architectural control committee (the "Committee") will consist of three members, who may or may not be Owners. The initial Committee shall be appointed by the Declarant or its successor. On the date two years after all of the Lots have been sold by Declarant, or at such earlier date as is selected by Declarant in its sole discretion, the Owners (the Owners of each Lot having one vote) shall elect the membership of the Committee. Prior to the date on which the Owners shall elect the membership of the Committee, Declarant shall have the right to elect the membership. The right to elect the membership of the Committee also includes the right to remove one or more members of the Committee and to fill vacancies. The Committee shall act by a majority vote of those present in any meeting duly called for conducting official business.

3.2 Approval by Committee Required. No Improvements of any kind, including without limitation the construction of any Dwelling, garage, guest house, outbuilding, parking enclosure, driveway, tennis court, walkway, or other hard surfaced area in excess of 100 square feet, swimming pool, outdoor hot tub or spa, fence, wall, curb, trampoline, satellite dish or antenna, solar panel, or any other permanent or temporary structure may be constructed, erected, or installed in the Covered Property without the prior consent of the Committee. No excavation, grading, filling, draining, landscaping, shall be made without the advance written consent of the Committee. Approval of the Committee will be sought in the following manner:

(a) Plans Submitted. Plans for the construction of any new Dwelling must be submitted to the Committee for review. It is recommended that a preliminary plan be submitted before the expense of final construction drawings is incurred. The plan must be in sufficient detail to show the location on the Lot of the exterior walls of the Dwelling and all other structures to be built with it; detailed drawings of all elevations of all buildings showing locations of windows, doors, roof pitches, decks and other exterior elements; a list of exterior materials and roofing materials and/or a sample, including color samples; and a landscaping plan showing the location of landscaped areas, fences (including fence design), driveways, walkways, patios, decks and other hard surfaced or irrigated areas; and engineering data and information about the level of all ground water and how, if at all, the level of such ground water will affect construction with details of how any construction on the plan has been altered to compensate for the level of all

ground water. In the case of an addition or modification of an existing Dwelling, the Committee may waive any of the forgoing it determines to be unnecessary for its review. Submission of plans may be made in two parts, that is, architectural plans without landscape plans and then a separate second submission of the landscape plans. Notwithstanding any review and approval of plans by the Committee, each Owner shall be responsible for the design and placement of improvements on Lots to avoid damage from ground and drainage water, and neither the Committee nor the Developer shall have any responsibility or liability with respect thereto.

(b) Review Fee. The applicant will pay a review fee to the Committee in an amount reasonably necessary to cover the costs of review and the administration of the program in an amount to be established from time to time by the Architectural Committee.

(c) Review. Within 15 days from receipt of a complete submission, the Committee will review plans and make an initial determination whether or not the plans comply with the conditions imposed by the Declaration. If they do not, the plans will be rejected. If they are in compliance, the Committee will approve the plans. The Committee may also approve the plans subject to specific modifications or conditions. Owners may desire to submit preliminary plans for review. The committee will review preliminary plans, without fee, and make its comments known to the Owner provided, however, that no preliminary approval is to be considered a final approval, and no final approval will be granted on less than a complete submission. Upon approval, the Committee and the Owner will each sign a copy of the plans, which shall be left with the Committee. No construction that is not in strict compliance with the approved plans will be permitted.

(d) Written Record. The Committee will maintain a written record of its actions, and maintain in its files a copy of all plans approved or rejected for a period of five years.

(e) Failure to Act. If the Committee has not approved or rejected any submission within 15 days after payment of the review fee and submission of complete plans, the submission is deemed to have been disapproved.

3.3 Variances. Variances to the design standards contained in this Declaration may be granted in the sole discretion of the Committee, but only if strict application of the design standards would create an unreasonable hardship to the Owner of any Lot. The Committee cannot grant any variance that has the effect of modifying applicable zoning or building code regulations.

3.4 Professional Review. The Committee may engage the services of an architect or civil or structural engineer to assist in its review of any proposed improvements, in which case the review fee shall include reimbursement of such expense.

