

WHEN RECORDED RETURN TO  
STEVE KIRKPATRICK  
POST OFFICE BOX 8600  
PALM SPRINGS, CA 92263-6600

6764340  
10/15/97 4:27 PM 40.00  
NANCY WORKMAN  
RECORDER, SALT LAKE COUNTY, UTAH  
METRO NATIONAL TITLE  
REC BY: Z JOHANSON DEPUTY - WI

6764340

COVENANT AGREEMENT

THIS AGREEMENT is made and entered into as of the 2nd day of October, 1997 between 115 SOUTH ASSOCIATES, LLC ("Covenantor"), the owner of that certain real property described in Exhibit A attached hereto and made a part hereof ("Covenantor's Property"), and MICHAEL D. LILJENQUIST, TRUSTEE OF THE M. LILJENQUIST TRUST ("Covenantee"), the owner of that certain real property described in Exhibit B attached hereto and made a part hereof ("Covenantee's Property").

RECITALS

A. Covenantee is executing and delivering that certain sewer easement in the form attached hereto and made a part hereof to Covenantor to permit the Covenantor to install and operate a sewer pipe across Covenantee's Property for the benefit of Covenantor's Property.

B. Covenantee is requiring that the owner of Covenantor's Property agree to pay for the costs of relocating the sewer easement if requested to do so by the owner of Covenantee's Property.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Covenantee has reserved the right to require the Salt Lake County Sewerage Improvement District No. 1 to relocate the easement created by the "Sewer Easement" attached hereto as Exhibit C and made a part hereof at Covenantee's sole cost and expense.

Covenantor hereby agrees that in the event that Covenantee elects to have the sewer easement relocated, that Covenantor will pay all costs associated with the relocation of the facilities from the easement area to other portions of Covenantee's Property designated by Covenantor.

2. The foregoing Covenant shall burden and be binding upon Covenantor's Property and shall benefit Covenantee's Property and shall run with the land and benefit or be binding upon each successive owner during his, hers or its ownership of any portion of the land affected hereby and each person having any interest therein derived through any owner of the land affected hereby.

3. If any owner of Covenantor's Property or Covenantee's Property commences any legal action to enforce or interpret this Agreement, the prevailing party in each such action will be entitled to recover all of its reasonable attorney's fees and costs in each such action from the losing party.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT.

("COVENANTOR")

115 SOUTH ASSOCIATES, LLC

BY \_\_\_\_\_  
ITS \_\_\_\_\_

BY \_\_\_\_\_  
ITS \_\_\_\_\_

("COVENANTEE")

THE M. LILJENQUIST TRUST

BY   
MICHAEL D. LILJENQUIST

NOTARIZE



Covenantor hereby agrees that in the event that Covenantee elects to have the sewer easement relocated, that Covenantor will pay all costs associated with the relocation of the facilities from the easement area to other portions of Covenantee's Property designated by Covenantor.

2. The foregoing Covenant shall burden and be binding upon Covenantor's Property and shall benefit Covenantee's Property and shall run with the land and benefit or be binding upon each successive owner during his, hers or its ownership of any portion of the land affected hereby and each person having any interest therein derived through any owner of the land affected hereby.

3. If any owner of Covenantor's Property or Covenantee's Property commences any legal action to enforce or interpret this Agreement, the prevailing party in each such action will be entitled to recover all of its reasonable attorney's fees and costs in each such action from the losing party.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT.

("COVENANTOR")

("COVENANTEE")

115 SOUTH ASSOCIATES, LLC

THE M. LILJENQUIST TRUST

BY

*[Handwritten signature]*  
ITS *[Handwritten signature]*

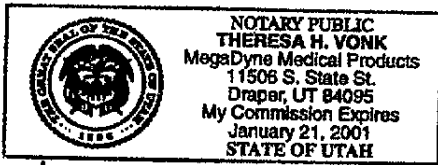
BY

MICHAEL D. LILJENQUIST

BY

*[Handwritten signature]*  
ITS *[Handwritten signature]*

NOTARIZE



*Theresa H. Vonk*

BK7782PG1336

EXHIBIT A

THAT CERTAIN REAL PROPERTY DESCRIBED IN THE SPECIAL WARRANTY DEED RECORDED JANUARY 30, 1997, IN BOOK 7588 AT PAGE 0758 AS ENTRY NO. 6560719 IN THE OFFICIAL RECORDS OF SALT LAKE COUNTY, UTAH.

