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REQUEST: DEER CREST ASSOCIATES I LC

**MASTER DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS, AND RESERVATION OF EASEMENTS
FOR
DEER CREST
A PLANNED RECREATIONAL DEVELOPMENT
Wasatch and Summit Counties, Utah**

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR DEER CREST is made on this 31st day of October, 1997, by DEER CREST ASSOCIATES I, L.C., a Utah limited liability company ("Declarant"):

RECITALS:

A. Declarant is the owner of, or as to the State Lands, the lessee of, certain real property (the "Initial Property") in Wasatch County, State of Utah, which is more particularly described as follows:

See Exhibit A-1 attached hereto

B. Declarant is developing a planned recreational development known as the Deer Crest Project on the Initial Property situated in Wasatch and Summit Counties, Utah, as shown on the attached Master Plan. The Deer Crest Project contains neighborhood areas and will include a mixture of single-family, multi-family, commercial and recreational uses. The Deer Crest Project also contains private roadways, open space, ski runs, ski ways, trails, and other amenities that constitute Common Elements of the Deer Crest Project, some of which may be used and enjoyed by the general public.

C. Certain lands immediately adjacent to the Property and more particularly described on Exhibit B hereto (the "Additional Properties"), are owned by others and have

certain access rights across portions of the Property. Declarant intends to include the United Park City Mines Property as a part of the Deer Crest Project and reserves the right to include the other Additional Properties as part of the Deer Crest Project on such terms as may be determined in the sole discretion of the Declarant. The Additional Properties have those access rights and anticipated densities set forth in Exhibit B.

D. In furtherance of a common plan of development for the Deer Crest Project, Declarant intends to adopt master covenants, conditions and restrictions affecting the Property and to reserve easements across certain portions of the Property for the benefit of other portions of the Property and the Additional Properties. Declarant will develop and convey all of the Lots and Units in the Deer Crest Project subject to such master covenants, conditions, and restrictions, and subject to and together with such easements, all of which shall run with the title to the Property as hereinafter set forth. Also, Declarant has created the Deer Crest Master Association to which Declarant in due course will delegate and assign the powers of owning, maintaining and administering the Common Elements and the duties of administering and enforcing this Master Declaration, and collecting and disbursing the assessments and charges hereinafter created in connection with the operation, maintenance, repair and replacement of the Common Elements and the functions and obligations of the Master Association created hereunder.

E. Declarant also intends to create separate Unit Neighborhood Associations covering the multi-family and commercial portions of the Deer Crest Project, which Unit Neighborhood Associations will maintain common areas within the boundaries of those projects, provide for the management and operation of the Unit Neighborhood Association, levy and collect assessments, including assessments of the Master Association allocated to the Unit Neighborhood Association by this Master Declaration, and administer and enforce the terms of the Neighborhood Declaration for each such Neighborhood.

ARTICLE 1

1.1 General Purposes. Declarant owns and intends to develop the Property as a resort community to be known as the Deer Crest Project which will contain neighborhood areas and will include a mixture of single-family, multi-family, commercial, and recreational uses, as well as open space, ski runs, ski ways, trails, private roadways, and other amenities. Declarant intends that this Master Declaration establish and provide for the continued maintenance of the Deer Crest Project as an attractive and desirable resort community.

1.2 Densities and Entitlements. The densities and entitlements for the Deer Crest Project are generally defined in the Amended Density Determination and the Settlement Agreement. Declarant has and reserves the right to develop the Deer Crest Project to include up to five hundred twenty-five (525) residential units (not including any of the Additional Properties), including up to one hundred forty-six (146) single family lots and three hundred seventy-nine (379) multi-family units, plus a commercial lot, other commercial space and

affordable housing units as may be required by Wasatch County. (Additional residential density has been approved or is anticipated on the Additional Properties, which have rights of access across the Property.) More particularly, and subject to possible reallocations of residential density, the Deer Crest Project will consist generally of the following Neighborhoods:

(a) The Snowtop Neighborhood to consist of fifteen (15) single family Residential Lots at Snowtop, which is within the Property. This Neighborhood may also include four (4) single family Residential Lots at Hidden Hollow, which is one of the Additional Properties;

(b) The Deer Hollow Village Neighborhood to consist of five (5) single family Residential Lots, eighty-three (83) multi-family Units, and certain Commercial Space (which may take the form of condominium units). The five (5) single family Residential Lots are included in this Neighborhood solely for purposes of geographic reference, shall not be included in the Deer Hollow Village Neighborhood Association and may be included in the Deer Crest Estates Neighborhood Association or the Snowtop Neighborhood Association in the event either such Association is formed;

(c) The Roosevelt Gap Neighborhood to consist of one hundred five (105) multifamily lodge condominium Units and certain Commercial Space (which may take the form of condominium units);

(d) The Deer Crest Estates Neighborhood to consist of up to one hundred twenty-six (126) single family Residential Lots and a Commercial Lot within the Property. This neighborhood may also include twelve (12) additional single family residential lots on the United Park City Mines property, which is one of the Additional Properties;

(e) The Jordanelle Village Neighborhood, to consist of one hundred sixty-six (166) multifamily Units, certain Commercial Space (which may take the form of condominium units), and certain affordable housing units; and

(f) Snow Park, to consist of twenty-five (25) multi-family Units and certain Commercial Space (which may take the form of condominium units).

1.3 Additional Properties. Declarant reserves the right to subject one or more of the "Additional Properties" to this Master Declaration by the recordation of a supplemental declaration. No amendment to this Master Declaration will be required. Declarant shall identify in each supplemental declaration the Additional Property, specify the number of additional Lots or Units to be added to the Project, the number of votes to be allocated to the Additional Property and the number of Assessment Units to be allocated to the Additional Property. Upon recordation of the supplemental declaration, the subject Additional Property shall be deemed added to the Property and the number of Lots, Units, Undeveloped Density Units, Assessment Units and votes shall be automatically increased to include the Additional Property's Lots, Units and other items for purposes of this Master Declaration. The supplemental declaration may modify any of the covenants, conditions and restrictions otherwise applicable to the Property in

the supplemental declaration where such changes are deemed necessary in the discretion of the Declarant to address a unique condition effecting or relating to the Additional Property that is the subject of the supplemental declaration or to more fairly allocate the benefits and obligations of membership within the Master Association. In the event that the Declarant and owner of any of the Additional Properties fail to reach agreement on the terms of inclusion within the Deer Crest Project, the Additional Properties will still have such rights of access and be subject to such limitations as are contained in the agreements with the owners of the Additional Properties referred to in Exhibit B.

