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RANDALL A. COVINGTON
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DECLARATION OF EASEMENTS, COVENANTS AND RESTRICTIONS
[Lake Ridge Development]

THIS DECLARATION (this "Declaration") is entered into as of the 9th day of December, 1997, between LAKE RIDGE ASSOCIATES, L.C., a Utah limited liability company ("Associates"), whose address is 127 South 500 East, Suite 100, Salt Lake City, Utah 84102, and LA QUINTA INNS, INC., a Texas corporation ("La Quinta"), whose address is 112 East ~~Acorn~~ Pecan Street, San Antonio, Texas 78205. *Kom*

IN CONSIDERATION of the mutual benefits to be derived from this Declaration, Associates and La Quinta agree as follows:

1. Definitions. As used in this Declaration, each of the following terms shall have the meaning indicated:

1.1. "Buildings" means all buildings located in the Development at any time which are intended for permanent use or occupancy. "Building" means any of the Buildings.

1.2. "Common Area" means the Common Roadways, the Common Utility Facilities and the Signage Parcel only, and no other portion of the Development. The Common Area shall initially be developed by Associates pursuant to Paragraph 4 and shall be maintained by the Manager pursuant to Paragraph 5.

1.3. "Common Expenses" means the following:

1.3.1. reasonable costs, expenses, fees and other amounts paid or incurred by the Manager in connection with the improvement (excluding the work described in Paragraph 4), operation, management, maintenance and repair of the Common Area and the performance of the Manager's duties and rights under Paragraphs 5 or 6, including, without limitation, all reasonable costs, expenses, fees and other amounts (including, without limitation, costs, expenses, fees and other amounts which are properly capitalized under generally accepted accounting principles) relating to utilities, cleaning, sweeping, ice, snow and rubbish removal, landscaping, resurfacing, restriping, replacing damaged or worn-out Improvements located on the Common Area, insurance, licenses and permits, supplies and traffic regulation and control;

1.3.2. managerial, clerical and overhead costs, expenses, fees and other amounts, all of which shall be deemed to be equal to fifteen percent (15%) of the total of all other Common Expenses; and

1.3.3. Common Expenses due but not paid to the Manager, which are determined by the Manager not to be legally or practicably recoverable (after reasonable effort) from the responsible Owner, together with all interest on, and costs and attorneys' fees incurred in connection with, such unpaid Common Expenses; provided, however, that if such unpaid Common Expenses are later received by the Manager from or on behalf of the responsible Owner, any amounts previously paid by any other Owners pursuant to this Paragraph 1.3.3 shall be refunded pro rata to such other Owners.

1.4. "Common Expense Share" means the product obtained by multiplying the Common Expenses for the relevant period by a fraction, the numerator of which is the acreage of the Parcel concerned, and the denominator of which is the total acreage of all Parcels, as follows; provided, however, that all Common Expenses relating to the Signage Parcel shall be divided among (only) Parcels 2, 3 and 4 (one-half to Parcel 2 and one-fourth to each of Parcels 3 and 4):

<u>Parcel</u>	<u>Acreage</u>	<u>Common Expense Share</u>
1	1.13 acres	8.00 percent
2	4.53 acres	32.08 percent
3	2.30 acres	16.29 percent
4	3.06 acres	21.67 percent
5	1.71 acres	12.11 percent
6	1.39 acres	9.85 percent
<u>Total</u>	<u>14.12 acres</u>	<u>100.00 percent</u>

1.5. "Common Roadways" means the land in Utah County, Utah, described as follows:

COMMON AREA NO. 1:

Beginning at a point located West 956.06 feet and South 838.69 feet from the North quarter corner of Section 27, Township 6 South, Range 2 East of the Salt Lake Base and Meridian, and running thence 44.87 feet West; thence 216.19 feet North 00° 58' 24" West to beginning of a curve having a radius of 2,929.90 feet, an arc length of 49.38 feet, and a chord length of 49.37 feet, bearing South 79° 28' 10" East; thence 207.14 feet South to the point of beginning. Contains 0.23 acres.

COMMON AREA NO. 2:

