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Gary W. Ott  
Recorder, Salt Lake County, UT  
FIRST AMERICAN TITLE  
BY: eCASH, DEPUTY - EF 16 P.

When recorded, return to:

Gerald Burt  
Reed Avenue LLC  
3045 East Louise Avenue  
Salt Lake City, Utah 84109

Tax Parcel Nos: 08-25-455-001, 08-25-455-002, 08-25-455-034, 08-25-455-035

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**DECLARATION OF COVENANTS,  
CONDITIONS, AND RESTRICTIONS OF  
REED AVENUE LLC**

This Declaration of Covenants, Conditions and Restrictions of Reed Avenue Lofts (this "Declaration") is made and entered into as of September 14, 2009, by Reed Avenue LLC, a Utah limited liability company ("Declarant"), for the purpose of establishing a residential four lot subdivision development known as Reed Avenue Lofts.

RECITALS

- A. Declarant is the owner of certain real property located in Salt Lake City, Salt Lake County, Utah, which is more particularly described in Exhibit A attached hereto and incorporated herein by this reference (the "Property"). Defined terms used in these Recitals and this Agreement shall have the meanings given in Article 1 below.
- B. Declarant has developed intends to complete a residential four lot subdivision on the Property that will be known as Reed Avenue Lofts (the "Project"). The Property currently consists of four parcels of land. After recording a subdivision plat (the "Plat") and this Declaration, the Property shall constitute the Project. Declarant has constructed and will be completing three (3) Buildings in connection with the Project. Upon completion, each building will be located on portions of four (4) Lots and will consist of three (3) "Loft" style single family attached homes and one (1) single family detached home with a detached garage. Notwithstanding anything in this Declaration to the contrary, each Home shall constitute a single family residence that is located on a separate Lot. The Project is not a condominium project.
- C. In connection with the development of the Project, Declarant is recording this Declaration for the mutual benefit of the Owners. Each Owner acquiring a Home in the Project is taking the same subject to all of the terms and conditions of this Declaration and, by accepting title thereto, agrees to be bound by this Declaration.

## DECLARATION

Declarant hereby declares that all of the Property described below shall be held, sold, conveyed, and occupied subject to the following covenants, conditions, restrictions, easements, assessments, charges, and liens, and to the recorded Plat. This Declaration is for the purpose of protecting the value and desirability of the Property and the individual Homes. This Declaration shall be construed as covenants of equitable servitude; shall run with the land and be binding on all parties having any right, title, or interest in the Property or any part thereof, their heirs, successors, and assigns; and shall inure to the benefit of, and be enforceable by, each Owner thereof. The above Recitals shall constitute a part of this Declaration and are incorporated herein by this reference.

### ARTICLE 1

#### DEFINITIONS

The following terms shall have the meaning indicated wherever used in this Declaration:

Section 1.1. “Building” means one of three (3) buildings comprising the Project. Each Building is located on portions of four (4) Lots and consists of three (3) attached “Loft” style homes and one (1) detached home with one (1) detached garage. The Buildings are generally shown and described on the Plat.

Section 1.2. “Building Owners” has the meaning given in Section 3.1 below.

Section 1.3. “Declarant” means Reed Avenue LLC, a Utah limited liability company and its successors and assigns.

Section 1.4. “Declaration” means this Declaration of Covenants, Conditions and Restrictions of Reed Avenue LLC, including all exhibits, schedules, and attachments hereto, as the same may be amended or modified from time to time in the manner provided herein.

Section 1.5. “Home” means a single family dwelling located on a Lot, with or without walls or roofs in common with other single family dwellings located on adjacent Lots. When the term “Home” is used herein, it includes the fee title interest in the applicable Lot and the single family dwelling located thereon, together with all related improvements thereto.

Section 1.6. “Lot” means a separately numbered and individually described plot of land shown on the Plat and designated as a Lot for private ownership. The dimensions of each Lot are shown on the Plat.

Section 1.7. “Mortgage” means a mortgage, deed of trust, or similar instrument encumbering a Lot, and “Mortgagee” means the mortgagee or beneficiary named in such Mortgage.