BK7782PG1337

6740340

WHEN RECORDED, MAIL TO:  
Craig F. McCullough  
Gateway Tower East Suite 900  
10 East South Temple  
Salt Lake City, Utah 84133

6560719  
4540710 14-00  
01/30/97 10:17 AM  
NANCY WORKMAN  
RECORDER, SALT LAKE COUNTY, UTAH  
CALLISTER, WEBER & MCCULLOUGH  
GATEWAY TOWER EAST STE. 900  
10 E SOUTH TEMPLE SLC, 84133  
REC BY: B ROHE DEPUTY - MP

**SPECIAL WARRANTY DEED**



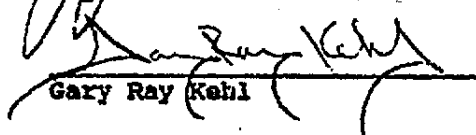
AGEM Investment Company, L.C., grantor, of 11506 South State Street, Draper, Utah, Salt Lake County, Utah 84020, hereby CONVEYS and WARRANTS against all claiming by, through or under it to 115 South Associates, LLC, grantees, of 11506 South State Street, Draper, Utah, Salt Lake County, Utah 84020, for the sum of TEN AND NO/100 (\$10.00) DOLLARS, and for other good and valuable consideration, the following described property located in Salt Lake County, State of Utah:

Beginning at a point which is 374.63 feet South 0°10'30" West along the section line from the East quarter corner of Section 24, Township 2 South, Range 1 West, Salt Lake Base and Meridian; thence South 0°10'30" West 188.44 feet; thence West 746.30 feet to the Easterly right of way line of the 1-15 Freeway; thence North 10°15'20" West 153.29 feet along said right of way line; thence North 6°43'00" West 47.92 feet along said right of way line; thence South 89°16'00" East 779.84 feet to the point of beginning.

Subject to all easements, covenants, restrictions, rights of way and reservations appearing of record, and taxes for the year 1995, and thereafter.

WITNESS the hand of said grantor this 22 day of JANUARY, 1997, 1995.

AGEM, L.C.  
MANAGERS:

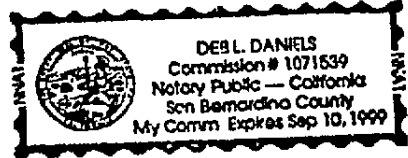
  
G. Marsden Bianchi, M.D.  
  
Jay Dennis Southwick  
  
Gary Ray Kehl

BK 758980754

Matthias R. Sansom  
Matthias R. Sansom

State of California ) ss  
County of San Bernardino )

On the January 22, 1997, before me, DEB L. DANIELS, the undersigned Notary Public in and for said State, personally appeared GEORGE MARSDEN BLANCH, and proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the SPECIAL WARRANTY DEED, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or entity on behalf of which the persons acted, executed the instrument.



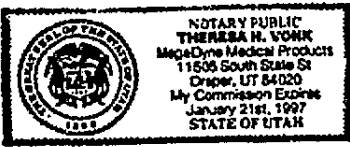
WITNESS my hand and official Seal.

Deb L. Daniels  
Notary's Signature

(This area of Official Notarial Seal)

STATE OF UTAH )  
COUNTY OF SALT LAKE ) ss.

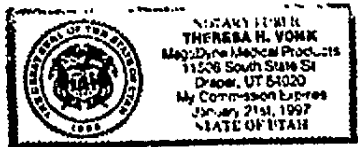
On the 3 day of January, 1996, personally appeared before me, Jay Dennis Southwick, a signer of the foregoing Special Warranty Deed, who duly acknowledged to me that he executed the same.