Beginning at a point located West 15.63 feet and South 887.81 feet from the North quarter corner of Section 27, Township 6 South, Range 2 East of the Salt Lake Base and Meridian, which point is the beginning of a curve having a radius of 14.50 feet, an arc length of 21.72 feet, and a chord length of 19.75 feet, bearing North 38°25'07" West to the beginning of a curve having a radius of 889.59 feet, an arc length of 146.16 feet, and a chord length of 145.99 feet, bearing North 76°38'02" West to the beginning of a curve whose radius is 939.35 feet, having an arc length of 230.17 feet, and a chord length of 230.13 feet, bearing North 64°53'28" East to the beginning of a curve having a radius of 21.78 feet, an arc length of 12.61 feet, and a chord length of 12.43 feet, bearing North 74°26'08" East; thence 11.65 feet West to the beginning of a curve having a radius of 27.00 feet, an arc length of 42.36 feet, and a chord length of 38.15 feet, bearing South 45°20'23" West; thence 80.50 feet South to the beginning of a curve having a radius of 20.00 feet, an arc length of 9.69 feet, and a chord length of 9.60 feet, bearing South 13°58'08" East; thence 5.18 feet South 27°46'13" East; thence 35.72 feet West; thence 94.50 feet North to the beginning of a curve having a radius of 58.00 feet, an arc length of 91.02 feet, and a chord length of 81.96 feet, bearing North 45°14'37" East; thence 11.37 feet East to the beginning of a curve whose radius is 52.78 feet, having an arc length of 30.21 feet, and a chord length of 29.80 feet, bearing South 74°15'08" East to the beginning of a curve having a radius of 908.35 feet, an arc length of 223.10 feet, and a chord length of 222.54 feet bearing South 64°53'28" East to the beginning of a curve having a radius of 858.59 feet, an arc length of 136.42 feet, and a chord length of 136.28 feet bearing South 76°28'45" East to the beginning of a curve having a radius of 14.50 feet, an arc length of 24.75 feet, and a chord length of 21.85 feet bearing North 50°03'59" East; thence 3.91 feet South 01°09'51" West; thence 57.13 feet South 04°29'42" West to the point of beginning. Contains 0.41 acres.

together with all Improvements on such land. (The Common Roadways are located on certain portions of the Parcels, and are not land in addition to the Parcels.) The Common Roadways shall initially be improved by Associates with roadways, Landscaping and other Improvements pursuant to Paragraph 4, shall be used for the purposes set forth in Paragraph 3.1 and shall be maintained by the Manager pursuant to Paragraph 5.

1.6. "Common Utility Facilities" means all pipes, lines, wires, conduits and related facilities for electricity, natural gas, other fuels or power sources, telephone, sewage, storm drainage and all types of water that are intended, designed or used for the benefit of the Common Area or more than one Parcel. The Common Utility Facilities shall initially be installed by Associates pursuant to Paragraph 4, shall be used for the purposes set forth in Paragraph 3.2 and shall be maintained by the Manager pursuant to Paragraph 5.

1.7. "Development" means the Parcels, together with all Improvements located on the Parcels.

1.8. "Improvements" means all Buildings, Common Utility Facilities, Landscaping, parking areas, roads, driveways, walkways, curbs, gutters, sidewalks, exterior lighting, fences, walls,

signs, utility systems and facilities and other improvements located on the realty concerned. "Improvement" means any of the Improvements.

1.9. "Landscaping" means all outdoor areas in the Development landscaped with lawn, flowers, ground cover, shrubbery, trees, ponds, fountains, gardens or similar improvements.

1.10. "Manager" means Associates, until the date on which Associates transfers all of its interest as an Owner in all portions of the Development, on which date the Manager shall automatically become the Parcel 2 Owner.

1.11. "Mortgage" means a mortgage or a deed of trust recorded in the Official Records.

1.12. "Mortgagee" means the mortgagee under a mortgage or the beneficiary under a deed of trust recorded in the Official Records.

1.13. "Official Records" means the Official Records of the Utah County, Utah Recorder.

1.14. "Owner" means the fee owner of record in the Official Records of the Parcel concerned. If any Parcel has more than one Owner, the liability of each such Owner under this Declaration shall be joint and several. Notwithstanding any applicable theory relating to a Mortgage, the term "Owner" shall not mean a Mortgagee unless and until such Mortgagee has acquired title to the realty concerned pursuant to foreclosure or any arrangement or proceeding in lieu of foreclosure.

1.15. "Parcels" means the six (6) parcels of land located in Utah County, Utah, described as follows:

Parcel 1 ("Parcel 1"):

All of Parcel 1, Lot 2, LAKE RIDGE DEVELOPMENT SUBDIVISION, PLAT "B", AS AMENDED, on file and of record in the Utah County Recorder's Office.

Parcel 2 ("Parcel 2"):

All of Parcel 2, Lot 2, LAKE RIDGE DEVELOPMENT SUBDIVISION, PLAT "B", AS AMENDED, on file and of record in the Utah County Recorder's Office.

Parcel 3 ("Parcel 3"):

All of Parcel 3, Lot 2, LAKE RIDGE DEVELOPMENT SUBDIVISION, PLAT "B", AS AMENDED, on file and of record in the Utah County Recorder's Office.

Parcel 4 ("Parcel 4"):

All of Lot 1, LAKE RIDGE DEVELOPMENT SUBDIVISION, PLAT "A", on file and of record in the Utah County Recorder's Office.

Parcel 5:

All of Parcel 5, Lot 2, LAKE RIDGE DEVELOPMENT SUBDIVISION, PLAT "B", AS AMENDED, on file and of record in the Utah County Recorder's Office.

Parcel 6:

All of Parcel 6, Lot 2, LAKE RIDGE DEVELOPMENT SUBDIVISION, PLAT "B", AS AMENDED, on file and of record in the Utah County Recorder's Office.

together with all Improvements on such land. "Parcel" means any of the Parcels.

