



rules and regulations relating to the development, the operation of the development, the construction of improvements and their maintenance within the development, and the furnishing of all necessary services for the development.

2. The Developer agrees to construct and provide at its expense the following improvements for said development:

- (a) All roadways, with necessary appurtenances, to equal or exceed County standards.
- (b) A culinary water system supplying water to each lot to equal or exceed State and County standards.
- (c) Fire flows from the culinary system to equal or exceed state or County standards.
- (d) Drainage facilities to equal or exceed County standards.
- (e) All other facilities and services as shown on the approved plans.

The Developer agrees that all construction in the development shall conform to the plans of said development and the documents submitted to and approved by the County, and also to the requirements of all applicable laws, ordinances, rules and regulations promulgated by governmental authorities having jurisdiction.

Upon approval of the development by the County, and prior to the conveyance, sale or disposition by the Developer of any land or interest in land within the development, the Developer shall either complete all required improvements for the development or else furnish a corporate surety bond or other security satisfactory to the County, in an amount equal to the cost of constructing the same as estimated by the County, to assure the proper construction and completion of such improvements. Improvements shall be commenced within 180 days after approval of the final plan of the development, and shall be completed within two years unless an extension is granted as provided by the ordinances of the County.

3. The Developer represents and declares that it will make no user fee or charge to the owner or occupant of any lot or to the Association for any service, facility, business or enterprise which owner or occupants of the development need to subscribe to or patronize in order to have full use and enjoyment of their property or facilities within the development, except that the Association may make a reasonable charge, by assessment or otherwise, for the use of services and facilities provided for occupants of the development, or which may be necessary for the operation and maintenance thereof.

4. Prior to the conveyance, sale or other disposition of any lot within the development, and before the right to possession of any lot is transferred to any person, the Developer will convey to and transfer control of all roadways to the Association, without charge or the assumption of any obligation for the cost of construction of improvements thereof or thereto and free and clear of all monetary liens and encumbrances.

5. The Association will be duly incorporated and fully organized as a non-profit corporation under the laws of the State of Utah in accordance with the documentation heretofore submitted to and approved by the County for such purpose.

6. The Association shall furnish and provide at its -expense maintenance and service as follows:

- (a) All necessary maintenance of easements used for detention basins, and drainage ways.
- (b) The payment of all cost for necessary maintenance and improvements for roadways and their appurtenances to meet County standards and conditions through a county special service district.
- (c) All necessary maintenance and improvement of open space to meet County standards and conditions.
- (d) All maintenance of covenants, conditions, and restrictions submitted in connection with approval of the project.

7. For the purpose of providing funds for the operation and maintenance of the development and the furnishing of necessary services to the occupants thereof, the Developer and the Association shall require an annual assessment to be made on each lot, and may also provide for special assessments for capital improvements which the Association may desire to make. The annual assessments, together with interest, costs and reasonable attorney fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The assessments levied by the Association shall be used exclusively to promote the recreation, health, and safety and welfare of the residents of the development, and for improvement and maintenance of the easements and facilities and for the furnishing of all required services thereto. The annual assessments shall be fixed at a uniform rate for all lots, except where it can be shown that additional services will be needed to serve one or more lots as a matter of equity, and shall be collected on a monthly basis unless the County agrees to a quarterly or other periodic basis.

The annual assessment for the first calendar year shall be two hundred dollars (\$200 per lot, and shall be adjusted according to the number of months remaining in the calendar year. The amount of the annual assessments may be increased by the Association, but the same shall not be decreased at any time without the consent of the County. The annual assessments shall commence as to all lots on the first day of the month following conveyance of the streets and easements to the Association, or on the first day of the month next following the expiration of the 180 days after the recording of the development plat, whichever event first occurs. It is understood that no lot shall be conveyed, sold or otherwise disposed of within the development, nor shall the right to possession of any lot be transferred to any person, until the streets and easements have been conveyed to the Association. It is further understood that lots owned by the Developer shall not be exempt from assessment. If assessments are not paid, the Association shall bring an action at law against the owner personally obligated to pay the same, or shall foreclose the lien against the property assessed. No owner of any lot may waive or otherwise escape liability for the assessment by non-use of the common area or facilities or the abandonment of his lot, except for lots which may be owned by the public.