1.4 Master Association and Neighborhood Associations. Declarant has created the Deer Crest Master Association as a Utah non-profit corporation. The Declarant intends to create or cause to be created a Unit Neighborhood Association for each project consisting of Units or Commercial Units. Declarant or the Owners of Lots in a Neighborhood may also create a Voluntary Neighborhood Association of Lot Owners. No Neighborhood Association shall have any authority to contradict or amend the terms of this Master Declaration. The Members of the Master Association will be the owners of Lots, the Unit Neighborhood Associations in the Deer Crest Project and Declarant. Declarant intends to delegate and assign the powers of owning, maintaining and administering the Common Elements and the duties of administering and enforcing this Master Declaration and of collecting and disbursing the assessments and charges hereinafter created to the Master Association.

1.5 Dedication. In order to further the general purposes stated above, Declarant hereby declares that all of the Property, and any of the Additional Properties hereafter made subject to this Master Declaration by the recordation of a supplemental declaration, shall at all times be owned, held, sold, conveyed, occupied, used, and enjoyed subject to the provisions of this Master Declaration and to the covenants, conditions, restrictions, equitable servitudes, reservations, easements, assessments, charges, and liens provided, referred to or incorporated herein, all of which shall run with the Property (and any of the Additional Properties made subject hereto), and all of which shall burden, benefit, and be binding upon Declarant, all other persons or entities having any right, title or interest in the Property (and any of the Additional Properties made subject hereto), or any portion thereof, and their respective successors, assigns, heirs, devisees and personal representatives.

1.6 Right to Develop. The foregoing notwithstanding, no provision of this Master Declaration is intended or shall be construed to prevent or limit Declarant's rights to develop the Deer Crest Project and to exercise the rights reserved by Declarant as hereinafter provided.

ARTICLE 2

Definitions

Unless otherwise expressly provided, the following words and phrases when used in this Master Declaration shall have the meanings hereinafter specified:

2.1 "Additional Properties" means the parcels of real property situated in Wasatch and Summit Counties, Utah described on Exhibit "B" hereto. The Additional Properties adjoin the Property and are known as the Hidden Hollow, United Park City Mines, Weilenmann and Land der Berg Properties currently owned by persons other than Declarant.

2.2 "Articles" shall mean the Articles of Incorporation of the Deer Crest Master Association, as such Articles may be amended from time to time.

2.3 "Assessment Percentage" and "Assessment Unit" shall have the meanings set forth in Section 3.24 hereof.

2.4 "Board" shall mean the Board of Trustees of the Master Association, elected in accordance with the Articles and Bylaws of the Master Association.

2.5 "Bylaws" shall mean the Bylaws of the Deer Crest Master Association, as such bylaws may be amended from time to time.

2.6 "Capital Improvement Assessment" shall mean the charge against each Owner and the Owner's Lot and, if applicable, against each Unit Neighborhood Association and each Super Pad Parcel, representing the portion of the costs to be paid by the person receiving the assessment to the Master Association for the installation, construction or reconstruction of any capital improvement on any portion of the Common Elements which the Master Association may from time to time authorize.

2.7 "Change in Control Date" shall mean date on which the Class C Membership terminates.

2.8 "Commercial Lot" shall mean any Lot which is designated for the purpose of conducting a commercial business.

2.9 "Commercial Space" shall mean the Commercial Lot and any Unit or other area which may be used, leased, or rented for the purpose of conducting commercial business. Commercial Space includes, without limitation, areas used for restaurants, clubs, gift shops, barber and beauty shops, ski and bicycle shops, fitness facilities, child care facilities, ski academy, ski school, culinary school, warehouse facilities, real estate sales facilities and recreational activity sales offices. Commercial Space may take the form of condominium units but does not include hotel or lodge condominium units or other Residential Units used, leased, or rented for overnight or longer residential accommodations.

2.10 "Commercial Unit" shall mean a Unit to be used as Commercial Space, rather than for residential purposes.

2.11 "Common Assessment" shall mean the charge against each Owner and the Owner's Lot, and, if applicable, against each Super Pad Parcel and each Unit Neighborhood Association, representing the portion of the Common Expenses which is to be paid by such Owner or other obligor to the Master Association.

2.12 "Common Elements" shall mean all the real property, improvements, facilities and equipment owned and/or managed by the Master Association, or owned by another Person subject to a lease, license, easement or other arrangement in favor of the Master Association. The Common Elements shall exclude the common areas of any Neighborhood and all Lots and Units except to the extent covered by an easement in favor of the Master Association. The Common Elements include, to the extent of the Master Association's interest therein, and without limitation, roads, road shoulders and appurtenances, walkways, paths, hiking and bicycle trails, Ski Facilities, street lights, signs, the west and east access gates, recreational areas, open space areas, landscaping and landscaping improvements, basins, bridges, ski bridges, ski tunnels, retaining walls, snow storage areas, drainage devices, swales, stormwater conveyance facilities, and detention basins. The Common Elements are within the Property and will be specified on Plats and in supplemental declarations or Neighborhood Declarations covering each portion of the Property or in other separately recorded documents identifying Common Elements or specifying an interest of the Master Association with respect to a portion of the Property. Common Elements shall also include any CATV or other communications systems or any security system operated by the Master Association for the benefit of Owners.

2.13 "Common Expenses" shall mean the expenses (including allocations for Reserves) incurred or assessed by the Master Association in fulfilling its duties.

2.14 "Declarant" shall mean Deer Crest Associates I, L.C., a Utah limited liability company, and its successors and assigns to whom Deer Crest Associates I, L.C., assigns, in whole or in part, the rights of Declarant hereunder by an express written assignment. Declarant may convey all or a portion of a Neighborhood for purposes of development with or without assigning its rights as Declarant under this Declaration. Each Neighborhood Association may have a separate Declarant for the purposes of the Neighborhood Declaration without affecting Declarant's rights hereunder.

2.15 "Declarant Control Period" shall mean the period commencing on the date on which the Master Association is formed and ending on the Change of Control Date

2.16 "Deer Crest Estates Neighborhood" shall mean the Neighborhood generally identified as such on the Master Plan and more specifically identified on the recorded Plat or Plats of the Neighborhood.

2.17 "Deer Crest Project" shall have the meaning set forth in Section 1.1 above.

2.18 "Deer Hollow Village Neighborhood" shall mean the Neighborhood

generally identified as such on the Master Plan and more specifically identified on the recorded Plat or Plats of the Neighborhood.

