

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
ALPINE COMMONS PRD

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereinafter referred to as the "Declaration"), is made as of this 24th day of June, 2004, by E and C Development LLC, a Utah Limited Liability Co., E and C Development LLC, a Utah limited liability Co., and WBM Trust (the "Declarant"), with reference to the following facts:

WHEREAS, Declarant is the owner of record of that certain parcel of real property known as Alpine Commons PRD (the "Subdivision"), whose subdivision Maps were recorded on October 5, 2004, as Entry No. 113486:2004, Map No. 10721 of the official records in the Office of the County Recorder for Utah Country, State of Utah. Alpine Commons PRD are located in Alpine City, Utah County, State of Utah, and is more particularly described as follows:

WHEREAS, all lots in the Subdivision are a part of and are governed by this Declaration, and

WHEREAS, the Declarant desires to develop residential subdivisions of distinctive and individual character and for the benefit of all owners within the Subdivision, and intends to provide for the preservation of such character.

WHEREAS, the Declarant intends to sell the individual lots which comprise the Property described above and the Declarant desires to subject each respective lot to a general plan of improvment which will include certain restrictions, conditions, covenants, and agreements, as hereinafter set forth;

NOW, THEREFORE, the Declarant declares that the Property shall be held, sold, conveyed, leased, occupied, resided upon and hypothecated subject to the following covenants, conditions and restrictions; which covenants, conditions and restrictions shall run with the land, are established for the purpose of protecting and preserving the value of each and every part of the Property, and which shall be binding upon each and every party which shall at any time have any right, title or interest in or to the Property or any part thereof, their heirs, successors and assigns and shall inure to the benefit of each Owner thereof.

ARTICLE I DEFINITIONS

Section 1.1 "Association" shall mean the Alpine Commons PRD Home Owners Association, comprised of each respective Owner of a Lot within the Subdivision. Decisions by the Association shall be made by a vote of a majority of those Owners present at a duly called meeting of the Association. No vote shall be taken, however, without a quorum of the Owners present, comprised of a majority of the Owners of Lots in the Subdivision. One vote shall be allotted to the Owner of each of the Lots in the Subdivision. No dues shall be assessed to individual members of the Association, unless otherwise decided by the members of the Association.

Section 1.2 "Committee" shall mean the Architectural Control Committee, as such Committee is further described in Article IV hereof.

Section 1.3 "Declarant" shall mean Alpine Commons PRD, a Utah Limited Liability Company, Alpine Commons PRD, a Utah Limited Liability Company, and WBM Trust and their successor(s) and/or assign(s).

Section 1.4 "Family" shall mean a group of natural persons related to each other by blood or legally related to each other by marriage or adoption.

Section 1.5 "Improvement" shall mean any structure, Residence, building, barn, storage, shed, garage, Landscaping, accessory building, fence, wall, nonliving or living screen, or other structure of Landscaping, or other meaningful addition or alteration constructed or added to a Lot.

Section 1.6 "Landscaping" shall mean lawn, shrubs, flowers, trees and natural foliage located or placed upon a Lot.

Section 1.7 "Lot" shall mean any individual parcel shown upon the Maps of the Subdivision, which may be legally conveyed by reference only to the number of such Lot designated on the Map.

Section 1.8 "Maps" shall mean the official subdivision plat maps recorded as referred to above, and as has become part of the official records in the Office of the Utah County Recorder, State of Utah, as the same may be amended from time to time.

Section 1.9 "Mortgage" shall mean any instrument creating a lien with respect to a Lot including a mortgage, deed of trust or any similar security agreement.

Section 1.11 "Owner" shall mean the recorded owner of a fee simple title to any Lot which is a part of the Subdivision. In the event that more than one party shall be established as

the record Owners of a Lot, then for all purposes under this Declaration, all such parties shall be required to act jointly as the Owner of such Lot.

Section 1.12 "Property" shall mean all the real property described above, consisting of all Lots of the Subdivisions.

Section 1.13 "Residence" shall mean a single building designed and constructed for residential occupancy to be occupied by a Family.

Section 1.14 "Street" shall mean all streets dedicated to Alpine City.

ARTICLE II PURPOSE

Section 2.1 Purpose of Declaration. The purpose of this Declaration is to insure the use of the Property for attractive residential purposes, to prevent nuisances, to prevent the impairment of the attractiveness of the Property, and to maintain and desired tone of the Subdivision, and thereby to secure to each Owner the full benefit, enjoyment and value of their home, with no greater restriction on the free and undisturbed use of their lot that is necessary to insure the same advantages to other Owners.