1.16. "Signage Parcel" means the parcel of land located in Utah County, Utah, described as follows:

Beginning at a point located West 429.08 feet and South 677.03 feet from the North quarter corner of Section 27, Township 6 South, Range 2 East of the Salt Lake Base and Meridian, and running thence 36.22 feet South to the beginning of a curve having a radius of 58.00 feet, an arc length of 62.73 feet, and a chord length of 59.72 feet, bearing South 31°16'21" West; thence 87.72 feet North; thence 31.00 feet South 89°09'04" East to the point of beginning. Contains 0.04 acres.

(The Signage Parcel is located Parcel 1, and is not land in addition to the Parcels.) The Signage Parcel shall initially be improved by Associates with a sign, Landscaping and other Improvements pursuant to Paragraph 4, shall be used for the purposes set forth in Paragraph 3.3 and shall be maintained by the Manager pursuant to Paragraph 5.

1.17. "Site Plan" means the site plan attached as Exhibit A and incorporated by this reference.

1.18. "Taxes" means all taxes, assessments, charges and fees imposed, assessed or levied by any governmental or other public authority on or against the realty concerned.

1.19. "Vehicular and Pedestrian Areas" means all areas located in the Development from time to time that are designed to be used for the parking of motor vehicles or for pedestrian or vehicular movement, including, without limitation, parking areas, roads, driveways, walkways and sidewalks, but excluding any platforms, ramps and docks comprising a portion of the exterior of any Buildings.

2. Improvements.

2.1. Associates Approval. No initial Improvements on the Parcels shall be constructed or installed unless and until a site plan, elevations, building materials and a landscaping plan for such Improvements have first been submitted to, and approved in writing by, Associates, such approval not to be unreasonably withheld. In determining whether or not to approve materials submitted, Associates shall use its reasonable, good faith judgment to assure that all Improvements are reasonably consistent with the Site Plan, functionally harmonize with existing and planned Improvements and comply with the other requirements of this Declaration. If Associates fails to approve or disapprove in writing any materials submitted to Associates within thirty (30) days after submission, Associates shall be deemed to have approved such materials. Any disapproval of such materials by Associates shall be in writing and shall be accompanied by a reasonably detailed explanation for such disapproval. Review or approval by Associates of any such materials shall be solely for its own benefit, and shall not be deemed to be or to result in any warranty, representation or conclusion by Associates relative to the technical adequacy of such materials or the safety, soundness or compliance with applicable law of the Improvements described by such materials. Associates shall not be liable for damages by reason of any action, inaction, approval or disapproval by Associates with respect to any request made pursuant to this Declaration so long as such action, inaction, approval or disapproval did not occur as a result of actual malice.

2.2. Use. No part of the Development may be occupied for any use which violates any applicable law, ordinance, rule or regulation or which is inconsistent with this Declaration. Buildings shall be used only for commercial purposes, including, without limitation, hotels, financial institutions, offices, retail stores and eating establishments. All Buildings shall be:

2.2.1. first-class buildings designed for hotel, financial institution, office, retail store, eating establishment or other commercial use of the type and quality typically found in first-class, high-quality commercial developments;

2.2.2. constructed and operated in such a manner as will preserve the fire insurance rating on any other then-existing Buildings; and

2.2.3. constructed in compliance with all applicable state, county and municipal subdivision, building, zoning, sign and other laws, ordinances, rules and regulations.

2.3. Construction. Prior to or in conjunction with the construction and completion of any Building, related Landscaping and Vehicular and Pedestrian Areas shall be constructed by the Owner of the Building concerned in accordance with this Declaration. Vehicular and Pedestrian Areas shall be surfaced with asphalt or concrete, shall be adequately striped or otherwise marked and shall be graded and constructed in such a way as to ensure adequate water drainage. All exterior parking lot lighting fixtures shall be metal halide. All parking spaces required under applicable zoning ordinances, development codes or other municipal requirements for all Buildings on any Parcel shall be wholly located within such Parcel. Parcels 5 and 6 shall be planned and developed so that a two-lane driveway is constructed and maintained along the southerly boundary of such Parcels, as shown on the Site Plan.

2.4. Maintenance. Each Owner shall maintain in good and attractive order, condition and repair all Improvements situated on such Owner's Parcel. No provision of this Declaration shall be construed to mean that any Building cannot be razed or removed at any time or must be restored or reconstructed if damaged or destroyed. However, if an Owner razes or removes any Building, or if any Building is damaged or destroyed, within a reasonable time after such occurrence the Owner of the Parcel on which such Building is or was located shall either cause such Building to be replaced or restored or cause all debris to be removed and the site of such Building to be left in a level, clean and sightly condition pending construction of another Building.

3. Common Area Easements.

3.1. Access Easements. Each Parcel shall have appurtenant thereto and be benefited by, and the Common Roadways and the Vehicular and Pedestrian Areas shall be subject to and be burdened by, a perpetual, nonexclusive right-of-way and easement for vehicular and pedestrian ingress and egress and vehicular parking on, over and across those areas designed for such use. The use of such right-of-way and easement shall be limited to parking for the public and general commercial purposes, which shall include reasonable and customary deliveries.

