

WHEN RECORDED, RETURN TO:
Parsons Behle & Latimer
201 South Main Street, Suite 1800
P.O. Box 45898
Salt Lake City, UT 84111-2218
Telephone: (801) 532-1234
Attn: Kerry L. Owens

Entry No.	635722
REQUEST OF	COALITION TITLE
FEE	ALAN SPRIGGS, SUMMIT CO. RECORDER
\$ 20.00	By D Gunn
RECORDED	10-22-02 at 16:22 PM

**SUPPLEMENTAL DECLARATION AND AMENDMENT
TO THE MASTER DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS OF FLAGSTAFF, A PLANNED COMMUNITY**

THIS SUPPLEMENTAL DECLARATION AND AMENDMENT TO THE MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF FLAGSTAFF, A PLANNED COMMUNITY ("Supplemental Declaration"), dated as of the 21st day of October, 2002, by Blue Ledge Corporation, a Delaware corporation ("Declarant"), amends that certain Master Declaration of Covenants, Conditions and Restrictions of Flagstaff, a planned community dated June 28, 2002, and recorded June 28, 2002 in the office of the Recorder of Summit County, Utah, as Entry No. 623450, Book 1457, Page 747 ("Original Declaration"). The Original Declaration, as amended and supplemented pursuant to this Supplemental Declaration, is collectively referred to herein as the "Declaration," which term, shall for all purposes thereof or of any related document, mean and refer to the Declaration as so amended, supplemented, or otherwise modified. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Declaration.

A. Declarant subjected certain real property located in Summit County, Utah to the Declaration.

B. The Declaration established an association known as the Flagstaff Master Owners Association, Inc., a Utah non-profit corporation ("Master Association"), which is responsible for governing Flagstaff on matters of common concern as more particularly described in the Declaration.

C. The Declaration provides that Declarant shall have the right and option, from time to time at any time to amend the provisions of the Declaration and to subject property to additional restrictions by the recordation of a Supplemental Declaration, which shall be effective upon filing for recordation, unless otherwise provided therein.

D. Pursuant to the provisions of Articles IV and XVIII of the Declaration, Declarant desires to subject the real property located in Summit County, Utah ("Subject Property") more particularly described on Exhibit A attached hereto and made a part hereof to the provisions of the Declaration, and desires to amend certain the provisions of the Original Declaration.

E. Declarant owns all of the Subject Property.

F. Declarant is executing and delivering this Supplemental Declaration for the purpose of subjecting the Subject Property to the provisions of the Declaration and for the purpose of amending certain provisions of the Original Declaration.

NOW, THEREFORE, in consideration of the foregoing premises, Declarant hereby declares and states as follows:

1. Subject Property.

(a) The Subject Property is hereby subjected to the Declaration, and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens of the Declaration, which provisions are hereby ratified, approved and confirmed, with the same force and effect as if fully set forth herein and made again as of the date hereof and subject to the jurisdiction of the Master Association.

(b) The Land Use Classification, Neighborhood, density allocation and certain other restrictions affecting the Subject Property are set forth on Exhibit B attached hereto and incorporated herein for all purposes.

2. Amendments to Declaration

(a) The first and second sentences of Section 1.2 of the Declaration are hereby deleted and replaced with the following:

“Additional Land” shall mean, refer to, and consist of the parcels of real property situated in Summit County, Utah and/or Wasatch County, Utah now or in the future owned and controlled by Declarant and Declarant’s affiliates. In addition, the Additional Land shall also consist of any other real property located not more than ten miles from the exterior boundaries of the Declarant Property and/or the Additional Land.

(b) The word “Unit” in Section 1.88.3(C) and Section 1.88.3(D) of the Declaration is hereby deleted and replaced with the words “Lot/Unit or Parcel”.

(c) Section 1.88.19 of the Declaration is hereby deleted and replaced with the following:

All Transfers of the common stock of Declarant or Declarant’s parent to Capital Growth Partners, its shareholders and/or its designees.

3. The provisions of the Declaration shall run with the Subject Property and shall be binding upon all parties having any right, title, or interest in the Subject Property or any part thereof, their heirs, successors and assigns and shall inure to the benefit of each owner thereof.

4. This Supplemental Declaration shall be effective as of the date of its recordation in the office of the Recorder of Summit County, Utah.

IN WITNESS WHEREOF, the Declarant has executed and delivered this Supplemental Declaration as of the date and year first above written.

BLUE LEDGE CORPORATION,
a Delaware corporation

By: Hank Rothwell
Hank Rothwell, President

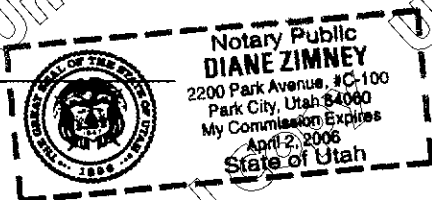
STATE OF UTAH)
COUNTY OF Summit : ss.

The foregoing instrument was acknowledged before me this 9th day of October, 2002, by Hank Rothwell, as President of Blue Ledge Corporation, a Delaware corporation.

[Signature]
NOTARY PUBLIC

My Commission Expires:

Residing at:



**EXHIBIT A
TO
SUPPLEMENTAL DECLARATION**

(Description of Subject Property)

The real property referred to in this Supplemental Declaration as the Subject Property is located in Summit County, Utah and is more particularly described as:

NSV-II-B-C-D

All of Lots B, C and D of the Northside Village Subdivision II, a multifamily subdivision as shown on the Official Plat recorded on June 28, 2002, as Entry No. 623453 in the Official Records of Summit County, Utah.

Tax Serial Nos. NSVII-B, NSVII-C and NSVII-D.

**EXHIBIT B
TO
SUPPLEMENTAL DECLARATION**

(Restrictions on Subject Property)

1. Land Use Classifications. The Land Use Classifications for the Subject Property is as follows:

- (a) Lot B: Cluster Residential Use
- (b) Lot C: Cluster Residential Use
- (c) Lot D: Residential Condominium Development Use and General Commercial Use

The Land Use Classifications established by Declarant for the Subject Property pursuant to this Supplemental Declaration shall not obviate the need for compliance with: (i) the Design Guidelines and the Declaration; (ii) all codes, rules, regulations and requirements of the City; and (iii) the requirements of the MPD; and (iv) the City's approvals for Northside Village Subdivision II. Each of the lots that is a part of the Subject Property may only be developed upon the approval of a conditional use permit pursuant to the final conditions, findings of fact and conclusions of law of the Park City Planning Commission for the Northside Village Subdivision II.

2. Neighborhood Designation. All of the Subject Property is made a part of the Northside Neighborhood.

3. Density Allocation. The maximum density allocated to the Subject Property is as follows:

- (a) Lot B: 18 units/27 UEs ($18 \times 1.5 \text{ UE} = 27 \text{ UEs}$)
- (b) Lot C: 25 units/37.5 UEs ($25 \times 1.5 \text{ UE} = 37.5 \text{ UEs}$)
- (c) Lot D: 22 units/33 UEs ($22 \times 1.5 \text{ UE} = 33 \text{ UEs}$ and commercial)