2.19 "Deer Valley Agreement" shall mean the agreement(s) between Declarant and the Deer Valley Resort Company identified on Exhibit "C" hereto, as amended from time to time, under which, among other things, Deer Valley Resort Company agrees to operate and maintain certain Ski Facilities on the Property.

2.20 "Density Determination" shall mean the First Amended Findings and Order on Density Determination for the Telemark Park Resort adopted by the Board of County Commissioners, Wasatch County, Utah, on August 5, 1996, as amended from time to time.

2.21 "Design Guidelines" shall mean the Deer Crest Design Guidelines, adopted by the Board in accordance with the Bylaws and this Master Declaration, as amended from time to time.

2.22 "Design Review Committee" shall mean the Design Review Committee for the Deer Crest Project created pursuant to Article 6 hereof.

2.23 "Guest" shall mean any family member, tenant or invitee of an Owner, or any family member, tenant or guest of such a person or of the Master Association.

2.24 "Hidden Hollow Property" shall mean the Additional Property described on Exhibit B.

2.25 "Improvement" shall mean all structures and appurtenances thereto of every type and kind, including, without limitation, buildings, out buildings, walkways, garages, carports, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, landscaping, hedges, windbreaks, planting, planted trees and shrubs, and related fixtures and equipment.

2.26 "Initial Property" shall mean the real property described in Paragraph A of the Recitals.

2.27 "Jordanelle Village" shall mean the Neighborhood generally identified as such on the Master Plan and more particularly identified on the recorded Plat or Plats of the Neighborhood.

2.28 "Land der Berg Property" shall mean the Additional Property described on Exhibit B.

2.29 "Lot" shall mean a Residential Lot or the Commercial Lot as shown on a Plat.

2.30 "Master Association" shall mean the Deer Crest Master Association formed by Declarant under the Utah Non-Profit Corporation and Cooperative Association Act, and such association's successors and assigns.

2.31 "Master Declaration" shall mean this Declaration of Master Covenants, Conditions, and Restrictions, and Reservation of Easements, as amended from time to time.

2.32 "Master Plan" shall mean the Master Plan for the Deer Crest Project, a reduced copy of which is attached hereto as Exhibit "A-2" for identification, as the same may be amended from time to time. The Master Plan is attached for general reference purposes only and is not intended to set forth the final approved configuration of all elements of the Deer Crest Project.

2.33 "Master Rules" shall mean the Master Rules and Regulations for the Deer Crest Project adopted by the Board in accordance with the Bylaws, as amended from time to time.

2.34 "Member" shall mean the Owner of any Residential Lot, a Unit Neighborhood Association and the Declarant, during the Declarant Control Period, holding a membership in the Master Association.

2.35 "Mortgage" shall mean any mortgage or deed of trust or other conveyance of a Lot or Unit given to secure the performance of an obligation, and which will be void and reconveyed upon the completion of such performance. The term "deed of trust" or "trust deed" when used herein shall be synonymous with the term "Mortgage."

2.36 "Mortgagee" shall mean a person to whom a Mortgage is made and shall include the beneficiary of a deed of trust. The term "first Mortgagee" shall include any Mortgagee who, by virtue of the Owner's Mortgage holds a first and prior lien upon any Lot or Unit superior to the lien of any other Mortgagee.

2.37 "Mortgagor" shall mean a person who mortgages the Owner's Lot or Unit to another (i.e., the maker of a Mortgage), and shall include the trustor of a deed of trust.

2.38 "Neighborhood" shall mean one of the following discrete areas as generally identified on the Master Plan: the Deer Crest Estates Neighborhood, the Snowtop Neighborhood, the Deer Hollow Village Neighborhood, the Roosevelt Gap Neighborhood, the Jordanelle Village Neighborhood, or Snow Park.

2.39 "Neighborhood Association" shall mean the homeowners association for any Neighborhood in the Deer Crest Project, and its successors and assigns. A Neighborhood Association of Lot Owner is a Voluntary Neighborhood Association and a Neighborhood Association of Unit Owners is a Unit Neighborhood Association.

2.40 "Neighborhood Declaration" shall mean the declaration of covenants, conditions, and restrictions and reservation of easements for a particular Neighborhood, as such declaration may be amended from time to time.

2.41 "Open Space Area" shall mean a portion of the Property that is the subject of a Use Restriction. Open Space Areas are specifically identified on recorded Plats or recorded Use Restrictions within the Deer Crest Project.

2.42 "Owner" shall mean the person, including Declarant, holding title of record to any Lot or Unit, including sellers under executory contracts of sale, but excluding those persons having such interest merely as security for the performance of an obligation. For purposes of Membership in the Master Association, voting in the Master Association and being obligated to pay assessments levied against Lots by this Master Declaration, the term "Owner" shall refer only to Owners of Lots. Owners of Units shall be members of Unit Neighborhood Associations and shall be assessed by those Unit Neighborhood Associations.

2.43 "Plans and Specifications" shall mean plans and specifications to be submitted to the Design Review Committee as provided in Section 6.2.

2.44 "Plat" shall mean a recorded subdivision plat covering Lots on the Property, and/or a recorded record of survey map covering condominium Units on the Property.

2.45 "Public Rights" shall mean the rights of the public to use the ski facilities and trails on the Property to the extent described in the Density Determination, the Settlement Agreement, the Deer Valley Agreement, this Master Declaration or any other recorded instrument reflecting such public rights over any portion of the Property, including a certain Open Space Agreements recorded contemporaneously with the recordation of this Master Declaration against portions of the Property. Public rights include the right of access to those Trails shown on Exhibit A-3 for hiking and biking purposes, but shall not include the right to use Deer Crest roads between the control gates for nonemergency vehicular purposes.

2.46 "Property" shall mean all of the Initial Property. The term "Property" shall also include any of the Additional Properties that are made subject to this Master Declaration by the recordation of a supplemental declaration, which inclusion shall be effective from and after the date of recordation of a supplemental declaration.

2.47 "Reserves" shall mean those reserves anticipated in Section 3.17 below.

2.48 "Residential Lot" shall mean a Lot for single family residential use.

2.49 "Residential Unit" shall mean a Unit to be used for residential, rather than commercial, purposes. Residential Unit shall include hotel and lodge condominium Units intended for overnight or longer residential accommodations.

2.50 "Roosevelt Gap Neighborhood" shall mean the Neighborhood generally identified as such on the Master Plan and more specifically identified on the recorded Plat or Plats of the Neighborhood.

2.51 "Settlement Agreement" shall mean the Settlement Agreement between Park City Mines Consolidated Mines Company, Trans-Wasatch Company, L.L.C., and Park City Municipal Corporation dated December 29, 1995, as amended from time to time.