Section 1.8. “Owner” means the entity, person, or group of persons owning record fee simple title to any Lot and the Home located thereon. Regardless of the number of parties participating in ownership of each Lot, the group of those parties shall be treated as one “Owner” for purposes of this Declaration, including without limitation of purposes of voting and notice.

Section 1.9. "Plat" or "Map" means the subdivision Plat for the Project that has been recorded or that shall be recorded within sixty (60) days after the recordation of this Declaration.

Section 1.10. "Project" means the residential subdivision project known or referred to as "Reed Avenue Lofts," which comprises the entire Property and which is made subject to this Declaration.

Section 1.11. "Property" means the real property which is more fully described in Exhibit A attached hereto and incorporated herein by this reference.

Section 1.12. "RDA" means the Redevelopment Agency of Salt Lake City, a public agency, and its successors and assigns.

Section 1.13. "RDA Documents" has the meaning given in Section 2.3 below.

## ARTICLE 2

### PROPERTY RIGHTS

Section 2.1. Restrictions on Ownership. The Project consists of four (4) Homes. Declarant has constructed three (3) buildings in connection with the Project. One Building is located on portions of Lots 1, 2 and 3 and the other Building and its garage will be located on portions of Lot 4. The Building on Lots 1, 2, and 3 contains three "Loft" style Homes with one Home located on each Lot. Each Home in the Building located on Lots 1, 2, and 3 and gives an appearance of a single structure, and that are not divided or otherwise designed in a manner intended to demark separate Homes. Each Home in the Building shares a common or party wall that runs from the foundation to the roof. The Building and Homes has a similar architectural style and color that enhances the overall visual appeal of the Project and is for the mutual best interests of the Owners. This Declaration confers certain rights and benefits, and imposes certain restrictions and limitations, on the Owners in connection with their ownership of a Home. By taking title to a Home, each Owner agrees to take the same subject to the terms and conditions of this Declaration, as the same may be amended or modified from time to time in the manner herein provided.

Section 2.2. No Common Areas. The Project is a single family residential subdivision (subject to permitted commercial or business uses as hereinafter provided), and there are no common areas located within the Project. No Owner of a Home shall have any rights, duties, easements, or other interest with respect to any other Home in the Project, except as expressly set forth herein, and no Owner of a Home shall have any right to occupy or use any other Home, except as expressly set forth in Section 7.6 below.

Section 2.3. Redevelopment Agency of Salt Lake City. The Property was acquired by Developer from the RDA. In connection with such acquisition, the RDA placed certain restrictions and limitations on the use of the Property, some of which are more fully set forth in this Declaration, the Special Warranty Deed by which the RDA conveyed title of the Property to

Declarant, and other documents which may be recorded in the official records of the Salt Lake County Recorder with respect to the Project, including without limitation a Development Agreement dated October 31, 2008 (collectively "RDA Documents"). By taking and recording title to any Home, the Owner thereof takes title subject to the terms of this Declaration and the RDA Documents and acknowledges that the RDA shall have the right, but not the obligation, to enforce all or certain provisions of this Declaration or the RDA Documents, which the RDA may do in its sole discretion. The RDA shall have no obligation or liability whatsoever to the Owners or any other person with respect to the Project, including without limitation the design or construction of any Building, Home, or other improvement with respect to the Project; the use of any Home; the maintenance or condition of the Project, any Building, or any Home; any damage or claims to property or individuals pertaining to the Project; or any other matters whatsoever with respect to the Project and the development, use, enjoyment, or maintenance thereof. Any action taken by the RDA pursuant to this Declaration shall be deemed for its own benefit and shall not create any right, benefit, or expectation in any other person. The taking of any action by the RDA hereunder on one or more occasion shall not obligate it to do so on any other occasions, whether similar or otherwise, and the failure to take any action by the RDA hereunder shall not constitute a waiver of such right.