3.5 General Design Review. The Committee will use its best efforts to provide a consistent pattern of development, and consistent application of standards of this Declaration. These standards are, of necessity, general in

nature, and it is the Committee's responsibility to apply them in a manner that results in a high quality, attractive, and well designed community.

3.6 Relaxant and Committee Not Liable. There shall be no liability imposed directly or indirectly on any member of the Committee for any loss, damage, or injury arising out of or in any way connected with the performance of the duties of the Committee unless due to the willful misconduct or bad faith of such member. In reviewing any matter, the Committee shall not be responsible for reviewing, nor shall its approval of any building, structure, or other item be deemed approval of, the building, structure, or other item from the standpoint of safety, whether structural or otherwise, or conformance with building codes or other governmental laws or regulations.

3.7 Limitations on Review. The Committee's review is limited to those matters expressly granted in this Declaration. The Committee shall have no responsibility to enforce building codes, zoning ordinances, or other statutes, laws, or ordinances affecting the development or improvement of real property and shall have no liability to any Owner whose plans were approved in a manner that included any such violation. Corrections or changes in plans to bring them into conformity with applicable codes must be approved by the Committee prior to construction.

ARTICLE IV

ARCHITECTURAL RESTRICTIONS

All Improvements on any Lot shall be subject to the following restrictions and architectural design standards:

4.1 Number of Dwellings. Only one single family residence may be constructed on any Lot. All Dwellings shall have an attached garage for at least two cars.

4.2 Guest Houses, Barns and Out Buildings. Guest houses, barns, out buildings and all other storage buildings must conform to in style and materials, including roof material.

4.3 Dwelling Size. The City has required that the maximum square footage of all floor area not exceed 40% of the Lot area. Garage area shall be included in the City's calculation of total floor area. Additional dwelling size requirements are as follows:

(a) A Rambler, One-story home shall be not less than 2000 square feet. 1600 to 1999 square foot ramblers are permitted with a minimum of 400 additional points which can be earned by providing additional features as described below.

(b) A two-story home shall have not less than 1300 square feet on the main floor, and not less than 2000 square feet of finished living area. 1000 to 1299 square foot main floor living area and or 1600 to 1999 total

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living area shall be permitted if a minimum of 400 extra points are earned by providing additional features as described below.

(c) A Multi-level home means a home with two to three levels above the ground level with some levels being less than a story. A multi-level home shall have not less than 2000 total square feet of living area and a ground coverage of not less than 1600 square feet. However 1800 to 1999 total square footage of living area and or 1400 to 1599 minimum ground coverage shall be permitted if a minimum of 400 extra points are earned by providing additional features as described below.

Additional Points. The following points may be added to house square footage for the purpose of meeting minimum size requirements:

3 car garage = 100 points

High Roof Pitch:

8/12 pitch	= 25 points
9/12 pitch	= 50 points
10/12 pitch	= 75 points
12/12 pitch	= 100 points

Roof Type:

40-year Shingle	= 25 points
Slate	= 50 points
Tile	= 50 points
Shake	= 50 points

Wide Over-Hangs (over 2') = 25 points (Porch not included)

Full masonry = 25 points per side with 75 point maximum

Special design features that in the opinion of the Committee, substantially upgrade the appearance of quality. = up to 200 points.

4.5 Dwelling Height and Width. No structure shall exceed two stories above the main floor or ground level for living space or be more than thirty-five feet above a point representing the average grade at the front setback line, without prior written approval of the Committee. Notwithstanding the foregoing, on lots 210, 202, 203, 231 and lots 301 through 325, no structure shall be more than thirty-five feet above a point representing the average grade at the front setback line, without prior written approval of the Committee. Minimum building length on all lots shall be 60 feet.

4.6 Dwelling Setback and Placement. No building shall be erected upon any residential site so that any part thereof, including eaves and overhangs, shall be:

(a) For lots 228 through 231 and lots 301 through 308, closer than forty feet to the front boundary line of said premises which extends along a platted street in the subdivision;

(b) For all other lots, closer than thirty feet to the front boundary line of said premises which extends along a platted street in the subdivisions.

(b) Closer than ten feet to any side boundary line.

(c) Closer than twenty feet to any rear boundary line.