ARTICLE III GENERAL RESTRICTIONS AND REQUIREMENTS

Section 3.1 Land Use and Building Type. Each Lot shall be used exclusively for the construction and occupancy of a Residence, to be occupied by a Family, related Landscaping and other incidental and related Improvements. Except as may be specifically provided in Article III hereof, no building shall be erected, altered, placed or permitted to remain on any Lot other than: (a) one single Family dwelling with enclosed, attached garage for either two or three cars as specified in Section 3.3 of this Declaration. (b) One other detached building which is architecturally compatible with the residence and has been approved by the Committee in writing. Any additional detached building must be approved in writing by the Committee, and will only be approved after the Owner has demonstrated the reasonable need for any additional buildings and that the committee approval of any additional building will not create a problem for any other Owners in the Subdivision.

Section 3.2 Subdivision of Lot. No Lot may be divided, subdivided or separated into smaller parcels unless approved in writing by (a) the Committee, which approval shall be granted, if at all, in accordance with this Declaration, and (b) by Alpine City.

Section 3.3 Residence Size and Materials. No structure shall be constructed upon any

Lot unless and until the final plans and specifications for such structure have been submitted to and approved by the Committee. No single story Residence shall be constructed, altered, placed or permitted to remain on any Lot unless the main floor area, exclusive of basement, open porches and garages, is 2,500 square feet or greater. No multi-story Residence shall be constructed, altered, placed or permitted to remain on any Lot unless the main floor, exclusive of basements, open porches and garages, is a total of 1,800 square feet or greater. Garages for all Residences on shall be enclosed, large enough for at least two cars, and situated so as to utilize a side or rear facing entrance when feasible.

The Architectural Control Committee may approve: (a) a home of smaller size, (b) an attached garage for two cars, or (c) a front entry access to the attached garage, or other deviations from the design standards established in this Declaration only after considering all relevant factors and it is determined to be clearly unreasonable, under the given circumstances, to require compliance with the established design standards.

The exterior of all Residences must be constructed of brick, stone, and/or a high quality synthetic stucco system, with wood being used for trim purposes only. Other materials such as wood shingles, other wood finishes, or any other materials or combination of material may be considered for approval by the committee, provided that in their sole opinion, the committee determines that proposed materials to be architecturally compatible with the nature and character of the homes already constructed or anticipated to be constructed in the Subdivision. Aluminum soffits and fascia trim will be allowed. No thin brick may be used in the exterior construction of a Residence, artificial stone may only be used provided the Committee has given specific approval. No aluminum or vinyl siding materials shall be allowed on the exterior of any Residence. Roof surfaces shall be wood or architectural asphalt shingles, concrete or bar tile, unless specific written approval of the Committee is received for the use of other roofing materials. Asphalt shingles shall not be allowed or used for a roofing material for a Residence in the Subdivision. Colors of exterior materials shall be approved by the committee. Care should be given that each Residence compliment those around it, and not detract in design, quality or appearance. All final decisions with respect to these enumerated standards and their application to a particular proposed structure in the Subdivision shall be made by the Committee, in their sole discretion, the Committee shall have the right to make exception for materials and designs which are in keeping with the objectives and intentions of this Declaration, but are not specifically identified in Article III.

Section 3.4 Building Location. No walls or foundation of a Residence or other structure shall be located on any Lot nearer to the front Lot line or nearer to the side Lot lines that the minimum building set-back as prescribed by the Alpine City Development Code pertaining to this zone. Notwithstanding anything to the contrary, Lot #4 must conform to the building footprint as outlined on the subdivision map. Each Owner will be responsible for developing a design of their proposed Residence which will present to the street fronting their Lot an elevation designed in such a way that it will be commonly perceived as the "font elevation" of the Residence, and which in the sole opinion of the Committee is complementary with the other

homes in the Subdivision. The site plan showing the proposed location of all Improvements to be constructed upon a Lot shall be submitted to and approved by the Committee prior to the commencement of any construction.

Section 3.5 Construction and Landscaping Time Restrictions. It is understood that the Lot owner shall not be required to build any Improvements on their Lot. However Lot Owners will be obligated to maintain their Property in a reasonable state of appearance, which shall be deemed to include the elimination or control of weed growth on the Lot and any other factor which may be considered to be noxious or to create a nuisance.