3.2. Utility Easements. Each Parcel shall have appurtenant thereto and be benefited by, and the Common Roadways shall be subject to and be burdened by, a perpetual, nonexclusive right-of-way and easement for the laying, construction, installation, operation, inspection, servicing, maintenance, repair, removal, alteration, enlargement, relocation and replacement of underground utility pipes, lines, wires, conduits and related facilities (including, without limitation, any underground Common Utility Facilities and, whether or not the same are part of the Common Utility Facilities, underground pipes, lines, wires, conduits and related facilities for electricity, natural gas, other fuels or power sources, telephone, sewage, storm drainage and all types of water) under, through and across the Common Roadways. If the rights provided for in this Paragraph 3.2 are exercised, the Owner intended to be served by the easement concerned shall pay the cost involved with such exercise and, at such Owner's sole cost, restore to their previous condition any Improvements which may be damaged as a result of such exercise. Each utility pipe, line, wire, conduit and related facility located within the Development shall be located underground to the extent reasonably possible.

3.3. Signage Easements. Parcels 2, 3 and 4 shall have appurtenant thereto and be benefited by, and the Signage Parcel shall be subject to and be burdened by, a perpetual, nonexclusive easement for the construction, installation, operation, inspection, servicing, maintenance, repair, removal, alteration, enlargement, relocation and replacement of a sign, advertising the business located on those Parcels. Such sign shall have four (4) panels of equal size. Parcel 2 shall be entitled to use the top two (2) panels, Parcel 3 shall be entitled to use the third panel from the top and Parcel 4 shall be entitled to use the bottom panel. Such sign shall be installed substantially as set forth on the drawing prepared by Young Electric Sign Company, File Design No. 97-1024D, with latest date of August 22, 1997. The estimated cost of the sign is approximately \$31,275. The cost of such construction and installation, and of the operation, inspection, servicing, maintenance, repair, removal, alteration, enlargement, relocation and replacement of such sign contemplated by this Paragraph 3.3, shall be divided among such Parcels as set forth in Paragraph 1.4.

3.4. No Obstruction. No Owner shall permit to be constructed or placed on any portion of the Common Area located on such Owner's Parcel any fence, wall, barricade or other obstruction, whether temporary or permanent in nature, which materially limits or impairs vehicular and pedestrian traffic over any part of the Development, or shall otherwise obstruct or interfere with the free flow of such traffic, except as may be reasonably necessary or appropriate during periods that construction activities are ongoing or to the extent that the Manager reasonably deems it necessary to do so temporarily to prevent a public dedication of, or the accrual of any rights of the public in, the Common Area. Any obstruction or interference permitted under this Paragraph 3.4 shall be done in a manner reasonably calculated to minimize its impact on businesses within the Development.

4. Certain Common Area Work. Associates shall commence the following Common Area work within thirty (30) days after Associates obtains all necessary building permits, and shall thereafter pursue the same to completion in a diligent, good, workmanlike and cost efficient manner at least sixty (60) days prior to the opening of the businesses on Parcel 2:

4.1. On-Site Work. The following on-site work to be completed on the Common Area: clearing, grubbing, rough grading, certain utility lines, including storm drains, sanitary sewers and water, and conduit (only) for telephone, gas and electricity and the construction of the Common Roadways, all in a manner consistent with the Site Plan. Unless otherwise agreed by Associates, Associates shall be reimbursed for its actual costs, expenses, fees and other amounts incurred in connection with such work by each Owner concurrently with the conveyance by Associates to such Owner of such Owner's Parcel. The amount payable by each such Owner shall be calculated by multiplying the total amount of such costs, expenses, fees and other amounts by a fraction, the numerator of which is the acreage of such Owner's Parcel, and the denominator of which is the total acreage of all Parcels. In addition, Associates shall install on the Signage Parcel the sign described in Paragraph 3.3 and related Landscaping. Associates shall exercise its best reasonable efforts to complete such installation as soon as reasonably possible, but at least within ninety (90) days after the date of this Declaration. The cost related to such installation on the Signage Parcel shall be divided among (only) Parcels 2, 3 and 4 (one-half to Parcel 2 and one-fourth to each of Parcels 3 and 4). Each such Parcel Owner shall pay its share of any billed amount for such installation within fourteen (14) days after receipt of the related invoice.

4.2. Off-Site Work. The following off-site work, as approved by Orem City: the widening of 1300 South Street and the extension of 400 West Street from its existing terminus South and West along the boundaries of the Development, which extension shall include curb, gutter and sidewalk on one side, utilities in the roadway as designated by Orem City and asphalt surfacing.

5. Manager's Duties Regarding Common Area.

5.1. Generally. The Manager shall timely perform or cause to be performed the duties set forth in this Paragraph 5, for which the Manager shall be reimbursed in accordance with this Declaration. All reasonable costs, expenses, fees and other amounts incurred or payable by the Manager in connection with the duties set forth in this Paragraph 5, whether or not such costs, expenses, fees or other amounts are properly capitalized under generally accepted accounting principles, are part of the Common Expenses payable by the Owners under Paragraph 6 of this Declaration. The Manager shall have no obligation to perform, and no liability for failure to

perform, any obligation set forth in this Declaration, the cost of which is to be reimbursed (in whole or in part) by the Owners, if the funds to pay for such obligation are not timely received by the Manager pursuant to this Declaration.