2.52 "Ski Facilities" shall mean ski lifts, ski runs, ski ways, snowmaking equipment, drainage devices, landscaping and related facilities and equipment.

2.53 "Snow Park Property" or "Snow Park" shall mean the tract of land adjacent to the Snow Park Lodge in Deer Valley and generally identified as such on the Master Plan and more particularly described on the recorded Plat or Plats of the Neighborhood.

2.54 "Snowtop Neighborhood" shall mean the Neighborhood identified as such on the Master Plan and more particularly described on the recorded plat or plats of the Neighborhood.

2.55 "Special Assessment" shall mean the charge against each Owner and the Owner's particular Lot, and, if applicable against each Unit Neighborhood Association and each Super Pad Parcel, representing the portion of the costs to be paid by the Owner or other obligor to the Master Association for unbudgeted expenses or expenses in excess of those budgeted.

2.56 "Specific Assessment" shall mean the charge against a particular Owner and the Owner's Lot, directly attributable to the Owner, equal to (i) the charge to such Owner for particular items, services, or benefits provided by the Master Association at such Owner's request, or (ii) the costs incurred by the Master Association for corrective action performed pursuant to the provisions of this Master Declaration, plus interest thereon and fees (including attorney's fees) and costs.

2.57 "State Lands" shall mean the lands owned by the Utah School and Institutional Trust Lands Administration that are included within the Property and are leased to Declarant under the State Leases. The State Lands are more particularly described in Exhibit A of this Master Declaration.

2.58 "State Leases" shall mean the Special Use Lease Agreements between the Utah School and Institutional Trust Lands Administration and Declarant (as successor lessee) covering the State Lands, as amended from time to time.

2.59 "Super Pad Parcel" shall mean a parcel designated for future development on a recorded Plat, which Plat also includes platted Lots or roads and which identifies the Undeveloped Density Units to be allocated to each such parcel. By way of illustration, a Super Pad Parcel for a Deer Hollow Village condominium project might designate a parcel to be the subject of a future Plat covering eighty-three (83) Units. Super Pad Parcels do not exist for assessment purposes unless and until created by a recorded Plat.

2.60 "Third Party Agreements" shall mean the agreements identified on Exhibit "D" hereto, as amended or superseded from time to time, under which certain third parties and their successors and assigns have the right to use certain roadways and other improvements within the Deer Crest Project or otherwise have agreements restricting or affecting the Deer Crest Project.

2.61 "Trail" shall mean a bicycle and/or hiking trail situated on the Property and shown on Exhibit A-3.

2.62 "Undeveloped Density Unit" shall mean a unit of residential density allocated by the Density Determination to a specified portion of the Property and which has not been included in a recorded Plat other than a plat creating a Super Pad Parcel or included in a record of survey map. Undeveloped Units are used for the purpose of identifying certain voting and other rights of Declarant. As of the date of this Master Declaration, the total number of Undeveloped Units on the Property (excluding all Additional Properties) is five hundred twenty-five (525), of which fifteen (15) are allocated to the Snowtop Neighborhood, eighty-eight (88) are allocated to the Deer Hollow Village Neighborhood, one hundred five (105) are allocated to the Roosevelt Gap Neighborhood, one hundred sixty six (166) are allocated to the Jordanelle Village Neighborhood (excluding for this purpose any affordable housing), one hundred twenty-six (126) are allocated to the Deer Crest Estates Neighborhood and twenty-five (25) are allocated to Snow Park. When a Plat (other than a plat creating a Super Pad Parcel) is recorded for a particular subdivision or a record of survey map is recorded for a condominium project within a Neighborhood, the number of Undeveloped Density Units in that Neighborhood shall be reduced by the number of Residential Lots or Residential Units covered by such Plat or map. For example, if the first Plat covers eighty-nine (89) Residential Lots in the Deer Crest Estates Neighborhood, four hundred thirty-six (436) Undeveloped Units will remain outstanding. Commercial Units, Commercial Lots and affordable housing shall not be counted for purposes of Undeveloped Density Units.

2.63 "Unit" shall mean a 'condominium unit' on the Property as that term is defined in the Utah Condominium Ownership Act. The term "Unit" includes Commercial Units and Residential Units. For development purposes, a Unit at the Roosevelt Gap represents 2,000 square feet of floor area and a Unit at Deer Hollow Village represents 2,400 square feet. The number of actual Units may increase if the Units are smaller than those square footage standards.

2.64 "United Park City Mines Property" shall mean the Additional Property identified on Exhibit B attached hereto.

2.65 "Unit Neighborhood Association" means a Neighborhood Association the members of which are Unit Owners and which represents Unit Owners within the Master Association through its membership in the Master Association. A Unit Neighborhood Association does not exist for assessment purposes unless and until a condominium project within the Neighborhood is created by the recording of a record of survey map.

2.66 "Use Restriction" shall mean any dedication, conservation easement, open

space preservation agreement or other restriction of use by which Declarant or the Master Association dedicates a certain portion of the Property for continued use as open space and/or for outdoor recreational uses, as the same may be amended from time to time.

2.67 "Voluntary Neighborhood Association" means a Neighborhood Association of Lot Owners formed for any purpose or function not inconsistent with the Master Declaration.

2.68 "Weilenmann Property" shall mean the Additional Property identified on Exhibit B attached hereto.

ARTICLE 3

Deer Crest Master Association

3.1 Relationship of Associations. The Deer Crest Master Association shall be the Master Association for the Deer Crest Project and shall do such things as are within its powers and as may reasonably be required to maintain the Deer Crest Project and its Common Elements as an attractive and desirable resort community. The Members of the Master Association shall be Declarant, the Owners of Lots, and the Unit Neighborhood Associations for those portions of the Deer Crest Project containing Units. A separate Unit Neighborhood Association will be formed for each Neighborhood containing Units. Declarant or the Owners of Lots within any Neighborhood shall have the right to form a Voluntary Neighborhood Association for the Neighborhood, but such Association shall not have membership in the Master Association. Declarant presently intends to create a Neighborhood Association for the Snowtop Neighborhood. The members of a Neighborhood Association shall be Declarant and the Owners of Lots or Units in that Neighborhood. The duties and powers of the Master Association shall relate to the Property as a whole, while the duties and powers of a particular Neighborhood Association shall relate only to its particular Neighborhood.

3.2 Duties and Powers of Master Association. The Master Association, acting through the Board, shall have the powers and duties provided in the Articles and Bylaws and such additional powers as shall be reasonable and necessary for the Master Association to accomplish the purposes of this Master Declaration.