### ARTICLE 3

#### BUILDING OWNERS VOTING RIGHTS

Section 3.1. Building Owners. This Declaration provides for certain rights and actions that may be taken by the Owners of Homes in a Building for the mutual benefit of all Owners of Homes in such Building. As used herein, "Building Owners" means, as to each Building, the Owners of Homes in that Building, such that there shall be two (2) groups of Building Owners, one group for each of the occupied Buildings. Actions that may be taken pursuant to this Declaration by the Building Owners as to a particular Building shall be restricted to the Owners of the Homes in such Building.

Section 3.2. Actions by Building Owners. Whenever any action, approval, or consent of the Building Owners is authorized or required pursuant to this Declaration, such action, approval, or consent shall require a majority of the Owners for such Building. For purposes of voting on matters requiring the consent or approval of building Owners, the "Owner" includes only record fee title owners; provided, however, an Owner selling a Home pursuant to written purchase contract that complies with the requirements and limitations of this Declaration concerning sales and transfers may grant to the purchaser under such contract such Owner's proxy if such grant is made in writing and evidence thereof is given to the other Building Owners. An Owner shall not include a Mortgagee or persons who hold an interest merely as security for the performance of an obligation unless and until title is acquired by foreclosure or similar proceedings and record title is transferred to such purchaser. When more than one person holds an ownership interest in any Home, the group of such persons shall be treated as a single Owner. The vote for such Home shall be exercised as the Owners determine among themselves, but in no event shall more than one (1) vote be cast with respect to any Home, except as permitted in Section 3.3 below. A vote cast by any such co-Owners, whether in person or by proxy, is conclusively presumed to be the vote attributable to the Home concerned unless written objection is made to the other Building

Owners prior to the casting of the vote or within three (3) days thereafter by another co-Owner of the same Home. If an objection is made, the vote involved shall not be counted for any purpose until such objection is withdrawn.

Section 3.3. Voting by Declarant. Notwithstanding anything in this Article 3 to the contrary, the Declarant shall be entitled to three (3) votes for each Home owned by Declarant until the happening of the following events, whichever first occurs:

- (a) Upon conveyance of seventy-five percent (75%) of the Homes subject to this Declaration to purchasers; or
- (b) The expiration of seven (7) years from the date the first Home is conveyed to a purchaser; or
- (c) Declarant notifies the other Building Owners in writing that it is waiving its voting rights under this Section 3.3.

Upon the occurrence of the first of the foregoing events, Declarant shall be entitled to one (1) vote for each Home owned by it.

#### ARTICLE 4

##### EXTERIOR MAINTENANCE

Section 4.1. Exterior Maintenance. Each Owner shall be responsible, at his or her sole costs and expense, for the exterior maintenance of such Owner's Home, including without limitation the painting, repairing, replacing and caring for roofs, flashing, rain gutters, downspouts, exterior building surfaces, fences, glass, windows, doors, screens, light, mailboxes, trees, shrubs, grass, landscaping, walks, and other exterior improvements (except as provided for expressly herein). Each Owner agrees to maintain his or her Home in good conditions and repair, including without limitation the removal of trash, debris, and garbage. Each Owner acknowledges the mutual benefit of having a common and consistent exterior appearance for all Homes located in a Building and agrees that any repainting, resurfacing, residing, or other alteration of the exterior of any Home shall be made in a manner that conforms to and is consistent with the architectural style, color, quality of products, and visual appearance of the Building in which such Home is located. Prior to making any alteration or repair to the exterior of a Home that changes the color or appearance thereof or that utilizes different building materials, the Owner of such Home shall first consult with the other Building Owners in which such Home is located.

Section 4.2. Joint Maintenance. Building Owners for the Homes located on Lots 1, 2, and 3 shall be jointly responsible for the maintenance and repair of the asphalt driveway areas of Lot 1, 2, and 3 and for the dumpster pad (including wood screen) located on Lot 2.

Section 4.3. Enforcement Actions.

- (a) If a Building Owner fails to maintain their individual property pursuant to Section 4.1, another Building Owner may initiate legal action against such Building Owner in any court of competent jurisdiction and seek enforcement and specific performance of

the maintenance requirement. The prevailing Party in such litigation shall be entitled to reasonable attorneys' fees, expenses, and court costs.