The exterior constructions of all Residences or other structures shall be completed within a period of one (1) year following commencement of construction. The front and side yards of each Lot shall be landscaped with at least a sprinkling system and grass lawn, as appropriate, within a period of nine (9) months following completion of construction or occupancy of each Residence, whichever shall first occur. All front yard landscaping shall include all lot boundaries fronting on any dedicated roads. The completion of the front yard landscaping shall include all lot boundaries fronting on any dedicated roads. The completion of the front and side yard landscaping, which shall require a sprinkling system and grass lawn, as appropriate must be completed within a period of eighteen (18) months following completion of construction or occupancy of each Residence, whichever shall first occur. The Committee shall have the responsibility to review the landscaping of each Lot and advise any Owner of deficiencies which detract from the objectives and intentions of the Declaration, and to initiate actions to require further landscaping improvements to be made. The owner of Lot #4 must contact the Metropolitan Water District of Salt Lake and Sandy prior to landscaping Parcel D. All construction to parcel D must be approved in advance by the MWD of Salt Lake and Sandy. The owner of Lot # 4 is required to landscape and maintain Parcel D for their use as may be permitted by the Aqueduct License Agreement. No fencing, shrubs or trees or allowed within the area covered by the Aqueduct License Agreement.

The time periods set forth in this paragraph may be extended by that period of time during which access to the Lot is restricted by reason of weather, seasonal conditions and/or soil conditions which would prohibit such performance.

Section 3.6 Utility Lines. All utility lines shall be installed underground. Connection fees shall be paid by each individual Owner. In the event that the Declarant has paid for any utility connection fees associated with any Lot, the Owner will be obligated to reimburse the Declarant for fees paid.

Section 3.7 Governmental Regulations. All applicable governmental rules, regulations, and ordinances of Alpine City, Utah County or other local or federal Governmental Agency, must be complied with regarding activities within the Subdivision. Specifically Owners are required to comply with all regulations related to wetlands, or environmental hazards and any others which may be applicable. When a subject is covered both by this Declaration and a governmental rule,

restriction or ordinance, the more restrictive requirements shall be met.

Section 3.8 Fire Protection. Each Residence shall have installed surrounding it a sprinkler system for fire protection covering the total area of the lot which sprinkler system may also be used for irrigation. All residents shall strictly comply with all state and city ordinances pertaining to fire hazard control. All stacks and chimneys from fireplaces in which combustibles, other than natural gas, are burned shall be fitted with spark arresters. Exterior fires must be contained within appropriate receptacles and in compliance with the applicable government agency.

Section 3.9 Nuisances, Unreasonable Annoyance and Noxious Activities. No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may be or may become an unreasonable annoyance, nuisance or danger to the Subdivision, or any Lot or Owner. Except for legitimate construction and maintenance purposes, no excessively loud noises shall be permitted in the Subdivision.

Section 3.10 Signs. No signs, posters, displays or other advertising devices of any character shall be erected or maintained on, or shown or displayed to the public view on any Lot without express written approval have been first obtained from the Association; provided, however, that the restrictions of this paragraph shall not apply to any sign or notice seven square feet or smaller in size which states that the premises are for rent or sale. The Association may cause all unauthorized signs to be removed. This section shall not apply to any signs used by Declarant or its agents in connection with the original construction and sale of Lots.

Section 3.11 Antennas. All television and radio antennas shall be completely erected, constructed and placed within the enclosed area of the Residence or or garage on the Lot. Satellite dishes or other electronic reception devices shall be located and screened so as to not be visible from the Street or an adjacent Lot. Exceptions must first be expressly approved in writing by the Committee.

Section 3.12. Storage of Vehicles and Materials. No truck larger than one ton, trailer, construction equipment, or recreational vehicle, including but not limited to campers, boats, motor homes, off-road vehicles, motorcycles and similar equipment, or passenger trucks or cars not used on a regular basis and which are not reasonably operational and in a reasonable state of repair, (hereinafter collectively referred to as the "Equipment or Vehicles") shall be permitted to be parked overnight or for any period of time longer than twenty-four (24) hours upon any portion of the Streets, or on any Lot, driveway or off-street parking area of a Lot in front of the front set-back line of the Residence. The Equipment or Vehicles including recreational vehicles shall be allowed to remain overnight on the Property only if housed in a garage, or other detached building, or parking area located behind the front set-back line of the Residence. Appropriate and reasonable screening for any such parking area behind the front set-back line of the Residence shall be required by the Committee at the Committee's sole discretion and at the sole expense of the Owner. Failure to comply with the provisions hereof shall constitute a nuisance.

