

DECLARATION OF PROTECTIVE COVENANTS

GRANTOR'S BGRANTEES A

FOR

FAIRVIEW RANCHOS

THIS declaration is made by Backman Abstract & Title Company, as Trustee, hereafter referred to as Grantor, of the property known as "Fairview Ranchos" and to be recorded in the Sanpete County recorder's office. Grantor hereby makes and declares the following qualifications, limitations, restrictions, and uses upon and of such real property as restrictive and protective covenants running with the land, and binding upon all future owners of any part of such real property described as "Fairview Ranchos".

I. GENERAL PURPOSES: These covenants are made for the purpose of creating and keeping the subdivision, insofar as possible, desirable, attractive, beneficial and suitable in architectural design, materials and appearances; and guarding against fires and unnecessary interference with the natural beauty of the subdivision; all for the mutual benefit and protection of the Owners of lots in the subdivision.

II. NATURE AND INCIDENTS OF LOT OWNERSHIP

2.1 The development known as Fairview Ranchos is a division of land into lots of approximately four (4) acres. Two (2) or more lots may be combined as if they were one (1) lot. However, there shall be no more than three (3) single family residences erected on any one lot. The title to any one lot may be held and owned by one (1) entity or in any manner to which title to any real property may be held or owned in the State of Utah, including without limitations, joint tenancy or tenancy in common.

2.2 Easement for Access to lot: Each lot shall have access to a road by an access easement shown on the recorded survey plat. Such easement will be a total of 60 feet, 30 feet from each lot. In the event Declarant of the Association provides a suitable easement at any time in the future, each Owner, by acceptance of a conveyance of a lot, agrees for himself and his successors in interest to reconvey to Declarant upon 30 days' notice by Declarant all of such Owner's right, title and interest in the original easement or easements. Each Mortgagee, by acceptance of a Mortgage on a lot, agrees for itself and its successors in interest to release the original easement or easements from such Mortgage upon like notice and subject to like proviso, upon receipt of proper instruments subjecting the suitable substitute easement to the lien of the Mortgage, provided that the Mortgage shall have the same priority with respect to the substitute easement as it had with respect to the original easement of easements.

2.3 Easements of Access for Repair, Maintenance and Emergencies: Owners of the other lots shall have the irrevocable right of Easements and access for repair, maintenance and emergencies, this right is to be exercised by the Association or their agents.

III. MECHANIC'S LIEN RIGHTS

3.1 Mechanic's Liens: No labor performed or material furnished for use in connection with any lot with the consent or at the request of an Owner or his agent or subcontractor shall create any right to file a statement of mechanic's lien against the lot of any other Owner not expressly consenting to or requesting the same.

IV. THE ASSOCIATION

4.1 Membership: Every Owner shall be entitled and required to be a member of the Association. If title to a lot is held by more than one person, the membership related to that lot shall be shared by all

4.2 Amplification: The provisions of this Article are to be modified by the Articles of Incorporation of the Association and by the By-Laws of the Association; provided, however, that no such amplification shall substantially alter or amend any of the rights or obligations of the Owners set forth herein.

V. CERTAIN RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

5.1 Miscellaneous Services: The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Project, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Declaration. The Association may arrange with others to furnish lighting, heating, water, trash collection, sewer service and other common services to each lot.

5.2 Rules and Regulations: The Association may make reasonable rules and regulations governing the use of the lots and of the Common Areas, which rules and regulations shall be consistent with the rights and duties established in this Declaration. The Association may also take judicial action against any Owner to enforce compliance with such rules, regulations or other obligations or to obtain damages for non-compliance, all to the extent permitted by law.

5.3 Implied Rights: The Association may exercise any other right or privilege given to it expressly by this Declaration or by Law, and every other right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

5.4 Road Maintenance: As plat is recorded, designating right-of-ways for roads and utilities, maintenance of the roads will be the responsibility of the Association. It will be maintained so as to provide access - weather permitting - to each individual lot owner's lot.

VI. ASSESSMENTS

6.1 Agreement to pay Assessment: Declarant, for each lot owned by it within the Project, and for and as the Owner of the Project and every part thereof, hereby covenants, and each Owner of any lot by the acceptance of a deed therefore, whether or not it be so expressed in the deed, shall be deemed to covenant and agree with each other and with the Association to pay to the Association annual assessments made by the Association for the purposes provided in this Declaration, and fixed, established and collected from time to time in the manner provided in this Article.

6.2 Amount of Total Annual Assessments: The total annual assessments against all lots shall be based upon advance estimates of cash requirement by the Association to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the roads which estimates may include, among other things, expenses of management, taxes and special assessments until the lots are separately assessed as provided herein, premiums for all insurance which the Association is required or permitted to maintain pursuant hereto, common electrical, common charges, trash collection, repairs and maintenance, wages for Association employees, legal and accounting fees, and any deficit remaining from a previous period, the creation of a reasonable contingency reserve, surplus and/or sinking fund, and any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under or by reason of the Declaration.