- (b) If a Building Owner fails to pay his or her share of joint costs and expenses pursuant to Section 4.2, then another Building Owner may initiate legal action against such defaulting Building Owner in any court of competent jurisdiction to recover such defaulting Building Owner's share of costs and expenses, together with interest thereon at the rate of eighteen percent (18%) per annum and reasonable attorneys' fees, expenses, and court costs.

Sections 4.4. Trash Removal. The Owner of each Home shall keep the same free from garbage, refuse, rubbish, litter, and other debris. All temporary storage of garbage, refuse, rubbish, litter, and other debris shall be within garbage containers supplied by Salt Lake City Public Services and kept on the common garbage site for the attached Homes and onsite at the detached Home until the time of removal by Salt Lake City Public Services. Owners will place garbage containers for trash removal in accordance with the requirements of Salt Lake City and/or Salt Lake City Public Services; as such requirements may be enacted or modified from time to time.

## ARTICLE 5

### INSURANCE

Section 5.1 Casualty Insurance. Each Owner agrees to keep such Owner's Home insured against loss or damage by fire for the full insurance replacement cost thereof and with such coverages, exclusions, and deductibles as are common in the Salt Lake City area with respect to similar properties.

Section 5.2. Restoration and Repairs. Each Owner agrees to use any insurance proceeds received on account of the damage or destruction of the Home or any improvement on such Owner's Lot for the restoration and repair thereof. Each Owner agrees to make such restoration and repairs promptly upon receipt of any insurance proceeds and to complete the same in a good and workmanlike manner and in manner consistent with the terms of this Declaration.

## ARTICLE 6

### USE RESTRICTIONS

Section 6.1. Construction, Business, and Activities of Declarant. Notwithstanding any provisions to the contrary herein contained, it shall be expressly permissible for Declarant to maintain such facilities and conduct such activities on Homes owned by Declarant as may be reasonably necessary, convenient, or incidental to the development of the Project and the construction and sale of Homes, including without limitation storage areas, construction yards, sign, model units, and sales offices.

Section 6.2. General Use Restrictions. All of the Property which is subject to this Declaration shall be used primarily for residential purposes; provided, however, up to one thousand one

hundred and forty-four (1144) square feet of the first floor (i.e., the ground floor which includes the garage) of each Home in the Building located on Lots 1, 2, and 3 may be used for commercial or business purposes consistent with permitted uses in "MU" or "mixed use" zoning districts pursuant to Section 21.A.32.130 of the Salt Lake City Zoning Ordinances. Residential purposes shall include residential dwellings and other improvements generally associated herewith, including without limitation attached garages, sheds, and other structures of a residential nature and use. All buildings or structures erected on the Property shall be of new construction when built and no buildings or structures shall be removed from other locations to the Property. After the initial construction of a Home, no subsequent building or structure dissimilar to that initially constructed shall be built on that Lot, except that an Owner may construct fences, arbors, sheds, decks, and similar structures that are consistent with the general quality of construction and style for the Project and that are not attached to the exterior of any Building. No building or structure of a temporary character, trailer, tent, camper, shack, garage, barn, or other outbuilding shall be placed or used on any Lot at any time.

Section 6.3. Signs; Commercial Activity. Except for one "For Rent" or "For Sale" sign of not more than two (2) square feet, no advertising signs, billboards, objects of unsightly appearance, or nuisances shall be erected, placed, or permitted to remain on any Home; provided, however, a sign not greater than 18 inches by 18 inches may be permitted to be displayed on the entry door located on the first or ground floor of each Home in the Building located on Lots 1, 2, and 3 and used to identify a business being conducted in such Home consistent with Section 6.2 above. No commercial activities of any kind whatever shall be conducted in any building or on any portion of the property except as permitted in Section 6.2 above. The foregoing restrictions shall not apply to the commercial activities, signs and billboards, if any, of the Declarant or its agents during the construction and sales period.