8. To provided a means of paying for necessary services to or maintenance of the development's streets, drainage and other facilities which have a direct relationship to protection of the public health and safety, should the Association default in providing such services or maintenance, an impound account shall be established by depositing ten percent (10.0%) of the Association's annual assessment on each lot to such an account until there has been deposited a total sum equal to the amount resulting from multiplying the number of lots or dwelling units (whichever is greater) approved for such development by 100 dollars. Thereafter no funds need be deposited until funds from the account have been expended as set forth below, where funds from said 10.0% of the annual assessment shall again be deposited until the account has again reached the required sum. It is the intention of the provision to require said account to be maintained at the required sum determined by the formula. The County shall not have the right to draw upon said impound account unless the County Commission determines that the Association's failure to maintain the above described system and facilities is endangering the health and safety of the development's and/or the County inhabitants. If the danger is eminent the County may immediately proceed to supply such services or maintenance without a public hearing, but only to the extent deemed necessary to rectify the immediate danger. No further funds shall be expended until after reasonable notice to the Association, a public hearing to determine the specific actions that must be taken to correct the health or safety hazard, and a reasonable opportunity for the Association to take such actions. If the Association fails after such reasonable opportunity to take the required actions, the County may then (but shall have no obligation to) do so and defray the cost thereof with funds from the impound account. Any person affected by the County's

determination to use such funds, may appeal to the courts under applicable law, but no decision of the County which is supported by substantial evidence shall be overturned or modified by the courts. In the alternative to taking such actions, the County may initiate an action in court to enforce the Association's obligations hereunder and defray the cost of such action, including the cost of technical services and reasonable attorney's fees from the impound account. In addition, the County shall be entitled to recover reasonable attorney's fees and costs (whether incurred before or after settlement or judgement) expended in enforcing any part of this agreement. No person or entity other than the County shall have the right to draw against the impound account with Zions bank who may charge a reasonable fee from the account. Payments by the Association to the account of that portion of the annual assessments above required shall be made monthly (or such other approved period as assessments are payable) within thirty days after collection by the Association. The County shall have the right to audit the Association's assessment records upon reasonable notice, for the purpose of verifying the accuracy of the amounts remitted to the account; and the Association shall have the right to audit the impound account and disbursements made therefrom upon reasonable notice. All income produced by the impound account shall belong to the Association, but shall remain in and become part of the account at all times when the total amount deposited therein is less than the required sum. All income to the account which may cause it to exceed the required sum shall be paid over to the Association. The remedies of the County described in this section 8 are not exclusive, but in the alternative to and cumulative with all other equitable and legal remedies which the County may pursue for breach of the agreement under all applicable statutes, ordinance, rules and regulations.

9. The Developer and the Association agree to establish and record in the office of the County Recorder prior to any conveyance, sale, transfer, disposition or creation of any interest in or encumbrance on the land of the development described in Exhibit A attached hereto and by reference made a part hereof, a declaration of covenants, conditions, restrictions and management policies which shall have first been submitted to and approved by the County. Said covenants, conditions, restrictions and management policies shall run with the land and shall be binding upon all parties and persons residing on the land or claiming any ownership or interest in the premises under or through the Developer, and the same shall not be modified or changed thereafter without the approval of the County. All covenants and provisions of this agreement, and such provisions as the development code of the County require to be set forth in such declaration, shall be set forth in and made a part of said declaration of covenants, conditions, restrictions and management policies, together with such other provisions as the Developer and Association deem necessary for their purposes. Among other required restrictions, said declaration shall provide that no lot within the development shall be used for human occupancy, either temporarily or permanently, except during a reasonable period of construction,

until culinary water and sewage and waste disposal facilities approved by the County are provided and available for use on said lot; and thereafter, no such lot shall be used for human occupancy at any time the culinary water or sewage and waste disposal facilities are not in compliance with the statutes of the State of Utah, ordinances of the County, and rules and regulations promulgated thereunder. Said declaration shall further provide that at the request of the County, the Developer and the Association shall discontinue culinary water service to any lot where a violation of the laws of the State of Utah, the ordinance of the County, and rules and regulations promulgated thereunder, continues after 30 days notice in writing to the owner of the lot of such violation and the same remains unremedied.