No storage of articles, materials, Equipment or Vehicles of any nature is permitted in the front portion of any Lot (in front of the front set-back line of the Residence), except that a reasonable number of regularly used passenger cars, in proper working order, may be parked on a driveway or off-street parking areas.

Section 3.13 Rubbish and Unsightly Debris, Garbage, Etc. Notwithstanding any other provision in this Declaration, no Owner shall allow his or her Lot to become so physically encumbered with rubbish, unsightly debris, garbage, equipment, weed growth, or other things or materials so as to constitute an eyesore as reasonably determined by the Association. Within ten (10) days of receipt of written notification by the Association of such failure, the Owner shall be responsible to make the appropriate corrections.

Section 3.14 Temporary Structures, Etc. No structure of a temporary character, or trailer, camper, tent, shack, garage or other outbuilding shall be used on any Lot at any time as a Residence either temporarily or permanently, unless first expressly approved in writing by the Committee.

Section 3.15 Non-Residential Uses Prohibited. No part of the Property shall be used for any commercial, manufacturing, mercantile, vending or other such non-residential purposes, provided however, that professional and administrative occupations may be carried on within the Residence so long as there exists no meaningful external evidence thereof. The Declarant, its successors or assigns may use the Property for a model home site, display and sales office during the construction and sales period.

Section 3.16 Hazardous Materials and Drilling Operations. No Lot owner be allowed to use, generate, place store, release, or otherwise dispose of any Hazardous Materials on any Lot or within any Improvements on the Lot, except in strict accordance with all Environmental Laws. In the event of a breach of the foregoing, the owner will undertake remediation or removal in accordance with all Environmental Laws. In addition the Owner will indemnify, defend and hold the Delarant, Declarant's affiliates and all other Owners harmless against and reimburse any damaged party for all Hazardous Materials Liabilities asserted against or incurred by them as a result of a breach of an Owner's obligations under this Section. The term "Hazardous Materials as used herin means any substance (a) the presence of which requires special handling, storage, investigation, notifications, monitoring, or remediation under any Environmental law, (b) Which is toxic, explosive, corrosive, erosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous, which is or becomes regulated by any Governmental Authority, or (d) the presence of which causes or threatens to cause a nuisance to the any Owner in the Subdivision. The term "Environmental Laws" refers to all laws relating to (a) emissions, discharges, spills, releases or threatened releases of Hazardous Materials onto land or into ambient air, surface water, groundwater, watercourses, publicly or privately owned treatment works, drains, sewer systems, wetlands, or septic systems, (b) the use, treatment, storage, disposal, handling, manufacturing, transportation, or shipment of Hazardous Materials, or the protection of human health or the environment. The term "Hazardous Materials liabilities"

as used herein means all claims, damages, losses, forfeitures, expenses, or liabilities arising from or cause in whole or in part, directly or indirectly, by a breach by an Owner of the provision of this section, including, without limitation, all costs of defense (including reasonable attorneys' fees and other costs of litigation), all consultants' fees, and all costs of investigation, repair, remediation, restoration, cleanup, detoxification or decontamination, and /or preparation and implementation of closure of any remediation action or other required plan.

No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon any Lot nor shall oil wells, tunnels, mineral excavations or shafts be permitted. No derrick or other structure designed for use in drilling for oil or natural gas or water shall be erected, maintained or permitted upon any Lot.

Section 3.18 Fences and Walls, Hedges and Screens. No fences, walls or non-living screens shall be constructed on any Lot without prior written approval having been obtained from the Committee. Front yard fences, walls and/or non-living screens are prohibited entirely. No hedges, shrubs, or other living Landscaping or screen of any kind shall be erected so as to constitute a hazard for vehicular traffic, pedestrians, children, etc., particularly near the entrances to (a) driveway(s) onto a Lot. Any solid hedge within twenty (20) feet of the front Lot line shall be trimmed to a maximum height of three(3) feet.

Back yard fences are required in the Subdivision, and shall only be constructed after approval by the committee of the materials and design of the fence to be built. No back yard fence shall extend further along the Lot line, or otherwise, toward the front of the Lot than even with the front setback of the Residence.

Section 3.23 Deviations. Deviations from the standards set forth in this Declaration will be allowed only upon written approval by the Committee for good cause shown.