3.3 Operation and Maintenance. The Master Association shall be responsible for the operation, management, regulation, maintenance, repair and replacement of the Common Elements except to the extent any such functions are assumed by another entity. In addition, the Master Association may operate, manage, maintain, and repair other areas and facilities within the Project as the Board may determine to be in the best interests of the Owners and the Deer Crest Project generally and to the extent necessary to comply with any maintenance agreements entered into between Declarant or the Master Association and any governmental entity including without limitation a certain Maintenance Agreement among Declarant, the Master Association

and Wasatch County recorded contemporaneously with this Master Declaration. Without limiting the foregoing, the Master Association shall operate, manage, regulate, maintain, repair and replace:

(a) All private roads, walkways, drainage and stormwater devices, bridges, tunnels, gates and gate houses, parking areas and facilities, recreational amenities, and other facilities, in the Common Elements, including, without limitation, cleaning and periodic resurfacing, snow removal, sanding and salting, trash removal, regulating speed, regulating access through the control gates, revegetation, and the placement of signs.

(b) To the extent owned by the Master Association, wells, water lines, storm drainage and water quality systems, and related equipment and facilities, specifically including all obligations to inspect, maintain, repair and replace storm water and water quality systems and facilities, which obligations are included in the Maintenance Agreement referred to above in this paragraph.

(c) Trees, shrubs, plants and other vegetation in the Common Elements and Open Space Areas.

(d) Common portions of driveways serving two or more lots and associated and adjacent Improvements on any Lots.

(e) Any surface, subsurface, or above-surface Common Elements including Trails, Ski Facilities or other Common Elements situated on or crossing any Lot, subject to the obligations of other parties under the Deer Valley Agreement and including any obligations of the Master Association under the Deer Valley Agreement.

(f) The by-pass to be constructed in the Deer Hollow Village area as required by the Density Determination.

(g) To the extent of the Master Association's interest therein, any Commercial Spaces or any Commercial Lot.

3.4 Health and Safety. The Master Association may provide services for the maintenance of health and safety within the Deer Crest Project including, without limitation, providing facilities, services, and/or personnel for fire protection, emergency medical services, security, the collection and disposal of solid waste and refuse, and animal control.

3.5 Administration and Enforcement. The Master Association shall have the power to:

(a) Grant easements or rights-of-way required by utilities to serve the Deer Crest Project, or as may be required by (and subject to) the provisions of the Deer Valley Agreement, the Third Party Agreements, the Settlement Agreement, or the Density Determination.

(b) Employ or contract with a manager to perform all or any part of the duties and responsibilities of the Master Association, and delegate its powers to committees, officers and employees.

(c) Take such actions as may reasonably be necessary or desirable to enforce the terms and provisions of the Articles, Bylaws, this Master Declaration, Design Guidelines, or any Neighborhood Declaration, including, without limitation, the power to:

(i) After thirty (30) days' written notice, without being liable to any Owner or Neighborhood Association, enter upon any Lot, Unit or Neighborhood common area, for the purpose of enforcing by peaceful means the provisions of this Master Declaration, the Design Guidelines, or any Neighborhood Declaration, or for the purpose of maintaining or repairing any such Lot, Unit or Neighborhood common area if for any reason whatsoever the Owner thereof or other responsible person fails to maintain or repair any such Lot, Unit or Neighborhood common area as required by this Master Declaration.

(ii) After thirty (30) days written notice, without being liable to any Owner, enter upon any Lot, Unit or Neighborhood common area, for the purpose of removing any fire hazard on any Lot, Unit or Neighborhood common area which the Owner or other responsible person refuses to remove immediately.

(d) Take such actions as may reasonably be necessary or desirable to comply with and enforce, to the extent applicable to the Master Association, the terms and provisions of the Deer Valley Agreement, the Third Party Agreements, the Settlement Agreement, the Density Determination, and the Use Restrictions.

(e) Contract with such Persons as may reasonably be necessary or desirable to effectuate the purposes of this Master Declaration, including, without limitation, contractors to collect and dispose of solid waste and refuse, contractors to operate a shuttle or other transportation system within the Deer Crest Project, contractors to provide security services, and the like.

(f) Own or dedicate and maintain Open Space Areas, and grant and impose restrictive covenants, conditions, restrictions, recreational and Trail easements and conservation easements with respect to Open Space Areas.

3.6 Insurance. The Master Association shall maintain such policy or policies of liability and fire insurance with respect to the Common Elements and personal property owned by the Master Association as provided herein.

3.7 Assessments. The Master Association shall levy and collect all assessments as provided herein.

3.8 Rules and Design Guidelines. The Master Association shall adopt and may from time to time amend Master Rules and Design Guidelines for the Deer Crest Project in order to effectuate this Master Declaration and the purposes of the Deer Crest Project.

3.9 Transportation. The Master Association may provide facilities, services, and/or personnel for the operation of shuttle and other transportation to, from, and within the Deer Crest Project.

3.10 Recreation. The Master Association may provide, operate, and maintain recreational facilities and programs for Owners and Guests including, without limitation, clubhouses, spa facilities, the Trails, the Ski Facilities and other recreational amenities.

3.11 Promotion and Marketing. In addition to the Declarant, the Master Association may conduct programs that do not conflict with the Declarant, for the promotion of the Deer Crest Project as an attractive and desirable resort community, and may promote, publicize, and conduct conferences and special events including, without limitation, conferences, exhibitions, and ski and bicycle races.

3.12 Telecommunications Systems and Access. The Master Association may provide security systems and monitoring services, satellite and cable television facilities and services, other telecommunications systems and access to communications programming within the Deer Crest Project, including internet access via cable or telephone facilities, other audio or video program services, and other telecommunications devices.

3.13 Membership in the Master Association.

(a) Membership Classes. Every Owner of a Lot in the Deer Crest Project, shall be a Class A Member of the Master Association. Each Unit Neighborhood Association shall be a Class B Member of the Master Association. Declarant shall be a Class C Member in the Master Association for so long as it holds any Undeveloped Density Units.

(b) Class A Membership Appurtenant. The Class A membership of an Owner of a Lot shall not be assignable, except to the successor-in-interest of the Owner, and every Class A membership in the Master Association shall be appurtenant to and may not be separated from the fee ownership of such Lot. Ownership of a Lot shall be the sole qualification for Class A membership in the Master Association.