Theresa H. Vonk  
NOTARY PUBLIC  
Residing at: 11506 South State Street  
My Commission Expires: January 21, 1997

STATE OF UTAH )  
COUNTY OF SALT LAKE ) ss.

On the 20 day of December, 1996, personally appeared before me, Gary Ray Kehl, a signer of the foregoing Special Warranty Deed, who duly acknowledged to me that he executed the same.



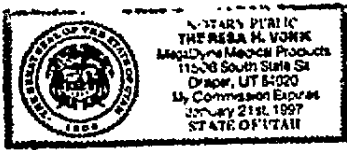
Theresa H. Vonk  
NOTARY PUBLIC  
Residing at: 11506 South State Street  
My Commission Expires: January 21, 1997

BK7588FC0759

BK7782PG1339

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

On the 20 day of December, 1996, personally  
appeared before me, Matthias R. Sansom, a signer of the foregoing  
Special Warranty Deed, who duly acknowledged to me  
that he executed the same.



Theresa H. Vonk  
NOTARY PUBLIC  
Residing at: 11500 South State  
My Commission Expires: January 21, 1997

~~BK7588PG0760~~

BK7782PG1340



EXHIBIT B

THAT CERTAIN REAL PROPERTY DESCRIBED IN THE WARRANTY DEED RECORDED JULY 9, 1996 IN BOOK 7439 AT PAGE 1960 AND RECORDED AS ENTRY NO. 6401240 IN THE OFFICIAL RECORDS OF SALT LAKE COUNTY, UTAH.

Recorded at Request of: METRO NATIONAL TITLE  
File Number: 96015073A

Mail Tax notice to:  
MICHAEL D. LILJENQUIST, Trustee  
1925 Union Park Center  
Mudlake, UT 84047

~~8401240~~  
07/09/96 11:05 AM 15.00  
NANCY WORKMAN  
RECORDER, SALT LAKE COUNTY, UTAH  
METRO NATIONAL TITLE  
REC BY: V ASHBY .DEPUTY - WI

OFFICIALS

WARRANTY DEED

REGINA F. FAIRBOURN, TRUSTEE of the REGINA F. FAIRBOURN TRUST GRANTOR  
of the COUNTY OF SALT LAKE, STATE OF UTAH, hereby CONVEYS and  
WARRANTS TO:

MICHAEL D. LILJENQUIST, TRUSTEE OF THE M. LILJENQUIST TRUST

GRANTEE  
of SALT LAKE COUNTY, STATE OF UTAH, for the sum of TEN AND  
00/100'S DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, the  
following described tract (s) of land in SALT LAKE County, State  
of Utah:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF  
SUBJECT TO:  
County and/or City Taxes not delinquent; Bonds and/or Special  
Assessments not delinquent and Covenants, Conditions,  
Restrictions, Rights-of-Way, Easements, Leases and Reservations  
now of Record.

WITNESS, the hand(s) of said grantor(s), this 9th day of JULY,  
1996.

*Regina F. Fairbourn, Trustee*  
REGINA F. FAIRBOURN, TRUSTEE

State of Utah, County of SALT LAKE: ss

On July 9, 1996 personally appeared before me REGINA F.  
FAIRBOURN who upon being duly sworn (or affirmed) upon oath that  
she did sign the foregoing instrument with authority as granted  
in the capacity as TRUSTEE of the REGINA F. FAIRBORN TRUST, and  
that the said REGINA F. FAIRBOURN duly acknowledged to me that  
she executed the same.



*Melissa Buck*  
Notary Public

My Commission Expires:

Residing at:

BK 74-3940-950

BK 7782 PG 1342

EXHIBIT "A"

PARCEL 1:

Commencing at the East quarter corner of Section 24, Township 3 South, Range 1 West, Salt Lake Meridian; and running thence West 220 feet; thence South 220 feet; thence East 220 feet; thence North 220 feet to beginning.