ARTICLE IV ARCHITECTURAL CONTROL COMMITTEE

Section 4.1 Committee Appointment and Composition. The Committee shall originally consist of five members, one of whom need not be a Lot Owner within the Subdivision. The Committee shall act by a majority consent of the members of the Committee. The original members of the Committee shall be Rolayne S. Edwards, Karen Clauson, Rob Clauson and Barrett Edwards and a fifth member not yet appointed at the time this Declaration was recorded. Notwithstanding anything to the contrary which may appear elsewhere herein, the number of Committee members shall be determined by the Declarant. The committee members shall be appointed only by the Declarant or its successor, which, at its option, may temporarily delegate or forever assign such powers and responsibilities or other powers and responsibilities given to it by this Declaration, to an assignee. Such assignment shall be in writing and until such assignment, the assignee shall not possess any powers or responsibilities with respect to such

Committee. No Committee member shall be entitled to any compensation for services performed pursuant to this Declaration. However, the Committee may, at its discretion, employ a professional architect, engineer, attorney, or other consultant or professional, which professional may be a member of the Committee, to assist it in its functions, and a reasonable fee (to be established by the Committee) may be charged to the Lot Owner(s), as applicable, for such services, in which event the provisions of Article VI shall be applicable. No member of the Committee shall be liable to any person for decisions made or failure to act in making decisions as a member of said Committee.

Section 4.2 Scope of Committee Responsibility. Any plans and specifications for the construction or addition of an Improvement upon a Lot within the Subdivision by the Owner thereof must be submitted to the Committee for approval at least thirty (30) days prior to commencing construction. No Improvement shall be commenced, erected, placed or meaningfully altered on any Lot until the plans, specifications and plot plans showing (a) the location on the Lot and nature of such proposed Improvement, (b) all drives, walkways, patios, barbecues, outbuildings, swimming pools, tennis or other sport courts and similar Improvements, the dimensions of all such Improvements and distances between the proposed Improvement and the Lot boundaries and other Improvements on the Lot, elevation of sewer as it relates to Residence elevation; (d) finish grading plans; (e) complete set of architectural documents, and (f) complete set of all exterior colors in the form of samples or color chips, with detained information as to the location of the color and types of all exterior building materials have been submitted to and specifically approved in writing by the Committee. In making its determination, the Committee will use the specific standards stated herein as guidelines, but final approval of the plan or any design element thereof, shall be at the sole discretion of the Committee. They may consider such factors as (but not limited to) the quality of workmanship and materials, design, harmony of external design with existing project structures in the Subdivision, location with respect to topography and finish grade elevation, preservation and enhancement of the natural beauty of the area and safety. Any subsequent changes, Improvements, or alterations in such plans must be submitted to the Committee for written approval. Some or all of the requirements of this Section may be waived by the Committee, in the Committee's sole discretion, upon request of the Owner, with respect to the Committee's consideration of the approval of a particular Improvement.

The Committee may condition such approval on the Lot Owner depositing cash in the sum of five Hundred Dollars (\$500.00) with the Committee (the "Deposit"), the purpose of which Deposit shall be to further insure that the Lot Owner (a) fulfill his responsibility to keep his Lot in a condition so as to prevent the rubbish and debris which accumulates during the construction and/or landscaping process from blowing or collecting on neighboring Lots, and (b) reasonably cleans up his or her Lot at or near the completion of the construction and/or landscaping process. The Deposit may be required by the Committee prior to the commencement of construction by an Owner, or at any time during the construction period. If the Lot Owner fails in either of these two responsibilities, the \$500.00 Deposit may be retained by the Committee as a fine upon such Lot Owner or as liquidated damages. Additionally, if any

such failure is not remedied by the Owner within fourteen (14) days after written notice thereof, the Committee may remedy such condition itself and in connection therewith, it may have reasonable access to the Lot and shall charge the Lot Owner for the cost of the remedy, in which event the Provisions of Article VI shall be applicable. Upon the completion of the construction of the Residence, and the landscaping of the Lot, in a satisfactory manner, the \$500.00 deposit shall be returned to the Lot Owner by the Committee.

Section 4.3 Process of Approval. Plans and resubmittals thereof shall be approved, disapproved or otherwise acted upon in writing by the Committee within thirty (30) days after their submission to the Committee. All plans and specifications and other materials shall be submitted in duplicate. One (1) set shall be returned to the Lot Owner. Any plans and specification shall be approved or disapproved in writing, signed by at least two (2) members of the Committee. Failure of the Committee to respond to a submittal or re-submittal of plans or materials within thirty (30) days of their submission or re-submission shall be deemed to be an approval of plans as submitted or re-submitted by the Owner.

