

When recorded mail to:
Elliott Christensen
Property Reserve, Inc.
60 East South Temple, Suite 780
Salt Lake City, Utah 84111

COVENANTS, CONDITIONS AND RESTRICTIONS

ENT 66764 BK 3051 PG 633
NINA B REID UTAH CO RECORDER BY BT
1992 DEC 4 3:50 PM FEE 18.00
RECORDED FOR AFFILIATED TITLE COMPANY IN

ATC 27388

Whereas, Property Reserve Inc. ("PRI"), and Robert Patterson and Patricia Patterson (collectively "Patterson"), have entered into that certain Exchange Agreement, dated the 25th day of November, 1992 whereunder PRI has agreed to exchange certain real property owned by it situate in American Fork, County of Utah, State of Utah for certain real property owned by Patterson situate in Alpine, County of Utah, State of Utah, subject to the terms and conditions of such Agreement; and

Whereas, a condition of such Agreement and the exchange thereunder is that the covenants, conditions, restrictions, limitations and provisions herein are entered into by the parties and are placed of record in the office of the County Recorder of Utah County, and that a portion of the real property Patterson acquires pursuant to such exchange becomes subject thereto.

Now, therefore, for good and valuable consideration, receipt of which is acknowledged, the parties hereby make the following declaration as to covenants, conditions, restrictions, limitations and uses (the "Declaration") to which the real property described on Exhibit A hereto (the "Property") and any part thereof may be put, and specify that such Declaration shall run with the land, as provided by law, and shall be binding upon all persons claiming under them, and for the benefit of and limitations on, all future owners of all or any portion of the Property, this Declaration being designed for the purpose of keeping the Property and all portions thereof desirable, uniform, attractive and suitable in architectural design and use as specified herein, and also in all respects compatible with the present and future nature and use,

design and attractiveness, of that certain real property and improvements thereon which are owned by PRI, or its successors, assigns, transferees, or grantees, and are adjacent to the Property, to wit, the real property described on Exhibit B hereto.

Section One

Agricultural Use

The Property shall be used for agricultural purposes unless and until subdivided and developed for residential purposes in accordance with the then existing governmental laws and regulations and the provisions of this Declaration as hereinafter set forth.

Section Two

Residential Building and Use Restrictions

1. In the event that the then owner of the Property determines that it is to be used for residential purposes, said owner shall subdivide said Property into lots and develop the same for use as residential single-family dwelling houses only, in conformity with the provisions of this Section of the Declaration in every respect, and in accordance with applicable law.

2. No building whatever except a single family dwelling house with the necessary outbuildings, including a private garage, shall be erected, placed, or permitted on the Property or any part thereof, and such single family dwelling house shall be used only as a private residence. No portion of the Property shall be developed or used as or for condominiums or planned unit developments.

3. No single family dwelling house and necessary outbuildings shall be placed on any lot within the Property unless:

- (a) The lot has an area of not less than one-third ($1/3$) of an acre.
- (b) No other single family dwelling house and necessary outbuildings shall have been built on said lot.
- (c) The ground floor area thereof shall be not less than 1,800 square feet in the case of a one (1) story structure, nor less than 2,200 square feet in case of a one and one-half ($1\frac{1}{2}$), or two (2) story structure, exclusive of any basement area and any garages, porches, eaves and steps.
- (d) No portion thereof shall be built and maintained less than thirty (30) feet from the lot front line, twelve (12) feet and ten (10) feet, respectively, from the exterior sides of the lot, and thirty (30) from the lot rear line.
- (e) It shall be no more than forty (40) feet in height.
- (f) The main level thereof shall be constructed of brick or stone.
- (g) The cost thereof, when completed, shall equal or be greater than One Hundred Twenty Thousand Dollars (\$120,000.00) in 1992 dollars.
- (h) The roof materials thereof shall have at least a reasonably estimated 30 year life.

4. No animals, reptiles, insects, birds, livestock or poultry of any kind shall be raised, bred or kept on any lot or portion of the Property; provided, that dogs, cats and other household pets may be kept, so long as they are not kept, bred or

maintained for commercial purposes, and they are kept under reasonable control at all times.

5. No trash, garbage, ashes, rubbish or other refuse, junk, vehicles in disrepair, underbrush, automobile graveyard, or other unsightly growths or objects, shall be maintained on any portion of the Property, and all such trash, garbage, ashes, rubbish and other refuse shall be placed and maintained in sanitary containers only, located in appropriate areas concealed from public view.

6. No automobile, recreational vehicle, truck, or other vehicle, boat, boat trailer, house trailer, or horse trailer, or any part thereof shall be stored or permitted to remain on the Property or any portion thereof unless the same is parked, stored or placed in a garage or fully screened place or area, except for temporary storage for a period not to exceed seven (7) consecutive days in duration, with such temporary occurrences not to exist more than two (2) times in any one calendar year.