PARCEL 2:

Beginning South 0 deg. 10'30" West 243.95 feet from the East quarter corner of Section 24, Township 3 South, Range 1 West, Salt Lake Meridian; and running thence North 89 deg. 03' West 286.32 feet; thence North 0 deg. 10'57" East 13.75 feet; thence West 500.06 feet; thence North 06 deg. 43' West 139.86 feet; thence North 80 deg. 10'48" East 338.77 feet; thence North 30.92 feet; thence East 279.27 feet; thence South 220 feet; thence East 220 feet; thence South 23.95 feet to beginning.

LESS THAT PORTION within the bounds of State Street.

PARCEL 3:

Beginning at a point which is South 00 deg. 10'30" West along the section line 374.63 feet and North 89 deg. 16'00" West 296.62 feet from the East quarter corner of Section 24, Township 3 South, Range 1 West, Salt Lake Base and Meridian; and running thence North 89 deg. 16'00" West 270.39 feet; thence South 00 deg. 10'30" West 195.70 feet; thence West 179.31 feet to the Easterly right of way line of Interstate 15; thence along said Easterly right of way line the following two (2) courses: (1) North 10 deg. 15'20" West 153.29 feet (2) North 06 deg. 43'00" West 188.34 feet; thence East 500.06 feet; thence South 00 deg. 10'57" West 145.65 feet to the point of beginning.

LESS AND EXCEPTING THE FOLLOWING DESCRIBED PROPERTY:

Beginning at a point which is 374.63 feet South 0 deg. 10'30" West along the section line from the East quarter corner of Section 24, Township 3 South, Range 1 West, Salt Lake Base and Meridian; thence South 0 deg. 10'30" West 188.44 feet; thence West 746.30 feet to the Easterly right of way line of the I-15 Freeway; thence North 10 deg. 15'20" West 153.29 feet along said right of way line; thence North 6 deg. 43'00" West 47.92 feet along said right of way line; thence South 89 deg. 16'00" East 779.84 feet to the point of beginning.

~~BK 7782 PG 1343~~

BK 7782 PG 1343

When Recorded Return To:  
Mr. William E. Kenworthy, Jr.  
Salt Lake County Sewerage  
Improvement District No. 1  
Post Office Box 908  
Draper, Utah 84020

EXHIBIT C

SEWER EASEMENT  
(QUITCLAIM)

For the sum of One Dollar (\$1.00) and other good and valuable considerations, the receipt and sufficiency of which is hereby acknowledged, the undersigned GRANTOR(S) hereby quitclaim unto the Salt Lake County Sewerage Improvement District No. 1, a body politic of the State of Utah, hereinafter referred to as GRANTEE, its successors and assigns, a perpetual right-of-way and easement to lay, maintain, operate, repair, inspect, protect, install, remove and replace sewer pipe lines, manholes, laterals, and other sewer collection and transmission structures and facilities, hereinafter called Facilities, insofar as they lie within the property of the GRANTOR(S), said right-of-way and easement, being situate in Salt Lake County, State of Utah, over and through a parcel of the GRANTOR'S land lying within a strip, twenty (20) feet wide, said strip extending ten (10) feet on side of and lying parallel and adjacent to a line of reference and projection thereof, more particularly described as follows:

A 20.00 foot wide easement, 10.00 feet on each side of the following described centerline:

Commencing S 89°16'00" E 10.00 feet from the southwest corner of the land described in the Warranty Deed recorded July 9, 1996 in Book 7439 at Page 1960 as Instrument No. 6401240 in the Official Records of Salt Lake County, Utah; Thence N 6°48'14" W 140.45 feet; Thence N 6°43'00" W 139.86 feet more or less to a point on the northerly boundary of the land described in said Warranty Deed.

TO HAVE AND TO HOLD the same unto the said GRANTEE, its successors and assigns, so long as such Facilities shall be maintained, with the right of ingress and egress in said GRANTEE, its officers, employees,

representatives, agents, and assigns to enter upon the above described property with such equipment as is necessary to install, maintain, operate, repair, inspect, protect, remove and replace said Facilities. The contractor performing the work shall restore all property through which the work traverses, to as near its original condition as is reasonably possible.