5.2. Maintenance of Common Area. After the Common Area is initially improved and installed, the Manager shall keep the Common Area in a reasonably clean, orderly and usable condition and in a good state of maintenance and repair, consistent with a first-class commercial development (except that as regards the Common Utility Facilities, the Manager shall be obligated to accomplish the foregoing only to the extent that such matters are not the responsibility of or accomplished by the respective utility companies involved). The foregoing shall include, without limitation, maintenance, repair and replacement, as necessary and appropriate, of all Landscaping and other Improvements located on the Common Area.

5.3. Insurance on Common Area. The Manager shall maintain commercial general liability insurance insuring all Owners and such other persons who hold a leasehold estate or other interest in any Parcel and who are designated as a named insured in a writing delivered to the Manager by the Owner of such Parcel, as their respective interests may appear, against all claims for personal injury, death or property damage occurring on the Common Area. Such insurance shall be carried with a responsible company and shall afford at least the coverage provided by a "combined single limit" of not less than \$1,000,000.00 per occurrence, and not less than \$2,000,000 in the aggregate, for bodily injury, death and property damage, which may be increased by the Manager in its reasonable discretion from time to time.

5.4. Damage of Common Area. If all or any part of the Common Area is damaged or destroyed through casualty, the Manager shall, as soon as reasonably possible, rebuild and restore the same to substantially the same condition as existed prior to the damage or destruction. Prior to such rebuilding and restoration, each Owner shall, within thirty (30) days after notice of the amount due, contribute an amount equal to the product obtained by multiplying the Common Expense Share of such Owner by the projected cost of such rebuilding and restoration (net of any insurance proceeds or recoveries from persons causing such damage actually received by the Manager). Appropriate additional payments by, or refunds to, each Owner shall be made on completion of such rebuilding or restoration. Alternatively, the Manager may collect the actual or projected cost of such rebuilding or restoration following commencement or completion of such rebuilding or restoration.

5.5. Condemnation of Common Area. If all or any part of the Common Area is taken through condemnation or is conveyed to a condemning authority under threat of condemnation, the entire condemnation award or proceeds shall be paid to the Manager, except for any portion of such award or proceeds for the value of the land (as opposed to any Improvements on the land), which portion shall be paid to the Owner of such land. The Manager shall, as soon as reasonably possible, restore the remaining Improvements in compliance with all applicable laws, ordinances, rules and regulations. Such restoration shall be of equal or better quality in materials and workmanship as the original Improvements, and the cost of such restoration, in excess of the condemnation award and proceeds available, shall constitute Common Expenses. Any condemnation award or proceeds for the Improvements remaining after such restoration shall be distributed to each Owner on the basis of such Owner's Common Expense Share.

5.6. Default of Manager. If the Manager fails to perform any obligation under this Paragraph 5, and such failure continues for a period of thirty (30) days after written notice of such failure is given to the Manager by any Owner or Mortgagee, or if the performance of such obligation would reasonably require more than thirty (30) days, if the Manager fails to commence such performance within such thirty (30) day period or thereafter diligently prosecute such performance to completion, the Owner or Mortgagee giving such notice may, on written notice to the Manager, perform such obligation in the stead of the Manager. Such Owner or Mortgagee shall be reimbursed for such performance in the same manner as if such obligation had been performed by the Manager.

6. Common Expenses.

6.1. Collection. The Manager is expressly authorized by each Owner to incur all costs, expenses, fees and other amounts included within the definition of "Common Expenses" set forth in Paragraph 1.3, and each Owner shall contribute such Owner's Common Expense Share in the manner described in this Paragraph 6. The Manager shall make reasonable, good faith efforts to collect from each Owner such Owner's Common Expense Share and may, at its option, do either of the following: (a) invoice each Owner for such Owner's Common Expense Share on a monthly, quarterly or other periodic basis as the actual amount of the Common Expense Share becomes known (in which event, the Common Expense Share shall be due and payable within thirty (30) days after the delivery of such invoice); or (b) invoice each Owner in advance based on the Manager's reasonable estimate of the Common Expense Share for the period concerned, which estimate shall be provided to each Owner at least annually. If the Manager adopts the second alternative, each Owner shall pay such Owner's Common Expense Share in equal installments on the first day of each month, and within ninety (90) days after the end of each calendar year, the Manager shall furnish each Owner with a reasonably detailed final statement of the actual amount of such Owner's Common Expense Share for such calendar year. If such final statement reveals that the monthly installments made by an Owner aggregate less than such Owner's Common Expense Share for such calendar year, such Owner shall pay the amount owing to the Manager within thirty (30) days after such final statement is furnished. If such final statement reveals that an Owner's payments aggregate more than such Owner's Common Expense Share for such calendar year, the excess amount shall, at the option of the Manager, either be returned to such Owner or be applied by the Manager to amounts next due from such Owner under this Paragraph 6. Any amount required to be paid under this Paragraph 6 which is not timely paid shall accrue interest on and after the date due until paid in full, before and after judgment, at the rate of eighteen percent (18%) per annum. In addition, a late charge of five percent (5%) of such payment may be charged by the Manager for any payment not made within ten (10) days after the date due. Such late charge is payable not as a penalty, but in order to compensate the Manager for the additional expense involved in handling the delinquent payment. The acceptance by the Manager of any payment that is less than the entire amount then due shall be on account only and shall not constitute a waiver of the obligation to pay such entire amount. All records and accounts maintained by the Manager which relate to the Common Expenses shall be open to examination and audit by any Owner on at least ten (10) days' prior written notice to the Manager.