Section 6.4. Quiet Enjoyment. No noxious or offensive activity shall be carried on upon any part of the Property nor shall anything be done thereon which may be or may become an annoyance or nuisance to neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the Owners or which shall in any way increase the rate of insurance.

Section 6.5. Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept at any Home, except that dogs, cats, or other household pets, three (3) or less in total number for each Home, may be kept provided that they are not kept, bred, or maintained for any commercial purpose, and provided further that such household pets are kept in compliance with the law. Notwithstanding the foregoing, no animals or fowl may be kept on the Property which result in an annoyance or are obnoxious, by noise, smell or otherwise, to other Owners.

Section 6.6. Special RDA Use Restrictions. The following restrictions are made applicable to the Project by the RDA Documents:

- (a) All Homes shall initially be sold at market (not subsidized) prices.
- (b) All Homes shall be "owner occupied," and no Home may be rented to any person who is not an Owner; provided, however, (i) a majority of the Owners may permit a rental of a Home on a temporary basis, not to exceed twelve (12) months during any 10-year period, for the purpose of accommodating an Owner's temporary absence from that Home; and (ii) Developer shall have the option to retain one of the Homes as a personal living space for Developer's owner or principal for a maximum period

of eighteen (18) months. Upon expiration of the maximum occupancy period of eighteen months the subject Home shall be sold under the same terms as the others Homes. The Agency reserves the right to periodically inspect the Home used by the Developer or its owner or principal under the preceding clause (ii) for contractual compliance or to request documentations associated with the property transfer.

- (c) A majority of the Owners must approve the sale of more than one Home to a single buyer.
- (d) No Home may be rented or used primarily for commercial purposes.
- (e) Each Owner shall have the right to cure any defaults and to enforce any agreement or covenant made or deemed to have been made by the Declarant or any other Owner in this Declaration, and to pursue any other rights or remedies granted herein.
- (f) No Owner shall discriminate against or segregate any person or group of persons on the basis of race, creed, color, religion, sex, marital status, age, disability, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure or enjoyment of such Owner's Home or any part thereof, including any improvement erected or to be erected thereon.
- (g) No Owner shall create or permit to exist on his or her Home any activity or condition that constitutes a nuisance under this Declaration or applicable law.
- (h) Any equipment installed on the roof of any Home must not be visible from any street adjacent to the Property.
- (i) Each Owner must maintain his or her Home in good condition and repair, including without limitation the removal of weeds and debris.
- (j) No motor vehicle which is inoperable shall be stored at any Home for more than seventy-two (72) hours except within an enclosed garage.
- (k) No motor vehicle, whether or not operable, shall be serviced or repaired at any Home, except in an emergency or for minor, incidental repairs that can be completed within twenty-four (24) hours.
- (l) Each Owner shall pay all real property taxes and assessments when the same become due and payable, subject to exercising any rights of appeal so long as no action is taken that would result in the sale of any Home for unpaid taxes.
- (m) For a period ending twenty-five (25) years after the date this Declaration is recorded in the official records of the Salt Lake County Recorder, State of Utah, this Declaration may not be amended, modified, rescinded, or terminated in any manner without the prior written consent of the RDA.

The RDA may, in its sole discretion, take such action as it deems reasonable, necessary, or convenient to enforce any restriction, term, or covenant contained in this Declaration, including without limitation, this Section 6.6, and to pursue any right or remedy available at law or in equity.

Section 6.7. External apparatus. No Owner shall cause or permit anything (including without limitation awnings, canopies or shutters) to hang, be displayed or otherwise affixed to or placed on the exterior walls or roof of any Home; provided, however, each Home may hang or display one (1) national or decorative flag of a type and size that is not uncommon in residential areas in Salt Lake City and may display signs as permitted in Section 6.3 above.



Section 6.8. Exterior Television or Other Antennas. No exterior radio or other antennas or satellite dishes shall be placed, allowed or maintained upon any Home; provided, however, each Home may have one (1) television antenna or satellite dish which shall not exceed four (4) feet in height, shall not be visible from any street adjacent to the Project, and which otherwise satisfies all applicable laws.