7. All lines and cables for telephone, power, cable television, or otherwise shall be placed underground and no such wires shall show on the exterior of any dwelling house or outbuilding unless the same shall be underground or in a conduit attached to such house or building. Television or radio antennae or aerials shall not be installed on the roof of any dwelling house or outbuilding, but shall be installed and enclosed within the single family dwelling house or necessary outbuilding. Television satellite dishes shall not be installed on the roof of any such dwelling house or outbuilding, but shall be situate on the ground and adequately concealed from view as provided hereafter.

8. Any construction commenced on any single family dwelling house and necessary outbuilding shall be substantially completed, including, but not limited to, all painting, within nine (9) months from the date such construction is commenced, and shall be constructed in compliance with the pertinent zoning and building codes of local and state governments, and of any and all other governmental entities that have jurisdiction thereof at the time of undertaking such buildings and improvements.

9. No fence or wall shall be constructed, or hedge allowed to grow, to a height in excess of six (6) feet measured from the ground on which it stands; all fences and walls shall be constructed of stone, brick or wood, and otherwise shall be compatible with the neighborhood. If a single family dwelling house shall face south and front upon a public road, then in such event no fence or wall shall be constructed between said dwelling house and the road; and if a single family dwelling house shall back on a public road, then, in such event, the owner of such dwelling house shall construct a wall of stone or brick at least four (4), but not greater than six (6), feet in height along the boundary line adjoining the road.

10. All driveways and parking areas located on a lot or any portion of the Property shall be constructed of concrete, concrete aggregate or asphalt.

11. Heat pumps, propane tanks, solar devises, 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.

12. No part of any single family dwelling house and necessary outbuilding shall be used as an apartment or be the subject of any sublease or like rental arrangement. Any lease agreement relating to the entire dwelling house shall provide that the lease shall be subject in all respects to the provisions hereof, and that any failure of the lessee to comply with the terms hereof shall constitute a default under the lease.

13. No noxious, illegal, or offensive use of property shall be carried on any lot or portion of the Property, 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 of a lot, nor purchaser or purchasers of a lot, shall at any time conduct or permit to be conducted on any lot or portion of the Property any trade, or business of any description, either commercial or noncommercial, or otherwise, including, without limitation, day schools, or nurseries, nor shall such premises be used for any other purposes whatsoever except for the purpose of providing a private, single-family dwelling house.

14. Each owner of a single family dwelling house, shall, at such owner's sole cost and expense, maintain and repair such dwelling house, so as to keep the same in a condition comparable to that at the time of its initial construction, excepting reasonable and normal wear and tear thereof.

15. No signs shall be displayed to the public view on any lot or portion of the Property, except that a "For Sale" may be placed upon such lot or portion of the

Property provided it does not exceed eighteen (18) inches by twenty-four (24) inches, in size.

Section Three

Miscellaneous and General Provisions

1. PRI, Patterson, or any owner of a lot or portions of the Property, or any owner of the real property described on Exhibit B (the "Adjacent Landowner"), shall have the right to enforce, by any proceeding at law or in equity, all provisions of this Declaration, including, without limitation any proceeding to enjoin, prevent or abate any violation hereof, or to recover damages sustained by reason of such violation, or for declaratory relief, or any combination thereof. Failure by any such party to enforce any provision contained in this Declaration shall in no event be deemed a waiver of the right to do so at a later date.

2. Invalidation of any one of the provisions contained in this Declaration by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

3. This Declaration may be amended by duly recording an instrument executed and acknowledged by PRI, the Adjacent Landowner, or their respective successors or assigns, and the then owners of three fourths (3/4) of the lots comprising the Property, or if the Property has not been subdivided, then by PRI, the Adjacent Landowner, or their respective successors or assigns, and Patterson, or its successors or assigns.

4. No breach of any of the provisions contained in this Declaration 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 any lot or portion of the Property; provided, however, that such provisions shall be binding on any owner whose title is acquired by foreclosure, trustee's sale, or otherwise.

5. The provisions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by PRI, the Adjacent Landowner, or their respective successors or assigns, and each of the then owners of the lots comprising the Property, or if the Property has not been subdivided, then by PRI, the Adjacent Landowner, and Patterson, or their respective successors or assigns, for a period of twenty (20) years from the date of this Declaration, and thereafter shall continue automatically in effect for additional periods of ten (10) years, unless otherwise agreed to in writing by PRI, the Adjacent Landowner, or their respective successors or assigns, and the then owners of three fourths (3/4) of the lots comprising the Property, or if the Property has not been subdivided, then by PRI, the Adjacent Landowner, and Patterson, or their respective successors or assigns.