6.2. Certain Obligations and Rights. The obligations of each Owner under Paragraph 6.2 and all other provisions of this Declaration are the personal obligations of such Owner and may be enforced by the Manager. No Owner may avoid or diminish the personal nature of such

obligations by waiver of the use and enjoyment of the Common Area, by abandonment of such Owner's Parcel or any Improvements on such Owner's Parcel or by waiver of any of the services or amenities provided for in this Declaration. All remedies set forth in this Paragraph 6 are cumulative and are in addition to any remedies otherwise available at law or in equity, which shall include the right to restrain by injunction any violation or threatened violation of this Declaration and to compel by decree specific performance, it being agreed that the remedy at law for any breach may be inadequate.

6.3. Default. If any Owner fails to perform any obligation under this Declaration and such failure continues for a period of thirty (30) days after written notice of such failure is given to such Owner by the Manager, or if the performance of such obligation would reasonably require more than thirty (30) days, if such Owner fails to commence such performance within such thirty (30) day period or thereafter diligently prosecute such performance to completion, the Manager may, on written notice to such Owner, perform such obligation in the stead of such Owner. The Manager shall be reimbursed by such Owner on demand for all costs and expenses (including attorneys' fees) incurred in connection with such performance, with interest on such costs and expenses, both before and after judgment, at the rate of eighteen percent (18%) per annum.

6.4. Estoppel Certificate. The Manager shall, within ten (10) days after any Owner's request, execute and deliver to such Owner an estoppel certificate in favor of such Owner and such other persons as such Owner shall request setting forth any reasonably requested information regarding Common Expenses, to the extent that the Common Expenses relate to such Owner's Parcel. Such Owner's mortgage lenders and purchasers shall be entitled to rely on any such estoppel certificate.

7. Taxes. Each Owner shall pay, prior to delinquency, all Taxes on such Owner's Parcel, unless the collection of such Taxes and any sale or forfeiture of such Parcel for nonpayment of such Taxes is prevented or suspended through appropriate legal proceedings. If any Parcel is not assessed and taxed as an independent parcel for tax purposes, the Taxes allocable to such Parcel shall be an equitable proportion of the Taxes for all of the land and Improvements included within each relevant tax parcel assessed, such proportion to be determined by the Manager from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available.

8. Insurance. Each Owner shall maintain commercial general liability insurance providing coverage against bodily injury, death and property damage occurring, or by reason of activities, on or about the Development. Such insurance shall be carried with a responsible company and shall afford at least the coverage provided by a "combined single limit" of not less than \$1,000,000.00 per occurrence, and not less than \$2,000,000 in the aggregate, for bodily injury, death and property damage, and shall name the Manager as an additional insured. Any Owner may comply with the requirements of this Paragraph 8 by the purchase of blanket coverage, and may elect such deductible provisions as are consistent with good business practices. Each Owner shall, on request, furnish the Manager with a certificate issued by its insurer evidencing that insurance is in force which complies with the requirements of this Paragraph 8.

9. Indemnification. Each Owner shall indemnify, defend and hold harmless the Manager and each other Owner from and against all losses, damages, claims, causes of action, demands, obligations, suits, controversies, costs, expenses (including, without limitation, litigation

expenses and attorneys' fees, whether incurred with or without the filing of suit, on appeal or otherwise), liabilities, judgments and liens, of whatever kind or character, which are caused by such Owner, including, without limitation, those caused by the use, deposit, storage, disposal, transportation or release of any hazardous substances, hazardous wastes, pollutants or contaminants on any part of the Development by the indemnifying Owner or any person leasing or occupying the Parcel owned by such indemnifying Owner, or by any agent, employee, contractor, invitee or licensee of the indemnifying Owner or any person leasing or occupying the Parcel owned by such indemnifying Owner.

10. Use Restrictions. No portion of the Development shall be used for any of the following uses: (a) a bar, cocktail lounge, pub, tavern, nightclub, music or dance hall or disco in which less than fifty percent (50%) of its space or revenue is devoted to and derived from food service; (b) a bowling alley; (c) a billiard or bingo parlor; (d) a flea market; (e) a massage parlor; (f) a funeral home; (g) a facility for the sale of paraphernalia for use with illicit drugs; (h) a facility for the sale or display of pornographic material, such as adult theaters or adult bookstores, as determined by community standards for the area in which the Development is located; (i) an off-track betting parlor; (j) a carnival, amusement park or circus; (k) a gas station, car wash or auto repair or body shop, other than a car stereo installation facility operated in connection with the retail sales of car stereos; (l) a facility for the sale of new or used motor vehicles, trailers or mobile homes; (m) a facility for any use which is illegal; (n) a skating rink; or (o) an arcade, pinball or computer game room; provided, however, that retail facilities in the Development may operate no more than four (4) such electronic games incidental to their primary operations, and that a children's activity center, such as Discovery Zone or Jungle Jim's, is not prohibited.