10. At the request of the County, the Association agrees to enforce all covenants, conditions, restrictions and management policies set forth in said declaration and recorded in the office of the County Recorder. Upon failure of the Association to enforce said covenants, conditions, restrictions and management policies, the County may cause suit to be brought against the Association for the purpose of requiring it to enforce the same or bring and prosecute a suit in the name of the Association for the purpose of enforcing said covenants, conditions, restrictions and management policies.

11. If any part of provision of this agreement shall be adjudged unconstitutional, invalid or unenforceable by a court of competent jurisdiction, then such adjudgment shall not affect any other part or provision of this agreement, except that part or provision so adjudged to be unconstitutional, invalid or unenforceable.

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IN WITNESS WHEREOF, the parties to this agreement have caused the same to be executed by their proper officers thereunto duly authorized the 22 day of May, 1994.

Attest:

Dale R Berg

Sacred Fountain of Youth  
Inc., Developer  
by [Signature]  
President

Attest:

Dale R Berg

Big Pole Estates  
Homeowners Association  
by [Signature]  
President

Attest:

Brent R. Titcomb

Wasatch County  
by [Signature]  
Chairman of the Board of  
County Commissioners

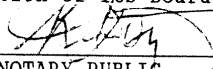
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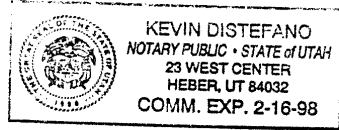
State of Utah

County of Wasatch

On the 17 day of May, 1996, personally appeared before me John W. Walden, who being by me duly sworn did say that (s)he, the said John W. Walden is the President of Sacred Fountain of Youth Inc., and that the within and foregoing instrument was signed in behalf of said Corporation by authority of a resolution of its Board of Directors, and said Corporation executed the same.

  
NOTARY PUBLIC

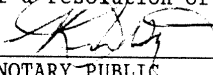
My Commission Expires: 2/16/98  
Residing at: Heber, UT



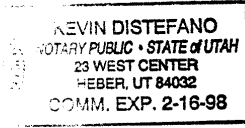
State of Utah

County of Wasatch

On the 17 day of May, 1996, personally appeared before me John W. Walden, who being by me duly sworn did say that (s)he, the said John W. Walden is the President of Big Pole Estates Homeowners Association, and that the within and foregoing instrument was signed in behalf of said Corporation by authority of a resolution of its Board of Directors, and said Corporation executed the same.

  
NOTARY PUBLIC

My Commission Expires: 2/16/98  
Residing at: Heber, UT





**EXHIBIT A**

**LEGAL DESCRIPTION BIG POLE ESTATES**

**Parcel 1:**

**BEGINNING** at a point 52.69 chains West along the Section line from the Northeast Corner of Section 5, Township 4 South, Range 6 East, Salt Lake Base and Meridian; thence West 19.722 chains, thence South 60.625 chains, thence East 19.722 chains, thence North 60.625 chains to the point of **BEGINNING**.

**EXCEPTING THEREFROM** any portions lying within the South one-half of the South one-half of said Section 5.

**Parcel 2:**

All of Lots 3, 4, 5, and the Southeast Quarter of the Northwest Quarter of Section 6, Township 4 South, Range 6 East of the Salt Lake Base Meridian; lying South of the Center line of Big Pole Creek.

**EXCEPTING THEREFROM** lots 1-38 of Big Pole Estates Plat

**Parcel 3:**

**BEGINNING** at the Southwest Corner of Section 32, Township 3 South, Range 6 East of the Salt Lake Base and Meridian; thence North along the Section line 22.28 chains, thence East 39.99 chains, more or less to the center of section line; thence South 00 02' 42" East 21.39 chains along said center of Section line to the South line of said Section 32; thence West 40.01 chains along the Section line to the point of **BEGINNING**.

**Parcel 4:**

The East half of Section 31, Township 3 South, Range 6 East of the Salt Lake Base and Meridian, lying South of the Center line of the Big Pole Creek.

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