Section 6.9. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in the Property. No derrick, lift, shaft or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon the Property.

Section 6.10. Interior Utilities. All utilities, fixtures, and equipment installed within a Home, commencing at a point where the utility lines, pipes, wires, conduits or systems enter boundaries of a Lot, shall be maintained and kept in repair by the Owner thereof. An Owner shall do no act nor any work that will impair any easement or hereditament nor do any act nor allow any condition to exist which will adversely affect the other Homes or Owners.

Section 6.11. Leases. Any lease or rental agreement for any Home shall comply with the requirements of Section 6.6 above, shall be in writing, shall provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration, and shall provide that any failure by lessee to comply with the terms of this Declaration shall be a default under the lease.

Section 6.12. Violation Constitutes a Nuisance. Any act or omission whereby any restriction, condition, or covenant as set forth in this Declaration if violated in whole or in part is declared to be and shall constitute a nuisance, and the Declarant, any Owner, and/or the RDA may take such action and pursue such rights and remedies as may be necessary or otherwise available to abate, remove, or otherwise terminate such nuisance.

## ARTICLE 7

### EASEMENTS

Section 7.1. Encroachments. The Property and each Home shall be subject to an easement for encroachments created by construction, settling, and overhangs, as designed or constructed by the Declarant. A valid easement for said encroachments and for the maintenance of same, so long as it stands, shall and does exist. If the structure encroaching on a Home is partially or totally destroyed, and then rebuilt, the Owner of the Home so affected agrees that minor encroachments of his or her Lot shall be permitted for the purposes of such construction or repair, and that a valid easement for said encroachment and the maintenance thereof shall exist.

Section 7.2. Utilities. There is hereby created an easement upon, across, over and under the Homes as described or shown on the Plat. By virtue of this easement, it shall be expressly permissible for all public utilities serving the Property to lay, construct, renew, operate, and maintain conduits, cables, pipes, mains, ducts, wires, and other necessary equipment in the easement areas shown on the Plat.

Section 7.3. Police, Fire and Ambulance Service. An easement is hereby granted to all police, fire protection, ambulance services, and all similar persons to enter upon the Project as reasonably necessary in the performance of their duties.

Section 7.4. Maintenance by Building Owners. An easement is hereby granted to the Building Owners, and to any maintenance company selected by the Building Owners, to enter in or to crossover any Home in the performance of any maintenance or repair authorized in Section 4.2 above.

Section 7.5. Easement for Declarant. The Declarant shall have a transferable easement over and on the Homes for the purpose of completing construction of the Buildings and related improvements and for the purpose of doing all things reasonably necessary and proper in connection with the same.

Section 7.6. Attached Homes Cross-Use Easement. Each Owner of the attached Homes in the Building located on Lots 1, 2, and 3 shall have a mutual cross-use easement, as shown on the Plat, allowing (i) access by the Home Owner to their respective garage and the onsite parking stalls (one garage for each Home and one parking stall for each Home for personal and business use); (ii) access by the Home Owners to the City provided garbage and recycling cans in a garbage can site located on Lot 2; and (iii) access to the pedestrian door on the north side of the garage on Lot 2. This easement shall include access by third party invitees of any Owner to the extent such use is limited to accessing an Owner's respective onsite parking stall.

Section 7.7. Other Easements. The easements provided for in this Article 7 shall in no way affect any other recorded easement.

## ARTICLE 8

### GENERAL PROVISIONS

Section 8.1. Enforcement. The Declarant, any Owner, and/or the RDA shall have the right, but not the obligation, to enforce all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration, including without limitation through any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants. Failure of the Declarant, any Owner, or the RDA to enforce any covenant or restriction contained in this Declaration shall in no event be deemed a waiver of the right of the Declarant, any Owner, or the RDA to do so thereafter. In the event action, with or without suit, is undertaken to enforce any provision hereof, the party against whom enforcement is sought shall pay to the prevailing party a reasonable attorney's fee.

