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Book - 8956 Pg - 1893-1899  
GARY W. OTT  
RECORDER, SALT LAKE COUNTY, UTAH  
FIRST AMERICAN TITLE  
BY: ALG, DEPUTY - WI 7 P.

RECORDING REQUESTED BY:

**AND WHEN RECORDED RETURN TO:**

O'Melveny & Myers LLP  
400 South Hope Street  
Los Angeles, California 90071-2899  
Attention: Christine Suh, Esq.  
(450,897-3)

02858-A

(Space above line For Recorder's Use)

**RESTRICTIVE COVENANT AGREEMENT**

**THIS RESTRICTIVE COVENANT AGREEMENT** (this "Agreement") is made as of 19<sup>th</sup> MARCH, 2004, by **GOLD MEDALLION CUSTOM HOMES, L.C.**, a Utah limited liability company ("**Builder**"), for the benefit of **KENNECOTT LAND RESIDENTIAL DEVELOPMENT COMPANY**, a Delaware corporation ("**Seller**"), and owners of other parcels at the Daybreak Property (as defined below) (collectively, "**Other Owners**").

**RECITALS:**

A. Seller has sold to Builder the real property more particularly described on Exhibit A attached hereto (the "**Parcel**") pursuant to an unrecorded PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS dated as of January 30, 2004 by and between Seller and Builder (as amended to date, the "**Builder Agreement**"). The Parcel is part of the property commonly known as Daybreak which is more particularly described on Exhibit B attached hereto (the "**Project**").

B. The City of South Jordan has approved a zoning ordinance permitting the construction of 13,667 residential units (each, a "**Residence**") in the aggregate on the Project (the "**Zoning Ordinance**").

C. Builder's Parcel is part of Seller's master-planned development of the Project, and as such, the number of Residences constructed on Builder's Parcel is of paramount importance to Seller.

For and in consideration of the mutual covenants, agreements and conditions set forth in the unrecorded Builder Agreement, Builder hereby agrees for the benefit of Seller and the Other Owners as follows:

1. Builder shall not construct, renovate or operate more than one single-family residence on any Lot (the "**Maximum Residence Density**"). Notwithstanding anything to the contrary contained in the Zoning Ordinance, in no event may Residences exceeding the Maximum Residence Density be located on the Parcel.

2. Builder acknowledges that the numbers of residences or units that may be constructed on Lots M-101, M102, M-103, M-104, and M-105 may be determined by Seller in its sole discretion, notwithstanding the number of residences or units stated on the recorded plat. Builder agrees to execute an amendment to such plat to reflect the number of residences or units determined by Seller.

3. In no event shall the terms of this Memorandum be deemed to modify, amend, limit or otherwise affect the terms and conditions of the unrecorded Builder Agreement.

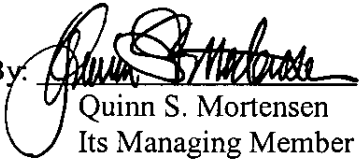
4. The covenants contained in Paragraph 1 of this Agreement are covenants running with the land and this Agreement is binding upon Builder and its successors and assigns and inures to the benefit of Seller, Other Owners and their respective successors and assigns.

5. This Agreement may not be changed, modified or rescinded except in writing, signed by Seller and Builder.

[SIGNATURES ON NEXT PAGE]

**IN WITNESS WHEREOF**, Builder has caused its duly authorized representatives to execute this Agreement as of the date first written above.

**GOLD MEDALLION CUSTOM HOMES, L.C.,**  
a Utah limited liability company

By:   
Quinn S. Mortensen  
Its Managing Member

ACKNOWLEDGMENT

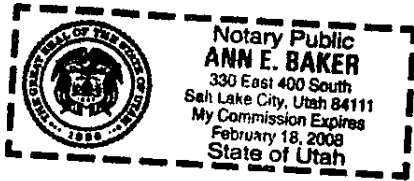
STATE OF UTAH )  
 ) SS.  
COUNTY OF SALT LAKE )

On March 9 2004, personally appeared before me, a Notary Public, Quina & Martens, the Managing Member of **GOLD MEDALLION CUSTOM HOMES, L.C.** personally known or proved to me to be the person whose name is subscribed to the above instrument who acknowledged to me that he/she executed the above instrument on behalf of **GOLD MEDALLION CUSTOM HOMES, L.C.**

WITNESS my hand and official Seal.

Ann E. Baker  
Notary Public in and for said State

My commission expires: 2/18/08



[SEAL]

**EXHIBIT A  
LEGAL DESCRIPTION**

Lots 132, 133, 136, 137, 148-151, 167-169, 178, 179, 182, 183, 186-188, 208, 209, 214, 215, 227, 228, 276-279, 283, 284, 322, 325, 328, 334 and 335 inclusive, of that certain map entitled "Kennecott Daybreak Phase 1 Subdivision" recorded on October 9, 2003 as Entry No. 8847908, in Book 2003P, at Page 325 of the Official Records of Salt Lake County.

Lots 165, 166, 180, 181, 189, 190, 199, 200, 344 and 345, inclusive, of that certain map entitled "Kennecott Daybreak Phase 1 Subdivision" recorded on October 9, 2003 as Entry No. 8847908, in Book 2003P, at Page 325 of the Official Records of Salt Lake County.

EXHIBIT B

LEGAL DESCRIPTION OF THE PROJECT

Lots 1-359, inclusive, of that certain map entitled "Kennecott Daybreak Phase 1 Subdivision" recorded on October 9, 2003 as Entry No. 8847908, in Book 2003P, at Page 325 of the Official Records of Salt Lake County.

**Tax Parcel Numbers:**

27-19-178-006

27-19-178-007

27-19-179-003