If, after such plans and specifications have been approved, the Improvements are altered, erected, or maintained upon the Lot otherwise than as approved by the Committee, such alteration, erection and maintenance shall be deemed to have been undertaken without the approval of the Committee having been obtained as required by this Declaration. After the expiration of one (1) year from the date of completion of any Improvement, said Improvement shall, in favor of purchaser and encumbrances in good faith and for value, be deemed to comply with all of the provisions hereof unless a notice of such non-compliance or non-completion, executed by two or more member(s) of the Committee shall appear of record in the office of the County Recorder, or legal proceeding shall have been instituted to enforce compliance with these provisions. The approval of the Committee of any plans or specifications submitted for approval as herein specified for use on any Lot and/or Residence shall not be deemed to be a waiver by the Committee of its right to object to any of the features or elements embodied in such plans and specifications, if or when the same features or elements are embodied in any subsequent plans and specifications submitted for approval as herein provided for use on other Lots or Residences. Upon approval of the Committee acting in accordance with the provision of this Declaration, it shall be conclusively presumed that the location and the size of any Improvement does not violate the provisions of this Declaration. Until later published, the address of the Committee may be obtained by contacting Rolayne S. Edwards 6072 W 11400 N Highland, UT (801)-492-0421.

Section 4.4 Termination of Committee. Upon the first to occur of either (a) the completion of the construction of a Residence and the Landscaping upon each Lot, or (b) the date which shall be ten (10) years from the date hereof, the Committee shall automatically cease to exist. Any and all rights, duties and/or responsibilities of the Committee shall at that time automatically become the rights, duties

ARTICLE V

EASEMENTS, FLOOD CONTROL AND IRRIGATION SYSTEM

Section 5.1 Utility Easements. Easement for installations and maintenance of drainage facilities and public utilities are generally reserved over ten (101) feet of the front, rear and one side of each Lot, and as otherwise identified on the Maps of the Subdivision . Within these easements, no structure, planning or other material shall be placed or permitted to remain which may reasonably interfere with or damage utilities or drainage facilities. However, the Committee may approve a structure within the easements such as a fence , wall, landscaping, driveway or off street parking area. It is expressly understood, however, that any such Improvement shall be constructed at the Owner's or the easement holder's sole risk, as the case may be, and as provided in the easement document(s), of having the Improvement partially or wholly removed, dismantled, taken out, or destroyed where necessary because of drainage or public utility servicing, installation, alteration or maintenance. The easement areas within each Lot and all Improvements in such areas shall be maintained continuously by the owner of the Lot, except for those Improvements for which a public authority or utility company is responsible to maintain.

Section 5.2 Grading Approval. All persons erecting or constructing Improvements on any Lot shall comply with the Alpine City Ordinances as may require, among other things, that grading and vegetation plans be approve the Alpine City Engineer before building permits are issued.

Section 5.3 Responsibility for Flood Control. Construction of appropriate berms, channels, ditches or other flood control facilities on each Lot is the sole responsibility of each Lot Owner and shall be done in accordance with the flood control facilities on each Lot is the sole responsibility of each Lot Owner and shall be done in accordance with the flood control district plans approved by Alpine City and/or North Utah County Water Conservancy District if any such plans exist. Such construction shall commence at the time such Lot is graded or otherwise altered from its natural state.

ARTICLE VI SALT LAKE AQUEDUCT FEE TITLE PROPERTY

Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. All power and telephone lines must be run underground. Such easements and right-of-ways shall be reserved to the Developer, its successors and assigns, in and over said real property for the erection, construction and maintenance and operation thereon of drainage pipes, conduits, poles, wires and other means of conveying to and from lots in said subdivision, gas, electricity, power, water, telephone, sewer and any other thing for convenience to the owners of the lots in said subdivision as may be shown on the recorded plat.

It is understood that lot number 4 and parcels C and D designated as open space areas are encumbered by the Salt Lake Aqueduct fee title property. Owners are not permitted to plant trees

over property or construct permanent structures in, on, or along United States property. Structures that may not be constructed in, on or along United States property include but are not limited to, permanent structures such as fences, retaining walls, block walls, buildings, garages, decks, carports, trailers, detention basins and swimming pools as designated by the United States.

All landscaping and improvements done on the United States property are done at the Owners risk, and plans for the same shall require review and approval by the U.S. Bureau of Reclamation, (801-379-1091) hereinafter referred to as U.S. and the Metropolitan Water District of Salt Lake & Sandy, (801-509-6323) hereinafter referred to as District. Owners of lots encumbered by the Salt Lake Aqueduct fee title property as set forth above must 48 hours prior to beginning construction of any homes or appurtenant improvements thereon, stake the location of same in the field and notify the U.S. and the District so as to permit inspection and approval to avoid any encroachment of the subject easement.