South Jordan City has advised that although all Lots meet minimum area requirements, the Owner or Builder of a Corner Lot needs to look closely at the setback requirements to insure that there is adequate building pad area after all setbacks are applied.

4.7 Exterior Requirement. No structure shall be built with less than 100% of all the faces of the structure of either brick, stone or stucco (with at least 50% of the front and 25% of sides and rear being either brick or stone) unless otherwise approved by the Committee. The color of all masonry used shall be disclosed to the Committee and Owners are encouraged to submit samples. Limited siding for special trim design areas, amounting to no more than 15% of the surface of a given side of the Dwelling, may be approved by the Committee. The use of metal soffit or facia sections is encouraged. Exposed cement foundation height shall average not more than 18" above finished grade on all sides. Wainscot is acceptable. Wood exteriors are not permitted.

4.8 Roof Design. Roof pitches must be within a range of 5/12 to a 12/12 slope. All roofs shall be pitched. All roofing materials must be of architectural grade asphalt shingles or better, i.e. shake, tile, etc., as approved by the Committee. Mansard, fake mansard, A frame, gambrel, flat, curve-linear, and domed roof designs are prohibited. All roof metal such as flashing, vent stacks, gutters, and chimney caps shall be made of anodized aluminum or galvanized metal painted to match the adjoining roof color.

4.9 Windows. All windows must be at least double glazed. Any trapezoidal window must follow the shape of the walls or roofs surrounding them, with the top parallel to the roof above, and the bottom horizontal or parallel to the roof structure below it. No mirrored or reflective glass may be used.

4.10 Chimney Vents. Chimneys must be enclosed in an approved material. No exposed metal flues are permitted. Vent stacks must be combined to the extent possible to minimize the number of roof penetrations, and should generally not be visible from the street.

4.11 Antennas. All antennas must be enclosed within the Dwelling. Satellite dishes shall not exceed six feet in height and must be located and screened in a manner approved in advance by the Committee so that they are not directly visible from adjoining Lots. No satellite dishes shall be located in front or visible side yards. Solar panels will be permitted only with the consent of the Committee, and if permitted at all, must lie flat against the roof and may not differ in pitch or color from the roof surface on which they

are mounted. No antenna of any sort which is visible from the front of neighboring properties shall be allowed.

4.12 No Used or Temporary Structures. No previously erected, used, or temporary structure, mobile home, trailer house, or any other non-permanent structure may be installed or maintained on any Lot. No metal building or metal storage sheds are allowed.

4.13 Balconies and Decks. Any balcony or deck that is more than twenty-four inches above the natural grade must be constructed in compliance with the following: All railings must have at least four horizontal members. All posts or pillar supporting any deck must be between eight and sixteen inches in width. The area under any deck must be either be landscaped or screened from view so that the view from adjoining Lots or streets is not of the unfinished underside of the deck. The area under any deck shall not be used for storage of equipment, firewood, building material, or similar material. The underside of any deck more than three feet above grade must either be completely screened with vertical lattice or siding, or, if exposed (as in the case of a second story deck or balcony), finished and painted or stained.

4.15 Yard Light, Mail Box, Address Enclosure. An enclosure containing a mail box and newspaper receptacle and lighted street address shall be provided and installed by builder at the time of occupancy to match Dwelling masonry exterior material. After the initial installation, individual lot owners will be responsible for replacing any damaged or missing parts of the enclosure. Said restored enclosures shall be reconstructed to duplicate the original design and construction. Each Dwelling shall have a least one exterior front yard light, which may be installed on top of the mail box and newspaper enclosure. The front yard light shall be wired with a photo electric cell so that it will be on during all night hours and must be maintained in good operating order.

4.16 Driveways. Every garage shall be serviced by a driveway, which shall be of sufficient width and depth so as to park two vehicles side by side completely out of the street right of way. All driveways are to be constructed only of concrete.

4.17 Ground Water. All foundations and other elements of construction shall take into account the actual level of all ground water, at the sole cost of each owner prior to the commencement of construction and as indicated in the plan submitted for approval pursuant to Section 3.2(a) hereof. In the event the Declarant or any other party installs a ground water drainage system for any portion of the Covered Property, Owners shall be required to obtain the approval of the Committee prior to diverting water in to such system.