(c) Transfer of Class A Membership. The Class A membership held by any Owner of a Lot shall not be transferred, pledged, or alienated in any way, except upon the sale of the Lot giving rise to such membership, and then only to the purchaser of such Lot. Any attempt to otherwise transfer a Class A Membership shall be null and void, and will not be reflected upon the books and records of the Master Association. In the event an Owner of a Lot shall fail or refuse to transfer the Class A membership registered in the Owner's name to the purchaser of the Owner's Lot upon transfer of fee title thereto, the Board shall have the right to record the transfer upon the books of the Master Association. The Board shall have the right to charge a reasonable Specific Assessment against any Owner, and the Owner's Lot, equal to the cost to the Master Association of effectuating any such transfer of the Owner's Class A membership upon the books of the Master Association.

3.14 Voting Classes. The three (3) classes of membership in the Master Association shall be entitled to the following voting rights:

(a) Class A. Every Owner of a Lot shall be a Class A Member and, except for Declarant, shall be entitled to one (1) vote with respect to such Lot. Declarant shall be entitled to three (3) votes with respect to each Lot owned by Declarant; provided, however that the Declarant shall terminate on the earlier of:

- (i) The sale of such Lot; or
- (ii) The fifth anniversary of the recording of the Plat with respect to such Lot.

When more than one Person owns any Lot ("co-owner"), all such co-owners shall be Members and may attend any meetings of the Master Association, but only one such co-owner shall be entitled to exercise the vote to which the Lot is entitled. Such co-owners may from time to time all designate in writing one such co-owner to vote. Where no voting co-owner is designated or if such designation has been revoked, the votes for such Lot shall be exercised as the majority of the co-owners of the Lot mutually agree. Unless the Board receives a written objection from a co-owner, it shall be conclusively presumed that the voting co-owner is acting with the consent of the Owner's co-owners. No votes shall be cast for any Lot where the majority of the co-owners present in person or by proxy and representing such Lot cannot agree to said vote or other action. All agreements and determinations lawfully made by the Master Association in accordance with the voting procedures established herein, or by the Bylaws, shall be deemed to be binding on all Owners, their successors and assigns. The voting and non-voting co-owner or co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly owned Lot. Said voting rights shall be subject to the restrictions and limitations provided in this Master Declaration and in the Articles and Bylaws. The number of Class A Members shall increase by the number of Lots in any Additional Property added to the Property.

(b) Class B. The Roosevelt Gap Neighborhood Association shall be a member of the Master Association and shall be entitled to forty-two (42) votes. The Deer Hollow Neighborhood Village Unit Neighborhood Association shall be a member of the Master Association and shall be entitled to thirty-three (33) votes. The Jordanelle Village Neighborhood Association shall be a Class B member of the Master Association and shall be entitled to seventeen (17) votes. The Snow Park Neighborhood Association shall be a Class B member of the Master Association and shall be entitled to three (3) votes. The votes of each Unit Neighborhood Association shall be cast by authorized representatives of the Unit Neighborhood Association, which representatives shall be entitled to attend any meetings of the Master Association. The votes of each Unit Neighborhood Association may be cast in total or split within the discretion of the Unit Neighborhood Association.

(c) Class C. Declarant shall be a Class C Member of the Master Association and shall be entitled to one half (0.5) of a vote for each Undeveloped Density Unit held by Declarant. The Class C membership with respect to Undeveloped Density Units shall terminate

on the recording of a Plat (other than a Plat creating a Super Pad Parcel) with respect to such Undeveloped Density Units.

3.15 Voting. Unless a greater than simple majority of the membership is specified as being required in the Articles or unless any decision is specified in the Bylaws or this Master Declaration as requiring the approvals of a particular class of members, any provision requiring the vote or approval of the Members shall require the approval of a simple majority of all Member votes present in person or by proxy at a meeting of the Members at which a quorum is present. In the event any provision of this Master Declaration or the Articles or Bylaws require the approval of a particular class of membership of the Master Association shall be deemed to require a simple majority of all votes of the class present in person or by proxy at a meeting of the Members at which a quorum of the class is present.

3.16 Notice and Quorum. Written notice of any meeting called for the purpose of taking any action by the Members shall be sent to all Members not less than thirty (30) days, nor more than sixty (60) days, in advance of the meeting. At the first such meeting called, the presence of the Members or of proxies entitled to cast fifty-one percent (51%) of all votes of the Master Association (or all votes of a particular class of membership, if applicable) eligible to be cast at said meeting shall constitute a quorum as to all members (or that class of membership). If the required quorum is not present, another meeting may be called by giving not less than ten (10) days notice in advance of the meeting, and the required quorum at the subsequent meeting shall be twenty-five percent (25%) of the voting power of the entire membership or membership class in question. No such subsequent meeting shall be held more than thirty (30) days following the preceding meeting.

3.17 Assessments. The Master Association shall have the right to levy and collect Common Assessments, Specific Assessments, Special Assessments and Capital Improvement Assessments as provided in this Section.

(a) Purpose of Common Assessments. The Common Assessments levied by the Master Association shall be used to promote the common health, safety, benefit, recreation and welfare of the Owners, to meet any obligations imposed on, incurred or assumed by the Master Association, to cover costs, including overhead and administrative costs, for the operation of the Association and the operation, management, maintenance, repair, and replacement of the Common Elements, and to establish impound accounts as may be required by any governmental entity, including, without limitation, the impound account required by that certain Maintenance Agreement among Declarant, the Master Association and Wasatch County recorded contemporaneously with this Master Declaration. The Common Assessments may also be used to establish adequate Reserves for maintenance, repair, and replacement of the Common Elements. Common Assessments shall be levied against each Lot and the Owner thereof, to each then existing platted Super Pad Parcel and to each then existing Unit Neighborhood Association and shall be payable in such manner and at such times, including monthly or quarterly installments, as the Board may determine.

(i) Basis of Common Assessments. The total Common Assessments shall be based upon advance estimates of cash requirements by the Master Association to provide for payment of all estimated expenses growing out of or connected with the operation of the Association and the operation, management, maintenance, and repair of the Common Elements, which estimates may include, among other things, expenses of snow removal, taxes, special assessments, premiums for all insurance which the Master Association is required or permitted to maintain pursuant hereto, repairs and maintenance, wages for Master Association employees, compensation of a manager, legal and accounting fees, the creation of reasonable Reserves, surplus and/or sinking funds for the replacement of capital items and other purposes, and any other expenses and liabilities which may be incurred by the Master Association for the benefit of the Owners. Common Assessments shall be made on a calendar year basis. The amount of the Common Assessments shall be initially proposed by the Board, and presented to a meeting of the Owners for approval. Notice of the proposed assessment for the ensuing year shall accompany the notice of the meeting, and shall be mailed to each Owner not later than thirty (30) days prior to the date set for said meeting. Said notice shall also set forth the estimated Assessment Percentage of each Owner for the calendar year covered by said assessments, determined as provided in Section 3.24. Common Assessments representing particular cost items may, but shall not be required to, be allocated to particular Lots or Unit Neighborhood Associations, depending on the extent of benefit received by the particular Lots or Unit Neighborhood Associations in question (as determined by the Board in the exercise of its discretion), and therefore, Common Assessments may not be the same for all Lots or all Units.