6. This Declaration shall be governed by, construed, and enforced in accordance with, the laws of the State of Utah.

7. "Lot" shall mean any portion of the Property not less than one third (1/3) of an acre and so designated as a lot on any subdivision map recorded hereafter, which map shall be in accordance with Utah law and regulations of all governmental authorities having jurisdiction thereof, and be otherwise approved by such authorities.

"Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to the Property if the same has not been subdivided, or if subdivided, then the owner of a fee simple title to any lot that is a part of the Property, and shall include contract sellers, but shall not include those holding title merely as security for the performance of an obligation.

8. In any action brought to enforce the provisions hereof, including, without limitation, any proceeding to enjoin, prevent, or abate any violation hereof, or to recover damages sustained by reason of such violation, or for declaratory relief, or any combination thereof, the prevailing party shall be entitled to recover in connection therewith all costs of such action, including its reasonable attorney fees.

9. This Declaration is subordinate, and subject, to that certain reservation of easement for water and irrigation purposes as set forth in the Warranty Deed between PRI, as grantor, and Patterson, as grantee, of even date and recorded concurrently in the Office of the Utah County Recorder, State of Utah.

Dated this 25th day of NOVEMBER, 1992.

Property Reserve, Inc.

By Wayne S. Jacek WJS
VICE PRESIDENT SC

Robert Patterson
Robert Patterson

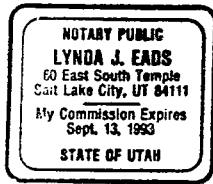
Patricia Patterson
Patricia Patterson

CERTIFICATE OF ACKNOWLEDGEMENT

STATE OF UTAH)
 : SS
COUNTY OF SALT LAKE)

On this 2 day of December, 1992, personally appeared before me Wayne D. Facer, whose identity is personally known to me or proved to me on satisfactory evidence and who by me duly sworn (or affirmed), did say that he is the Vice President of Property Reserve Inc. and that said document was signed by him in behalf of said corporation by authority of a Resolution of its Board of Directors, and said Wayne D. Facer acknowledged to me that said corporation executed the same.

[SEAL]

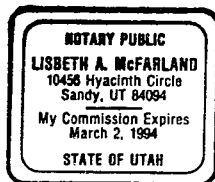


Lynda J. Eads
NOTARY PUBLIC
My Commission Expires Sept 13, 1993

STATE OF UTAH)
 : SS
COUNTY OF UTAH)

On this 25 day of November, 1992, personally appeared before me Robert Patterson and Patricia Patterson, proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to this instrument, and acknowledged that they executed the same.

[SEAL]



Lisbeth A. McFarland
NOTARY PUBLIC
My Commission Expires March 2, 1994

EXHIBIT A

ENT66764 BK 3051 PG 643

The Property subject to the Declaration consists of any portion of the hereinafter described land (the "Land") lying within four hundred sixty-six (466) feet of the real property described on Exhibit B hereto, the Land being situate in Utah County, State of Utah, and being described as follows:

Commencing at a point located in the northerly right of way line of 8800 North Street, said point being North 89°32'19" East along section line 1169.06 feet and North 49.83 feet from the Southwest corner of Section 7, Township 5 South, Range 2 East, Salt Lake Base and Meridian; thence North 00°35'47" West 80.84 feet; thence along the arc of a 883.00 foot radius curve to the left 616.45 feet (chord bears North 20°35'47" West for 604.01 feet); thence North 40°35'47" West 1115.05 feet; thence along the arc of a 817.00 foot radius curve to the right 580.24 feet (chord bears North 20°15'02" West for 568.12 feet); thence North 00°05'43" East 556.24 feet; thence North 89°24'22" East 1299.27 feet; thence South 00°10'00" East 2596.08 feet to the northerly right of way line of 8800 North Street; thence North 89°51'03" West along said right of way line 172.12 feet to the point of beginning.

Commencing at a point located in the easterly right of way line of 4800 West Street, said point being North 00°00'07" East along section line 58.09 feet and East 30.09 feet from the Southwest corner of Section 7, Township 5 South, Range 2 East, Salt Lake Base and Meridian; thence North 00°05'43" East along said right of way line 1049.21 feet; thence along the arc of a 367.00 foot radius curve to the right 315.84 feet (chord bears North 24°44'58" East for 306.18 feet); thence North 49°24'13" East 95.76 feet; thence South 40°35'47" East 1034.00 feet; thence along the arc of a 817.00 foot radius curve to the right 570.37 feet (chord bears South 20°35'47" East for 558.86 feet); thence South 00°35'47" East 79.98 feet to the northerly right of way line of 8800 North Street; thence North 89°51'03" West along said right of way line 324.51 feet; thence South 89°50'00" West along said right of way line 748.41 feet to the point of beginning.