ARTICLE V

CONSTRUCTION COVENANTS

In order to minimize the inconvenience to neighboring Owners during periods of construction within the Covered Property, the following construction regulations shall be enforced. These regulations shall be made a part of the construction contract between the Owner and the Builder of each Dwelling or other Improvements on a Lot. The Owner shall be bound by these regulations, and violations committed by the Builder or its employees, subcontractors or others shall be deemed a violation by the Owner for which Owner is liable.

5.1 Portable Office or Trailer. A builder or general contractor constructing a home on a Lot may utilize a portable office or trailer during the construction period only. The portable office must be located within the Owner's Lot. The temporary office may not be installed prior to the commencement of construction, and must be removed upon the first to occur of: (1) the issuance of a Certificate of Occupancy, (2) the termination, expiration, or cancellation of the Building Permit, (3) the suspension of construction activities for a period of 60 days, or (4) one year after the commencement of construction.

5.2 Construction Debris Removal. The Builder must comply with City ordinances requiring the placement and maintenance of a trash container or dumpster on the Lot. The Builder shall collect trash at the end of each work day and deposit construction trash, packing material, unusable scraps, and other debris in a suitable container, protected from the wind, and regularly serviced. No trash may be burned, buried, or otherwise disposed of within the Covered Property. No concrete trucks may be cleaned out on the Lot or elsewhere within the Covered Property.

5.3 Construction Area Appearance. The Lot must be maintained in a reasonably organized and neat condition at all times during the construction of a Dwelling or other Improvements. Once the Dwelling is enclosed, materials shall be stored inside, and out of sight, whenever practical and possible.

5.4 Sanitary Facilities. The Builder is responsible for the installation and maintenance of an approved portable toilet facility during construction. The portable toilet must be removed from the site at such time as the permanent plumbing system is operational.

5.5 Construction Sign. During periods of actual construction on the Dwelling, the Owner or Builder may install a sign not to exceed six square feet in area identifying the Lot and the Builder. The sign must also comply with any sign ordinance enacted by the City after the date of this Declaration. The sign must be removed upon completion or abandonment of construction.

5.6 Hours of Work. Daily working hours on the site shall be limited to the period beginning one half hour before sunrise and ending one half hour

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after sunset, unless otherwise restricted by City ordinances. The Builder is responsible for controlling noise emanating from the site.

5.7 Removal of Mud. The Builder is responsible for cleaning up and removing mud that is deposited on the roadways of the Covered Property by their construction operation at least once each week.

5.8 Duration of Construction. No construction shall be undertaken without a building permit and all other necessary permits from the City and any other governmental entity having jurisdiction over construction on the site. No materials, tools, temporary offices or portable toilets, excavation or construction equipment, or similar materials or equipment may be delivered to this site prior to the issuance of the building permit. It is the obligation of the Owner to construct with all reasonable speed once construction has commenced, and in any event, all exterior surfaces of the building shall be substantially completed within a period of six months from the date of the foundation is complete. All landscaping and soil stabilization work must be completed as soon as possible after completion of the exterior of the Dwelling, but in no event later than the summer following completion of the exterior of the Dwelling.

ARTICLE VI

LANDSCAPE STANDARDS

It is the intent of the Declaration to require appropriate landscaping of Lots following construction of any Improvements, and to encourage the use of appropriate plant materials. The use and Improvement of each Lot is subject to the following Landscape Standards:

6.1 Lawn and Landscaping Required. Front yard and visible side yard lawns are to be installed within 30 days of occupancy or by March 30th in the case of a winter occupancy. As soon as practical following completion of the construction of the Dwelling, but in no event later than the summer immediately following completion of construction, or not later than 18 months from the issuance of a building permit, whichever first occurs, each Owner is required to fully landscape his or her Lot. The Owner may plant lawns and gardens, plant shrubbery, trees or other ornamental plantings or replace natural species. Front and visible side yard lawn areas must be provided with sod and not grown from seed or power mulching. Trees, lawns, shrubbery and other plantings provided by each lot owner shall be properly nurtured and maintained at the Owner's sole expense, including replacement of the same upon the request of the Committee.