GRANTOR(S) shall have the right to use said premises except for the purpose for which this right-of-way and easement is granted to the said GRANTEE, provided such use shall not interfere with the Facilities or with the collection and conveyance of sewage through said Facilities, or any other rights granted to the GRANTEE hereunder.

GRANTOR(S) shall not build or construct or permit to be built or constructed any building over or across said right-of-way, nor change the contour thereof in excess of three feet without the written consent of GRANTEE, which shall not be unreasonably withheld or delayed. GRANTEE hereby consents that GRANTOR(S) may construct roads, paving, parking lot improvements, landscaping, utility lines, waterlines, curb, gutter, sidewalks and storm drains at GRANTOR'S expense across the easement in connection with GRANTOR'S development of the property. This right-of-way and easement grant shall be binding upon and inure to the benefit of the successors and assigns of the GRANTOR(S) and the successors and assigns of the GRANTEE, and may be assigned in whole or in part by GRANTEE.

Any installation or replacement performed hereunder shall be underground and shall be at no cost to GRANTOR, and shall be so performed and maintained at GRANTEE'S expense so as to interfere as little as reasonably possible with the use and enjoyment of GRANTOR'S land (including the easement area, GRANTOR'S adjacent land, and all improvements thereon) by persons occupying the same or lawfully present thereon. GRANTEE shall at all times during the period of this grant of easement preserve access to and from GRANTOR'S land (including the easement area and GRANTOR'S adjacent land).

If the surface of the easement and/or surface of GRANTOR'S adjacent land and/or any improvements thereon shall be disturbed by GRANTEE, its contractors, subcontractors, employees or others, said surface and/or improvements shall be promptly restored by GRANTEE to their condition just prior to such disturbance.

GRANTEE further agrees that it will permit no mechanic's, materialmen's or other liens to stand against GRANTOR'S land (including the easement area, GRANTOR'S adjacent land, and all improvements thereof, for work or materials furnished GRANTEE in connection with the easement, and GRANTEE agrees to indemnify, defend, protect and hold GRANTOR and GRANTOR'S land (including the easement area, GRANTOR'S adjacent land, and all improvements thereon) harmless from the same.

GRANTEE agrees to indemnify, defend, and protect GRANTOR against and save GRANTOR harmless from all demands, claims, causes of action or judgments, and all reasonable expenses incurred in investigating the same,

for injury to person, loss of life or damage to property arising out of GRANTEE'S use and occupancy of the easement area. GRANTEE agrees to maintain adequate insurance covering its obligations with respect to injury to person or property and loss of life and will furnish GRANTOR with evidence of such coverage before commencing any use or occupancy of the easement area.

GRANTOR reserves the right to require, from time to time and at GRANTOR'S expense, the relocation of all or part of the utilities installed by GRANTEE hereunder to the extent necessary or desirable in connection with further development upon GRANTOR'S land.

GRANTOR specifically reserves to itself, its successors, assigns, lessees, sublessees, customers, employees and invitees the right to pass and park vehicles over the easement granted hereunder during the existence of said easement and to make any other use of the easement area which does not unreasonably interfere with the easement. The GRANTOR retains the fee interest. The easement granted is non-exclusive, and is subject to all matters affecting title.

GRANTEE agrees that nothing contained herein shall be constructed as giving GRANTEE (and GRANTEE hereby waives) any interest in any award or payment made to GRANTOR in connection with any exercise of eminent domain or transfer in lieu thereof affecting GRANTOR'S property.

GRANTOR reserves the right to tie into the sewer line located within the easement provided GRANTOR does so at its sole cost and expense and according to plans and specifications approved by GRANTEE whose approval will not be unreasonably withheld or delayed.

IN WITNESS WHEREOF, the GRANTOR(S) have executed their right-of-way and easement this \_\_\_\_\_ day of \_\_\_\_\_, 1997.

GRANTOR(S)

THE M. LILJENQUIST TRUST

BY

MICHAEL D. LILJENQUIST TRUSTEE

NOTARIZE