11. Title and Mortgage Protection. Breach of this Declaration shall not result in any forfeiture or reversion of title or of any other interest in any part of the Development, and shall not defeat, impair or render invalid the lien of, or other rights under, any Mortgage covering any part of the Development. Unless and until it enters into possession or acquires title pursuant to foreclosure or any arrangement or proceeding in lieu of foreclosure, any Mortgagee interested under any Mortgage affecting any part of the Development shall have no obligation to take any action to comply with, and may not be compelled to take any action to comply with, this Declaration (other than those provisions, if any, concerning a consent to be given by a Mortgagee, if a Mortgagee's failure to give such consent is wrongful).

12. Covenants to Run with Land. This Declaration shall constitute a covenant running with the land, and shall be binding on and shall inure to the benefit of the Manager and each Owner and their respective successors and assigns, all of which persons may enforce any obligation created by this Declaration. This Declaration shall be binding on each part of the Development, and all interests in any part of the Development shall be subject to this Declaration. By in any way coming to have any interest in or occupying any part of the Development, the person so coming to have such interest or occupying agrees to be bound by this Declaration; provided, however, that no such person shall have liability under this Declaration as an Owner until such person becomes an "Owner," as defined in Paragraph 1.14, nor shall such person have liability under this Declaration for any acts committed prior to the time such person became an Owner.

13. Amendment.

13.1. Requisite Parties. This Declaration may only be amended by an instrument recorded in the Official Records, executed by the Manager, each Owner and each Mortgagee holding a Mortgage encumbering any part of the Development; provided, however, that any amendment to this Declaration which changes the descriptions of two or more Parcels only needs to be executed by the Manager, each Owner of such Parcels and any Mortgagee holding a Mortgage encumbering such Parcels, and shall set forth the new metes and bounds descriptions of such Parcels.

13.2. No Other Person Required. Unless it is a required party to the amendment concerned under Paragraph 13.1, no other person (including, without limitation, any person holding an interest in or occupying any Parcel) needs to execute such amendment in order to make such amendment in all respects effective, valid, binding and enforceable. All requisite parties to an amendment shall not withhold, condition or delay the approval or execution of such amendment in a manner which is unreasonable.

14. Attorneys' Fees. If any action is brought because of a default under or to enforce or interpret this Declaration, in addition to the relief to which such party is entitled, the party prevailing in such action shall be entitled to recover from the unsuccessful party reasonable attorneys' fees (including those incurred in connection with any appeal), the amount of which shall be fixed by the court and made a part of any judgment rendered.

15. Release On Transfer. On and after the date an Owner transfers (other than merely for purposes of security) or is otherwise divested of such Owner's ownership interest in any Parcel, such Owner shall be relieved of all liabilities and obligations under this Declaration related to such Parcel, except for such liabilities or obligations as may have accrued as of the date of such transfer or divestiture.

16. No Merger. The easements, covenants, restrictions and other provisions contained in this Declaration shall remain in full force and effect despite the fact that all or a part of the Development may be owned by the same person from time to time, it being the intention of Associates and La Quinta to create a common scheme for the development and operation of the Development which will not be terminated by the doctrine of merger or otherwise, unless this Declaration is terminated in accordance with Paragraph 19.

17. Force Majeure. The Manager and any Owner or other person obligated under this Declaration shall be excused from performing any obligation set forth in this Declaration, except the payment of money, so long as (but only so long as) the performance of such obligation is prevented or delayed by an act of God, weather, avalanche, fire, earthquake, flood, explosion, act of the elements, war, invasion, insurrection, riot, malicious mischief, vandalism, larceny, inability to procure or general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, order of government or civil defense authorities or any other cause reasonably beyond the control of the Owner or other person prevented or delayed.

18. Certain Agreements. The purpose of this Declaration is to create certain easements, covenants, restrictions and other provisions which are to apply among the Parcels and which are to define and govern the rights and obligations as between those persons interested in a given Parcel,

on the one hand, and those persons interested in other Parcels, on the other. Accordingly, this Declaration shall not alter any agreements which allocate rights and obligations of persons having an interest in the same Parcel among such persons or third parties, but such agreements shall not limit the liability or obligation of any person under this Declaration.

19. Effective Dates and Duration. This Declaration and any amendment to this Declaration shall take effect as of the date on which it is recorded in the Official Records. This Declaration shall remain effective until terminated and extinguished by an instrument recorded in the Official Records and executed by each Owner of the Development and the Mortgagee under each Mortgage then affecting the Development.

20. Interpretation. The captions which precede the Paragraphs of this Declaration are for convenience only and shall in no way affect the manner in which this Declaration is construed. This Declaration shall be governed by and construed in accordance with the laws of the State of Utah. The invalidity or unenforceability of any part of this Declaration shall not affect the validity or enforceability of the remainder of this Declaration, and each provision of this Declaration shall be valid and enforceable to the fullest extent permitted by law.