6.2 Placement of Trees. Planting of a minimum of six trees within each Lot is required. Conifers shall be a height of at least six feet and deciduous trees shall be at least a two inch caliper. The planting and placement of the trees is to be accomplished in accordance with the landscape plan submitted to and approved by the Committee. The lot Owner is required to

plant and maintain at least two trees in the parking strip between the back of the curb and the sidewalk in front of his or her Lot. The type and size is to be determined by the committee. Only sod and trees will be permitted in the parking strip.

6.3 Sprinkler System. All landscape and lawn areas, including those in the landscape strip, shall be provided with permanent underground sprinkler systems.

6.4 Fences. Fencing shall be permitted in the Covered Property only in accordance with applicable City ordinances and must be decorative in nature. No fences may be constructed without the prior approval of the Committee, which may include in its approval criteria considerations of style, material, height, and effect on neighboring properties. White PVC rail or approved decorative fencing shall be required for pastures, animal areas and trails. Barb wire, field fence on posts and wood fencing is prohibited. No chain link is permitted as cross-fencing or in back and side yards where it is visible from roads.

6.5 Fires. No exterior fires whatsoever, except barbecue fires contained in receptacles provided therefor, shall be allowed.

6.6 Compaction. Each Owner shall be responsible to ensure a minimum of 95% compaction of soil and fill materials under all footings, structural, and flat concrete areas and to ensure a minimum compaction of 90% under all lawn and landscaped areas.

ARTICLE VII

OWNERS' MAINTENANCE OBLIGATIONS

7.1 Duty to Maintain. The Owner of each Lot shall maintain his or her Lot and the Improvements thereon in a good state of repair and an attractive, safe, and health condition.

7.2 Repair by Committee. In the event that an Owner permits his Lot or Improvements to fall into a state of disrepair that is in a dangerous, unsafe, unsanitary, or unsightly condition or fails to comply with any other covenant or restriction in violation of this Declaration, the Committee or any Owner may give written notice to the Owner describing the condition complained of and demanding that the Owner correct the condition within 30 days. If the Owner fails to take corrective action, the Committee or any Owner shall have the right, but not the obligation, to enter upon the offending Owner's Lot and take corrective action to abate the condition. All costs of abatement shall be charged to the Owner, who agrees to promptly pay the reasonable costs of any work performed under this provision. In addition, each Owner hereby grants to the Committee a lien on the Lot and any Improvements to secure repayment of any sums advanced pursuant to this section, which lien may be foreclosed at any time by the Committee in the manner prescribed in Utah for the foreclosure of mortgages. Alternatively, without requiring foreclosure, the Committee may seek collection of sums advanced directly from the Owner of

the Lot in question. In order to claim such a lien, the Committee shall record a notice of lien in the office of the Salt Lake County Recorder, setting forth the amount claimed and the work performed for which such lien is asserted. Unpaid amounts will bear interest from the date advanced at the lawful judgement rate under applicable state law.

7.3 Alteration of Exterior Appearance. The Owners will maintain their Lots and Improvements in substantially the same condition and appearance as that approved by the Committee. No subsequent exterior alterations, improvements or remodeling, whether structural or changes in landscaping, paint color or materials will be made without the advance consent of the Committee.

7.4 Repair Following Damage. In the event of casualty loss or damage to the Improvements, the Owner will be entitled to reconstruct the Improvements as they existed prior to the damage or loss without review by the Committee, provided however that alterations or deviations from the original approved plans will require review. Nothing in this Declaration is intended to prevent an Owner who has suffered property damage or loss from taking temporary measures to secure the property and prevent further damage, or to prevent injury or dangerous conditions following loss or damage, before reconstruction begins. Such temporary measures may be taken without the consent or approval of the Committee, provided that any such measures must be of a temporary nature, and repair or reconstruction must begin as soon as circumstances will permit. No damaged structure will be permitted to remain on any Lot for more than 90 days without repairs commencing, and any damaged structure which remains unrepairs after 90 days following the occurrence of damage shall be deemed a nuisance.

ARTICLE VIII

GENERAL PROVISIONS

8.1 Violation Deemed a Nuisance. Any violation of these Covenants which is permitted to remain on the property is deemed a nuisance, and is subject to abatement by the Association or by any other Owner.