The Owners of Lot 4 and parcels C and D open space areas agree to establish a set back line for the main structure on the property 15 feet off the Salt Lake Aqueduct Easement. This set back line will allow the lot owners to construct decks, patios, etc. without encroaching on the easement of the U.S. Any and all encroachments on the easement of the U.S. requires review and approval by the U.S. and the District before any construction may begin.

Any increase in the cost to reconstruct, operate, maintain and repair the Salt Lake Aqueduct and appurtenant structures which result from the construction of the subdivision, homes and other physical structures and utility improvements in the subdivision shall be borne by the subdivider or its successor in interest in the land. Any cost to the District or the U.S. which result from the construction of the subdivision of utility improvements shall be borne by the subdivider or its successor in interest in the land, and such costs shall constitute a lien on said land until paid.

ARTICLE VII VIOLATIONS AND POWERS OF ENFORCEMENT

Section 7.1 The Associations's Powers of Enforcement. Enforcement shall be accomplished by any lawful means, including proceeding at law or in equity against any person or persons violating or attempting to violate any provision herein, either to restrain violation or recover damages. In the event a legal action is instituted by the Association to enforce compliance with or due to a breach of any of the provisions of the Declaration, the party found to have violated any provision(s) of this Declaration shall be liable to the prevailing party for the prevailing party's legal costs and expenses, including a reasonable attorney's fee. Notwithstanding the foregoing, no liability of any nature at all shall attach to the Association, or any member thereof, in acting in good faith pursuant to the provision of this Declaration. If after fourteen (14) day's written notice, an Owner fails to remedy a violation (the "Defaulting Lot Owner"), another Owner in which event such costs shall be deemed a special assessment to Defaulting Lot Owner in which event such costs shall be deemed a special assessment to such Defaulting Lot Owner and shall attach as a lien to the Defaulting Lot Owner's Lot, and shall be

subject to levy, encodement and collection by the other Owner, and/or the Association, in accordance with the assessment lien procedure provided for in this Declaration in this Article VI. Failure to comply with any of the provisions of this Declaration or regulations adopted pursuant thereto shall be grounds for relief, foreclosure of lien, or any combination thereof, which relief may be sought and liberally construed to effectuate its purpose. Any violation of the Declaration shall be deemed to be a nuisance or unreasonable annoyance. Failure to enforce any provisions hereof shall not constitute a waiver of the right to enforce said provision or any other provisions hereof.

Section 7.2 Lien for Assessments. All sums assessed to an Owner pursuant to this Declaration, together with interest thereon at the legal rate of interest from the date of assessment until paid, before or after judgement, shall be secured by a lien on such Lot and the Improvements thereon, in favor of the Association. To evidence a lien for sums assessed pursuant to this Declaration a To evidence a lien for sums assessed pursuant to this Declaration, the Association shall prepare a written notice of lien setting forth the amount of the Assessment, the date due, the amount remaining unpaid, the name of the Owner of the Lot, and a description of the Lot. Such notice shall be signed by a duly authorized representative of the Association and shall be recorded in the Office of the County Recorder for Utah County, State of Utah. Such lien may be enforced by sale or foreclosure of the Lot encumbered by the lien at a foreclosure sale conducted by the Association and generally in accordance with the provisions of Utah law applicable to the exercise of powers of sale or foreclosure under deed of trust or mortgages or in any manner permitted by Utah Law. In any such sale or foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding, including but not limited to a reasonable attorneys fee and court costs, and such costs and expenses shall be secured by the lien herein provided whether or not same shall be specifically set forth therein.

Section 7.3 Enforcement by Others. Additionally and after reasonable notice in writing, an Owner not at the time in default hereunder, the Association, or the Declarant, shall have the option of bringing an action for damages, specific performance, or injunctive relief against any defaulting Owner, and in addition may sue to have enjoined any violation of this Declaration. Any judgment shall include an award of the legal costs and expenses, including a reasonable attorney's fee, entered against the losing party and in favor of the prevailing party. Each remedy provided in this Declaration shall be cumulative and not exclusive or exhaustive. Suit to recover a money judgment may be maintained without foreclosure or waiving the lien securing the same.

Section 7.4 Rights of Entry. The Association shall have a limited right of entry in and upon all Lots and the exterior of all Residences for the purpose of taking whatever corrective action it deems necessary or proper. Nothing in this Section of Article shall in any manner limit the right of the Owner to exclusive control over the interior of his or her Residence.