(ii) Reserves. Common Assessments may include reasonable amounts as determined by the Board collected as Reserves for the future periodic maintenance, repair and replacement of all or a portion of the Common Elements, or for any other purpose as determined by the Board. All amounts collected as Reserves, whether pursuant to this Section or otherwise, shall be deposited by the Board in a separate bank account to be held in trust for the purposes for which they are collected. Said amounts shall be segregated from and not commingled with any other funds of the Master Association. Such Reserves shall be deemed a contribution to the capital account of the Master Association by the Members.

(b) Purpose of Specific Assessments. Specific Assessments levied by the Master Association shall be levied against a particular Lot and the Owner thereof, or specific Unit Neighborhood Association to cover costs, including overhead and administrative costs, for:

(i) Providing particular services, items, or benefits to a Lot or Unit Neighborhood Association at the request of the Owner thereof pursuant to a list of special services which the Board may authorize from time to time including, without limitation, snow removal, landscape maintenance, and handyman services, and which assessments may be levied in advance of providing such special services.

(ii) Enforcing any provision of the Articles, Bylaws, this Master Declaration, any Neighborhood Declaration, the Master Rules, or the Design Guidelines against any Owner, or of bringing any Lot or Unit into compliance with such requirements.

(iii) Maintenance, repairs, or replacements of or within the Common Elements arising out of or caused by the willful or negligent act or omission of an Owner or the Owner's Guests.

(c) Purpose of Special Assessments. Special Assessments shall be levied from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Except as otherwise provided in the Articles, Bylaws, or in this Master Declaration, a Special Assessment shall require the affirmative vote or written consent of a majority of Members. Special Assessments shall be levied against each Lot and the Owner thereof, to each then existing platted Super Pad Parcel and to each then existing Unit Neighborhood Association and shall be payable in such manner and at such times, including installments over time, as the Board may determine.

(d) Purpose of Capital Improvement Assessments. A Capital Improvement Assessment may be levied from time to time for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement of or upon the Common Elements, including fixtures and personal property related thereto; provided, however, that any such assessment in excess of Five Hundred Thousand Dollars (\$500,000) shall require the affirmative vote or written consent of a majority of Members. Capital Improvement Assessments shall be levied against each Lot and the Owner thereof, to each then existing platted Super Pad Parcel and to each then existing Unit Neighborhood Association and shall be payable in such manner and at such times, including installments over time, as the Board may determine.

3.18 Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot and platted Super Pad Parcel owned by it, hereby covenants and agrees, and each Owner of any Lot or platted Super Pad Parcel by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree, to pay to the Master Association all Common Assessments, Specific Assessments, Special Assessments, and Capital Improvement Assessments levied as provided herein, and each such assessment together with interest, costs and reasonable attorneys' fees for the collection thereof, shall be a charge on the Lot or platted Super Pad Parcel and shall be a continuing lien upon the Lot or platted Super Pad Parcel against which such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot or platted Super Pad Parcel at the time when the assessment fell due.

3.19 Adjustment of Assessments. The Master Association may phase-in its budget for assessment purposes during the first three years after the commencement of assessments under Section 3.25 with approximately equal monthly additions so that the amount of the budget (determined based on assumed full operation) collected in the first month will be one-thirty sixth (1/36) of the normal monthly assessment under the full budget, the amount collected will be two-thirty sixths (2/36) of the normal monthly assessment in the second month, and so on, until the full normal monthly amount is collected in thirty-sixth month. The Master Association shall reduce its expenditures to not exceed its collections in these phase-in months. Further, in the event that a Plat is recorded, or any Additional Property is made subject to this

Master Declaration, the Board shall have the power to make equitable and reasonable adjustments in the amounts of assessments (or installments thereof) so as to take into account (i) any increases in assessments payable to the Master Association resulting from the inclusion of new Lots, a Unit Neighborhood Association, or platted Super Pad Parcel, or the annexation of the Additional Property, and (ii) any increases in Common Expenses resulting from the inclusion of new Lots, Unit Neighborhood Association or platted Super Pad Parcels and the annexation of the Additional Property.

3.20 No Offsets. All assessments shall be payable in the amount specified by the assessment and no offsets against such amount shall be permitted for any reason, including, without limitation, a claim that (i) the Master Association is not properly exercising its duties and powers as provided in this Master Declaration, or (ii) an Owner has made or elects to make no use of the Common Elements.

3.21 Homestead Waiver. Each Owner, to the extent permitted by law, does hereby waive, to the extent of any liens created pursuant to this Master Declaration, whether such liens are now in existence or are created at any time in the future, the benefit of any homestead or exemption laws of the State of Utah now in effect from time to time hereafter.

3.22 Limitations on Certain Increases in Common and Special Assessments. Any provision of this Master Declaration to the contrary notwithstanding, the Board shall not in any fiscal year of the Master Association, without the affirmative vote or written consent of a majority of all Member votes, levy a Common Assessment per Lot which is more than twenty percent (20%) greater than the Common Assessment per Lot for the immediately preceding fiscal year of the Master Association. Any provision of this Master Declaration to the contrary notwithstanding, the Board shall not in any fiscal year of the Master Association, without the affirmative vote or the written consent of a majority of all Member votes, levy a Special Assessment against each Lot which, when aggregated as to all Lots, exceeds five percent (5%) of the Common Expenses of the Master Association for such fiscal year. The foregoing to the contrary notwithstanding, the Board may increase Common Assessments and Special Assessments which are subject to the foregoing limitations in an "emergency situation" which is defined as any one of the following: (i) an extraordinary expenditure or the increase of an impound account balance required by order of court or any governmental entity with jurisdiction on any portion of the Deer Crest Project; (ii) an extraordinary expenditure necessary to operate, repair or maintain the Common Elements or any other property for which the Master Association is responsible where a threat to personal safety on the Common Elements or on such other property is discovered or where the expenditure is required as a condition to the confirmation of insurance on any portion of the Deer Crest Project or required by a governmental entity or an agreement with a governmental entity (including without limitation the operation and maintenance of traffic controls and gates); and (iii) an extraordinary expenditure necessary to repair or maintain the Common Elements or any other property for which the Master Association is responsible that could not have been reasonably foreseen by the Board in preparing its budget (however, prior to the imposition and collection of an assessment under this Subsection (iii), the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the

budgeting process, and the resolution shall be distributed to the Members with the notice of the assessment).