8.2 Remedies.

(a) Any single or continuing violation of the Covenants contained in this Declaration may be enjoined in an action brought by the Declarant (for so long as the Declarant is the Owner of any Lot), by any other Owner, or by the Committee in its own name. In any action brought to enforce these Covenants, the prevailing party shall be entitled to recover as part of its judgment the reasonable costs of enforcement, including attorneys fees and costs of court.

(b) Nothing in this Declaration shall be construed as limiting the rights and remedies that may exist at common law or under applicable federal, state or local laws and ordinances for the abatement of nuisances, health and

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safety, or other matters. These covenants, conditions and restrictions are to be construed as being in addition to those remedies available at law.

(c) The remedies available under this Declaration and at law or equity generally are not to be considered as exclusive, but rather as cumulative.

(d) The failure to take enforcement action shall not be construed as a waiver of the Covenants contained in this Declaration in the future or against other similar violations.

8.3 Severability. Each of the covenants, conditions and restrictions contained in this Declaration shall be independent of the others, and in the event that any one is found to be invalid, unenforceable, or illegal by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

8.4 Limited Liability. Neither the Declarant, the Committee or its individual members, nor any other Owner shall have personal liability to any other Owner for actions or inactions taken under these Covenants, provided that any such action or inaction is the result of the good faith exercise of their judgment or authority, under these Covenants, and without malice.

8.5 Amendment. At any time while this Declaration is in effect, the Owners of 75% of the Lots may amend the provisions of this Declaration, provided that so long as Declarant owns any portion of the Covered Property, Declarant's approval to any amendment shall be required. Any amendment must be in writing. No such amendment will be binding upon the holder of any mortgage or trust deed unless the holder joins in the amendment.

8.6 Constructive Notice. Every person who owns, occupies, or acquires any right, title or interest in any Lot in the Covered Property is conclusively deemed to have notice of this Declaration and its contents, and to have consented to the application and enforcement of each of the covenants, conditions, and restrictions contained herein against his Lot, whether or not there is any reference to this Declaration in the instrument by which he acquires his interest in any Lot.

8.7 Notices. All notices under this Declaration are deemed effective 72 hours after mailing, whether delivery is proved or not, provided that any mailed notice must have postage prepaid and be sent to the last known address of the party to receive notice. Notices delivered by hand are effective upon delivery.

8.8 Interpretation. The provisions of this Declaration shall be interpreted liberally to further the goal of creating a uniform plan for the development of the Covered Property. Paragraph headings are inserted for convenience only and shall not be considered an interpretation of the provisions. The singular will include plural, and gender is intended to include masculine, feminine and neuter as well.

8.9 Mortgagee Protection Provision. The breach of any of the foregoing covenants shall not defeat or render invalid the lien of any

mortgage or deed of trust lien on the Covered Property that is made in good faith and for value; provided, however, that all of the covenants contained herein shall be binding upon and effective against any owner of a Lot whose title thereto is acquired by foreclosure, trustee's sale or other foreclosure proceeding, from and after the date of such foreclosure, trustee's sale or other foreclosure proceeding. The lien provided for in Section 7.2 hereof shall be subordinate to the lien of any first mortgage or deed of trust which was recorded before any Notice of Lien became recorded.

Executed on the date stated above.

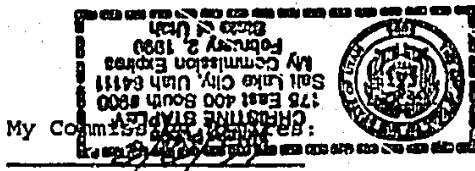
PARKWAY PALISADES I, L.C., a Utah limited liability company

by Dev-Quest, Inc., a Utah corporation,
member

By David R. Ross
David R. Ross
President

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

The foregoing instrument was acknowledged before me this 30th of January, 1996, by David R. Ross, president of Dev-Quest, a member of Parkway Palisades I, L.C.



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January 20, 1996 2:43 pm
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EXHIBIT A

[LEGAL DESCRIPTION OF THE COVERED PROPERTY]

All lots in Parkway Palisades Phases II and III.

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