6.3 Apportionment of Annual Assessments: Expenses attributable to the roads and to the Project as a whole shall be apportioned among all Owners in proportion to their respective interests.

shall be for the balance of the fiscal year remaining after the date thereof as the date of commencement of the project. Each annual assessment shall bear interest at the maximum legal interest rate from the date it becomes due and payable if not paid by such date. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the Owner of any lot for such assessment, but the date when payment shall become due in such case shall be deferred to a date thirty days after such notice shall have been given, but not sooner than May 1 of the fiscal year to which such assessment relates.

6.5 Lien for Assessments: All sums assessed to the Owner of lot pursuant to this Article, together with interest thereon as provided herein, shall be secured by a lien on such lot in favor of the Association.

6.6 Personal Obligation of Owner: The amount of any annual or special assessment against any lot shall be the personal obligation of the Owner thereof to the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same.

VII. PROVISIONS APPLICABLE FOR ALL PROPERTY

7.1 The Covenants Committee: The Covenants Committee shall consist initially of three (3) individuals. This may be expanded to five (5). The initial three members shall be designated by the developers of Fairview Ranchos and shall serve until such time as 80 percent of the lots are sold. At such time, designation of the committee members will be turned over to the Association.

7.2 Maintenance of the Project: All of the Project shall be kept and maintained by the Owners thereof in a clean, safe and attractive condition, in good repair, and in all other respects in accordance with the provisions of this Declaration at the Owner's sole cost and expense.

7.3 No Noxious or Offensive Activity: No noxious or offensive activity shall be carried on upon any of the Project nor shall anything be done or placed on the Project which is or may become a nuisance or cause embarrassment, disturbance or annoyance to others.

7.4 No Hazardous Activities: No activities shall be conducted nor improvements constructed, upon the Project which are or might become unsafe or hazardous to any person or to the property.

7.5 No Unsightliness: No unsightliness shall be permitted upon any of the Project. No lumber, grass, shrubs or tree clippings, waste, metals, bulk materials, refuse, garbage and trash shall be kept, stored, or allowed to accumulate on the property. No vehicles, boats or equipment shall be constructed, reconstructed, repaired or abandoned on the Project.

7.6 No Annoying Lights, Sounds or Odors: No light shall be emitted from the Project which is unreasonably bright; no sound shall be emitted from the Project which is unreasonably loud or annoying except for security and fire alarm devices used exclusively to protect the Project; no odors shall be emitted from any of the Project which are noxious or offensive to others.

7.7 Restrictions on Animals: There shall be no restrictions on animals except in the event that a majority of the lot Owners should sign a petition registered with the Covenant Committee. Such animal shall be removed from the area at the Owner's expense.

7.8 Restrictions on Signs: No signs or advertising devices of any nature shall be erected or maintained on any of the Project, except signs approved by Declarant.

7.9 Rules and Regulations: No Owner shall violate any rules, regulations, or ordinances for the use of said lots adopted from time to time by the Association.

7.10 No Temporary Structures: No tent, shack, or other temporary building or improvement shall be allowed to remain on the Project as a permanent dwelling unless approved by the Covenant Committee.

7.11 Construction: All building exteriors must be completed within 12 months from the commencement of construction.

7.12 Sewage Disposal: The cost of individual sewage disposal

of the Lot owner. Should the Association by majority vote wish to construct a central culinary water distribution system, such system shall comply with the standards and requirements of the Utah State Health Department in all and every respect. The cost of this system shall be that of the Association members and not the developer.

7.14 Garbage: Garbage must be kept in covered metal containers. Trash, tin cans, paper, etc., must be kept in wire or metal containers. Lot owner is responsible for removal of all garbage as no service is anticipated, unless provided by the Association.

VIII. MISCELLANEOUS

8.1 Compliance with Provisions of Declaration and By-Laws of the Association: Each Owner shall comply with the provisions of this Declaration, the Articles of Incorporation and the By-Laws of the Association, and the decisions and resolutions of the Association adopted pursuant thereto and lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action for damages or injunctive relief.

8.2 Registration of Mailing Address: Each Owner shall register his current mailing address with the Association so that all notices or demands may be sent to the Owner by either Registered or Certified mail.

8.3 Owner's Obligation to Continue: All obligations of the Owner under and by the virtue of this Declaration shall continue, notwithstanding that he may have leased or rented said lot, but the Owner shall have no obligation for expenses or other obligations accruing after the sale or conveyance of said lot.

8.4 The provisions of this Declaration shall be in addition and supplemented by the laws of the State of Utah and all other provisions of the law of Sanpete County.