Section 8.2. Severability. All of conditions, covenants, and restrictions contained in this Declaration shall be construed together, but if any one of said conditions, covenants, or restrictions, or any part thereof, shall at any time be held invalid, or for any reason become unenforceable, no other condition, covenant, or restriction, or any part thereof, shall be thereby affected or impaired; and the Declarant, the Owners, the RDA, their respective successors, heirs and assigns shall be bound by each article, section, subsection, paragraph, sentence, clause, and phrase of this Declaration, irrespective of the invalidity or unenforceability of any other article, section, subsection, paragraph, sentence, clause, or phrase.

Section 8.3. Duration. The covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Declarant, any

Owner, or the RDA, together with their respective, legal representatives, heirs, successors, and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded. After such 25-year period, this Declaration shall be automatically extended for successive periods of five (5) years each; provided, however, that after the expiration of the initial twenty-five (25) year term and the expiration of any automatic extension, the Owners, by vote of all of the Owners and the approval of all holders of first mortgages or deeds of trust affecting any Home, may elect to not renew the term of his Declaration, in which event the Owners and such mortgagees shall record a notice with Salt Lake County recorder to the effect that this Declaration has terminated, setting forth in such notice that the required votes and approvals have been obtained and that the termination has been made in accordance with the terms and conditions, of this Section 8.3; and provided, further, that any perpetual easements, covenants, and restrictions identified in the RDA Documents shall remain in effect in perpetuity (unless terminated sooner in accordance with the RDA Documents or terminated pursuant to the written consent of the RDA) notwithstanding a permitted termination of amendment of this Declaration.

Section 8.4. Amendment. The covenants, conditions, and restrictions of this Declaration may be amended by an instrument signed by the RDA (during the initial 25-year term of this Declaration or thereafter if such amendment involves a perpetual easement, covenant, or restriction), the Declarant (until such time as three (3) of the Homes have been sold), and not less than seventy-five percent (75%) of the Owners. Any amendment must be properly recorded in the records of Salt Lake County, Utah to become effective. Notwithstanding the foregoing, the Declarant reserves the right until such time as it has sold more than 50% of the Homes, to amend the Declaration and/or the Plat, with the prior written consent of the RDA, for the limited purpose of complying with the laws, rules, or regulations of Salt Lake City, Salt Lake County, or the RDA, or with the requirements of holders, insurers or guarantors of first mortgages, or to satisfy the requirements and applicable guidelines of the Federal Housing Administration or Veterans Administration.

Section 8.5. Notices. Any notice required to be sent under the provisions of this Declaration shall be deemed to have been properly sent when deposited in the U.S. Mail, postage prepaid, to the last known address of the person who is entitled to receive it.

Section 8.6. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 8.7. Waivers. No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.

Section 8.8. Topical Headings. The topical headings contained in this Declaration are for convenience only and do not define, limit or construe the contents of the Declaration.

ARTICLE 9

ASSIGNMENT OF POWERS

Any and all rights and powers of Declarant herein contained may be delegated, transferred or assigned by it.

ARTICLE 10

CONFLICT OF INTEREST

Declarant represents that it has not (1) provided an illegal gift or payoff to a Redevelopment Agency of Salt Lake City ("Agency") or a Salt Lake City officer or employee or former Agency or Salt Lake City officer or employee, or his or her relative or business entity; (2) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business as more particularly set forth herein; (3) knowingly breached any of the ethical standards set forth in Salt Lake City's conflict of interest ordinance, Chapter 2.44 Salt Lake City Code; or (4) knowingly influenced, and hereby promises that it will not knowingly influence, an Agency or a Salt Lake City officer or employee or former Agency or Salt Lake City officer or employee to breach any of the ethical standards set forth in Salt Lake City's conflict of interest ordinance, Chapter 2.44 Salt Lake City Code.

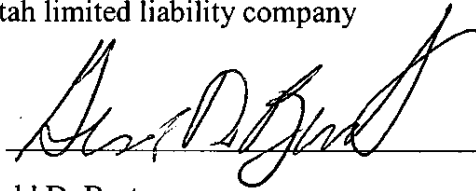
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Signature page follows immediately.]