Section 7.5 Committee Authority. The Committee shall have the right to enforce any applicable provision hereof in the same manner provided to the Association.

**ARTICLE VIII
DURATION AND AMENDMENT**

Section 8.1 Duration. This Declaration shall continue in full force and effect for a period of fifty (50) years from the date hereof, after which time the same shall be automatically extended for successive periods of ten (10) years, unless a declaration of termination is recorded with the County Recorder of Utah County, meeting the requirements of an amendment to this Declaration as set forth in Section 7.2 of this Article. There shall be no severance by sale, conveyance, encumbrance or hypothecation of an interest in any Lot from membership in the Association as long as this Declaration shall continue in full force and effect.

Section 8.2 Amendment. Notice of the subject matter of a proposed amendment to this Declaration in reasonably detailed form shall be included in the notice of any meeting of the Association either in writing or at a duly called meeting for such purpose.

No amendment to this Declaration shall be effective unless approved in writing by the Owners of not less than two thirds (2/3) of the Lots in the Subdivision at the time of such amendments, including Lots which may be owned by the Declarant.

Notwithstanding the foregoing, however, Declarant may at any time amend this Declaration to qualify the Subdivision with the lending institutions and until the close of the escrow established for the sale by Declarant of its last Lot in the Subdivision, Declarant shall have the sole right to terminate or modify this Declaration by recordation of a supplement hereto setting forth such termination or modification. The "close of escrow" shall be deemed to be the date upon which a deed conveying the Lot is recorded.

**ARTICLE IX
MISCELLANEOUS**

Section 9.1 Severability. Invalidation of any one of these covenants, or any portion thereof by judgment or court order shall in no way effect any of the other provisions which shall remain in full force and effect.

Section 9.2 Singular Includes Plural. Whenever the context of the Declaration requires the same, the singular shall include the plural, and the masculine shall include the feminine.

Section 9.3 Covenants, Etc. Shall Run With the Land. All of the limitations, restriction, easements, conditions and covenants herein shall run with the land and shall be binding on and for the benefit of all the Property and all parties having or acquiring any right, title or interest in the Property or any part thereof and shall inure to the benefit of each owner and are imposed upon the Property as a servitude in favor of each parcel thereof as the dominant

tenement or tenements.

Section 9.4 Limitation on Liability. Neither the Declarant, its assignee, delegatee, the Committee or the Association shall be liable to any other person for any action or failure to act hereunder where such action or failure was in good faith.

Section 9.5 Wildlife Area. The Property encompasses wildlife areas. Owners should expect that wildlife will e in the area and possibly on their own Lot.

Section 9.6 Paragraph Headings. The headings which precede the paragraphs and subparagraphs of this Declaration are for convenience only and in no way affect the manner in which any provision hereof is construed.

Section 9.7 Foreclosure. Should any Mortgage be foreclosed on the Property, then the title acquired by such foreclosure and the person or persons who thereupon and there after become the owner or owners of such Property, shall be subject to and bound by all the restrictions enumerated herein.

Section 9.8 Effective Date. This Declaration and any amendment(s) or supplement(s) thereto shall take effect upon its (their) being filed for record in the office of the County Recorder of Utah, County, Utah.

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E and C DEVELOPMENT, LLC

Rolayne S. Edwards

ROLAYNE S. EDWARDS, Authorized agent by LLC Resolution

STATE OF UTAH)
 :SS
COUNTY OF UTAH)

On the 21ST day of October, 2004, personally appeared before me **ROLAYNE S. EDWARDS, BEING BY ME DULY** sworn did say, for herself, that she is the Authorized agent by an LLC Resolution, of E and C DEVELOPMENT, LLC, a Utah limited liability company and acknowledged the Warranty Deed to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement and LLC Resolution, for the uses and purposes therein mentioned, and on oath stated that she is authorized to execute this Warranty Deed and in fact executed the Warranty Deed on behalf of the limited liability company.

[Handwritten Signature]

Notary Public

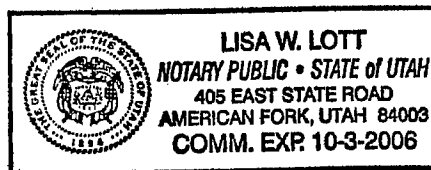


EXHIBIT "A"

Lots 1, 2, 3, 4, 5, 6 and 7, ALPINE COMMONS, a Planned Residential Development, Alpine, Utah, according to the official plat thereof on file and of record in the office of the Utah County Recorder.