8.5 No Waiver: Failure to enforce any provisions or restrictions or covenants by the Declarant shall not operate as a waiver of any such provisions, restrictions or covenants.

IX. OIL AND MINERAL RESERVATIONS

9.1 All oil and mineral rights are reserved by prior owners.

X. OTHER

10.1 Mobile homes or campers may be used as residence so long as they are neat, skirted and porched. The architectural committee will pass on these requirements as created by the Association.

XI. FENCES

11.1 Fences, walls, or hedges may be erected, started or maintained to a height of 72" above the adjacent grade when used as a property line or boundary separation, except that no fence, wall, or hedge may be used for this purpose in the front setback area of a lot in excess of 60" above the adjacent grade.

XII. BUILDING SETBACKS

12.1 Frontyard setbacks shall conform to a minimum depth of fifty (50) feet from the front property line to the furthest structural projection, including eaves, overhangs, porches or any building or structure. A side yard shall be maintained at least fifteen (15) feet in depth from all side property lines to the building line of any structure.

XIII. WATER RIGHTS

13.1 Included with the purchase of a lot in FAIRVIEW RANCHOS is (1) one acre foot of water. This water will be from permit # 27040 (51-234 owned by the developer.

Water rights as owned by the developers will be conveyed to the Lot owners in increments as the property is sold. Development thereafter will be the responsibility of the Lot owners, and in accordance with state laws as pertaining to conversion of rights from stock watering to culinary.

These conditions shall run with the land and shall be binding upon all parties and all persons claiming under them until March 10, 1982, at which time said Conditions and Covenants shall be automatically extended for successive periods of ten (10) years, unless by vote of the owners of a majority of the lots in said Subdivision, it is agreed to change said Conditions in whole or in part. Subject to approval of Sanpete County Planning and Zoning Committee of any changes. -

PROVIDED FURTHER, that if any paragraph, section, clause or phrase of the restrictions, conditions and covenants herein contained shall be or become illegal, null, or void, for any reason or shall be held by any court of competent jurisdiction to be illegal, null, or void, the remaining paragraphs, sections, sentences, clauses or phrases herein contained will not be deemed invalid, irrespective of the fact that any one or more other paragraphs, sections, sentences, clauses or phrases are or shall become or be illegal, null, or void.

PROVIDED FURTHER, that if any owner of any lot in said property or his heirs, or assigns, shall violate or attempt to violate any of the conditions, covenants and/or restrictions herein, it shall be lawful for any other person or persons owning any other lots in said property to prosecute any proceeding at law or in equity against the person or persons violating or attempting to violate any such conditions, covenants, and/or restrictions and either to prevent him or them from so doing or to recover damages or other dues for such violation.

PROVIDED FURTHER, that a breach of any of the foregoing conditions, covenants, and/or restrictions shall not defeat or render invalid the line of any mortgage, or deed of trust in good faith, and for value, as to said property or any part thereof; but such conditions, covenants, and/or restrictions shall be binding upon and effective against any owner or any lot or lots in said property whose title is acquired by foreclosure, trustee's sale or other wise.

IN WITNESS WHEREOF Backman Abstract & Title Company, as Trustee, has executed this Declaration the day and year first above written.

RENNERT INVESTMENT COMPANY, Inc.

BACKMAN ABSTRACT & TITLE COMPANY,
as Trustee

By *Julys Rennert*
Resident

By *Robert L. Backman*

STATE OF UTAH)
 ss:
COUNTY OF SALT LAKE)

On the 31st day of JANUARY, 1977, personally appeared before me, ROBERT L. BACKMAN, who, being by me duly sworn, did say that he is the PARTNER IN BACKMAN ABSTRACT & TITLE CO. a Utah PARTNERSHIP company, and that the foregoing Declaration was signed on behalf of said company by authority of a Resolution of its Board of Directors, and that said ROBERT L. BACKMAN duly acknowledges to me that he executed the same ~~and the seal affixed is the seal of said company.~~

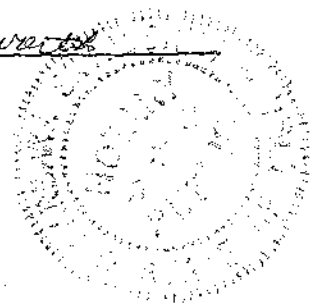
Paula Arzuffe
Notary Public

Residing At: BOUNTIFUL, UTAH

STATE OF UTAH)
 SS:
COUNTY OF SALT LAKE)

On the 31 day of Jan, 1977, personally appeared before me J. Fred Smith, doing business as RENNERT INVESTMENT COMPANY, INC., the signer of the within instrument, who duly acknowledged to me that he executed the same.

Barbara Skjerve
Notary Public



Residing At: Sandy, Utah

My Commission Expires:

MY COMMISSION EXPIRES AUG. 28. 1980