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand as of the date and year first written above.

REED AVENUE LLC,

a Utah limited liability company

By: 

Gerald D. Burt

Manager

STATE OF UTAH )

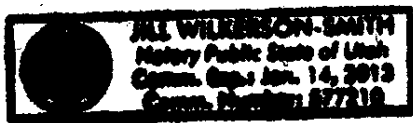
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COUNTY OF SALT LAKE )

On this 11<sup>th</sup> day of September, 2009, before me, the undersigned notary, personally appeared Gerald D. Burt, the Manager of Reed Avenue LLC, a Utah limited liability company, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is signed on the preceding document, and acknowledged before me that he signed it voluntarily for its stated purpose.

  
Notary Public


[seal]



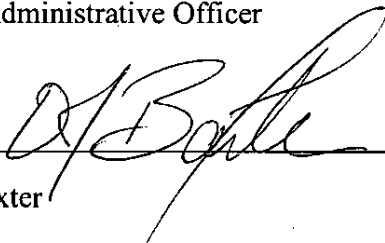
The foregoing Declaration of Covenants, Conditions, and Restrictions for Reed Avenue Lofts, has been reviewed and approved by the Redevelopment Agency of Salt Lake City, Utah.

Dated: September, 14 2009

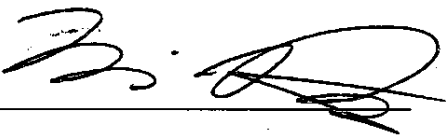
REDEVELOPMENT AGENCY OF SALT LAKE  
CITY

By:   
Ralph Becker

Chief Administrative Officer

By:   
D.J. Baxter  
Executive Director

APPROVED AS TO FORM:

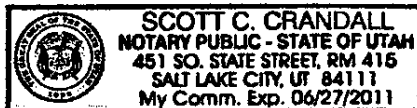


Brian F. Roberts

Agency Legal Counsel

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

On the 14<sup>th</sup> day of September, 2009 before me, the undersigned notary, Ralph Becker personally appeared, who being by me duly sworn did say he is the Chief administrative Officer of the Redevelopment Agency of Salt Lake City, and that the within and foregoing instrument was signed on behalf of the agency.



[seal]

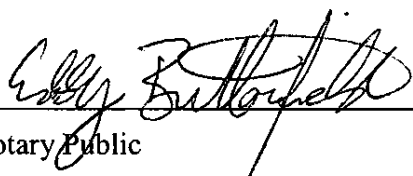
  
Notary Public

STATE OF UTAH )

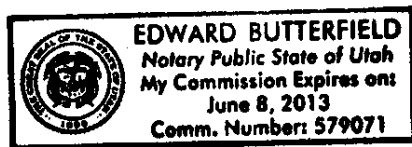
: ss.

COUNTY OF SALT LAKE )

On the 10 day of September, 2009, before me, the undersigned notary, personally appeared D.J. Baxter, who being by me duly sworn did say he is the Executive Director of the Redevelopment Agency of Salt Lake City, and that the within and foregoing instrument was signed on behalf of the Agency.

  
\_\_\_\_\_  
Notary Public

[seal]



**EXHIBIT A**  
**(Legal Description of the Property)**

The following real property is located in Salt Lake County, Utah:

**Legal Description**

That certain real property located in Salt Lake County, Utah more particularly described as follows:

Lots 1, 2, 3 and 4 of REED AVENUE LOFTS, recorded October 23, 2008, as Entry No. 10548042, in Book of Plats 2008P, at Page 274, of official records, in the office of the Salt Lake County Recorder.

**Purported Address Lot 1:**

746 North 300 West

Salt Lake City, UT 84103

**Purported Address Lot 2:**

748 North 300 West

Salt Lake City, UT 84103

**Purported Address Lot 3:**

750 North 300 West

Salt Lake City, UT 84103

**Purported Address Lot 4:**

275 West Reed Avenue

Salt Lake City, UT 84103