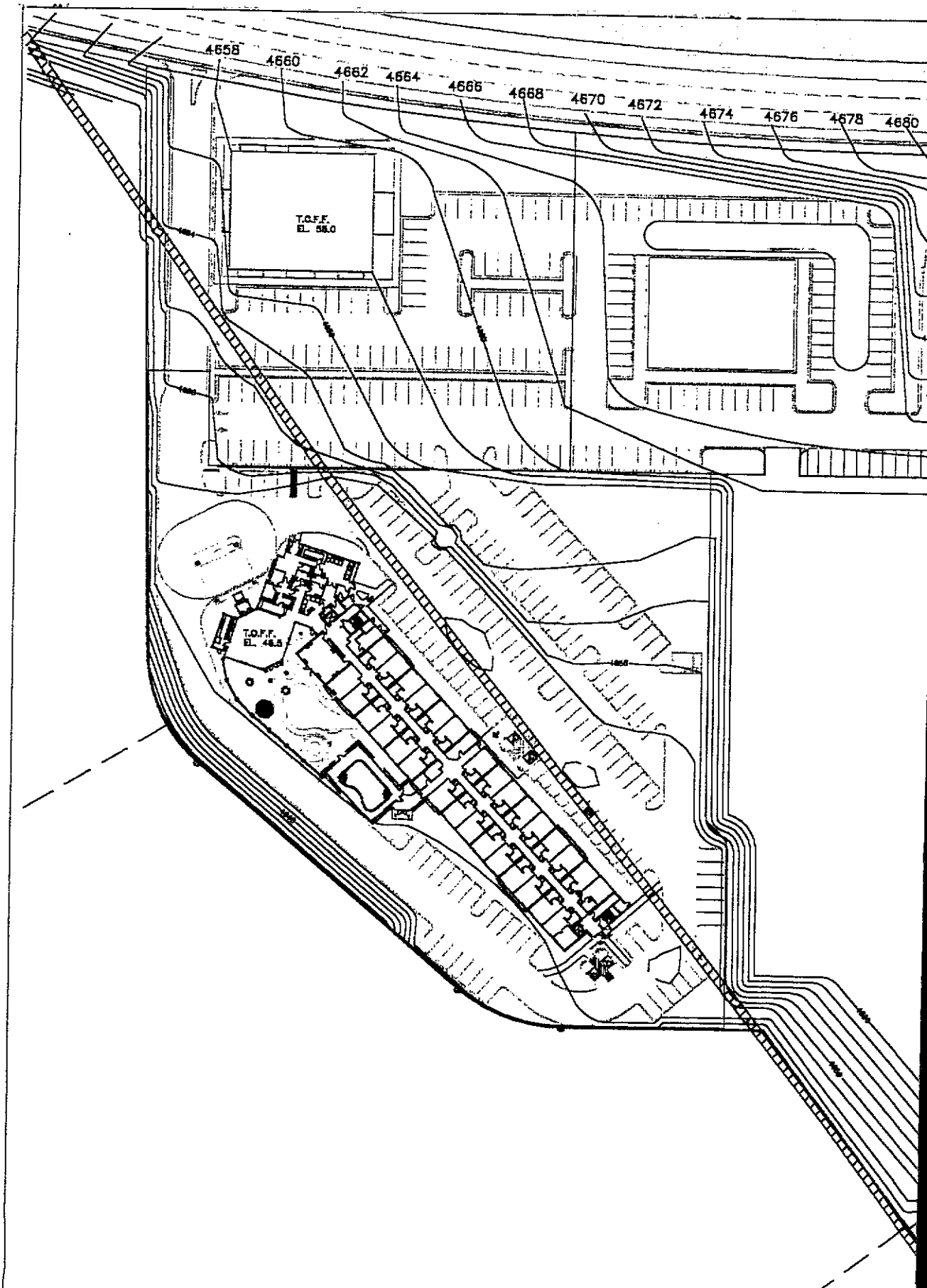
EXHIBIT A

to

DECLARATION OF EASEMENTS, COVENANTS AND RESTRICTIONS

SITE PLAN

The site plan referred to in the foregoing instrument is attached and consists of one (1) page.



ENT 100292 BK 4467 PG 449

1300 SOUTH
(UNIVERSITY PARKWAY)

4682 4684 4686 4688 4690

FUTURE
PAD B
T.O.F.F.
EL. 84.0

SCALE: 1"=40'

FARMFIELD
TOFF EL. 4678.00
3 STORY - 78 TOTAL ROOMS

TOFF EL. 4677.00
4 STORY - 84 ROOMS

TOFF EL. 4875.00
4 STORY - 82 ROOMS

1480 SOUTH

CHECK PRINT
DATE 10/25/87

<p>DATE: 10/25/87 BY: [Signature]</p>	
<p>DATE: MARCH 1987 BY: THE BOYER COMPANY SALT LAKE CITY, UTAH</p>	<p>DATE: [Blank] BY: [Blank]</p>
<p>LAKE RIDGE DEVELOPMENT CONCEPTUAL SITE PLAN</p>	
<p>97176 BOYER</p>	
<p>LAKRIDGE.DWG</p>	
<p>LAKRIDGE</p>	