3.23 Multiple Assessments Levied Against Lot Resulting from Merger or Combination. Whenever two or more adjacent Lots of an Owner are combined, then the resulting combined new Lot shall be considered a single Lot for all purposes except voting and assessments and shall be assessed as two Lots and shall have two Class A Memberships appurtenant to the combined Lot.

3.24 Assessment Percentage. All Common Assessments, Special Assessments, and Capital Improvement Assessments of the Master Association payable during a calendar year shall be prorated among the Lots, any Super Pad Parcels in existence by recorded Plat at the beginning of the calendar year and any then existing Unit Neighborhood Associations on the following basis (herein designated the "Assessment Percentages"):

(a) For purposes of this allocation of all Assessments, the Roosevelt Gap Neighborhood Association shall be deemed to have forty-two (42) Association Assessment Units, the Deer Hollow Village Neighborhood shall be deemed to have thirty-three and two-tenths (33.2) Association Assessment Units, the Snow Park Neighborhood shall be deemed to have two and one-half (2.5) Association Assessment Units and the Jordanelle Village Neighborhood shall be deemed to have sixteen and six-tenths (16.6) Association Assessment Units.

(b) For assessment purposes, the Lots in the Snowtop Neighborhood and the Deer Hollow Village Neighborhood shall be allocated eight-tenths (0.8) of an Assessment Unit and the other Lots shall be allocate one (1) full Assessment Unit.

(c) The Assessment Percentage attributable to each Lot shall be calculated by (i) dividing the Assessment Unit for the subject Lot under subparagraph (b) by the "Denominator" equal to the sum of (x) the aggregate number of Assessment Units for Lots, which initially is one hundred forty-two (142) before including Lots on any of the Additional Properties, and (y) five percent (0.05) of the aggregate number of Association Assessment Units, as determined in subparagraph (a) above, within recorded Super Pad Parcels that are outside of existing Unit Neighborhood Associations, and (z) the total number of Association Assessment Units of the Unit Neighborhood Associations then in existence, as determined in subparagraph (a) above, and (ii) multiplying the result by one hundred (100).

(d) The Assessment Percentage attributable to each Super Pad Parcel shall be equal to five percent (0.05) of the aggregate number of Association Assessment Units within, as determined in subparagraph (a) above, the recorded Super Pad Parcel that are outside of existing Unit Neighborhood Association and included in the "Denominator," and divided by the "Denominator" in subparagraph (c) and multiplied by 100.

(e) The Assessment Percentage attributable to each Unit Neighborhood Association then in existence shall be equal to the Association Assessment Units

for such Neighborhood Association, as determined in subparagraph (a) above, divided by the "Denominator" in subparagraph (c) and multiplied by 100.

(f) The Board may deduct from the total of Common Assessments the amount of costs reasonably allocable to the particular Lots or Unit Neighborhood Associations based on the extent of benefit of those Lots or Unit Neighborhood Associations as provided in Section 3.17(a)(i).

(g) Each Owner shall be obligated to pay that portion of each assessment determined by multiplying the total assessment by the Assessment Percentage of said Owner and plus an equitable percentage of the particular items of benefit to the Lot or Unit Neighborhood Associations in question as provided in Section 3.17(a)(i).

3.25 Date of Commencement of Assessments. Common and other assessments shall commence as to all Lots (i) on the first day of the month following the first conveyance of Open Space Areas or other Common Elements to the Master Association or (ii) on the first day of the month following the day that is 180 days after the recording of the first Plat, whichever of (i) or (ii) occurs first. The first Common Assessment shall be adjusted according to the number of months remaining in the fiscal year of the Master Association and in accordance with the phase-in provisions of Section 3.19. In the event the amount budgeted to meet Common Expenses for the then current fiscal year proves to be excessive in light of the actual Common Expenses, the Board in its discretion may either reduce the amount of Common Assessments or may abate collection of Common Assessments as it deems appropriate. Nothing in this Section shall require the Board either to abate or reduce the amount of Common Assessments. Notwithstanding the foregoing, (i) neither an abatement nor a reduction in the amount of Common Assessments shall be permitted so long as Declarant is possessed with or controls a majority of the total voting power of the Master Association and of the Board, and (ii) when Declarant no longer is possessed with or controls a majority of the total voting power of the Master Association or the Board, an abatement or reduction in Common Assessments shall only be permitted during a particular fiscal year if the same does not result in a quantity or quality of services to the Master Association which are diminished from those contemplated by the Common Expenses budget for that particular fiscal year.

3.26 Reports to Members. The Board shall cause to be prepared an annual balance sheet and operating statement reflecting income and expenditures of the Master Association for each calendar year, and shall cause to be distributed a copy of each such statement to each Member. The Board shall prepare and distribute to the membership of the Master Association at the time of delivery of notice of each proposed Common Assessment pursuant to Section 3.17, a written, itemized estimate of the expenses to be incurred by the Master Association during such year in performing its functions under this Master Declaration, less any expected income and accounting for any surplus from the prior year's assessments.

3.27 Excess Funds. At the end of any calendar year of the Master Association, the Board may determine that all excess funds of the Master Association, over and above the amounts used for any purpose, may be returned to the Members proportionately, or may be

retained by the Master Association and used for Reserves, to supplement any required impound account or to reduce the following year's Common Assessments.

3.28 Effect of Non-payment of Assessments: Remedies of the Master Association. Any installment of a Common Assessment, Specific Assessment, Special Assessment, or Capital Improvement Assessment not paid within thirty (30) days after the due date shall bear interest from the due date of such installment to the date paid at the rate of eighteen percent (18%) per annum. If any installment of an assessment is not paid within thirty (30) days after it is due, the Owner responsible therefor may be required further by the Board to pay a late charge of Five Dollars (\$5.00) or five percent (5%) of the amount of the delinquent installment, whichever is greater. The Master Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or by abandonment of the Owner's Lot.

(a) Notice of Default. No action shall be brought to enforce any assessment lien herein, unless at least thirty (30) days has expired following the date a Notice of Default is deposited in the United States mail, postage prepaid, to the Owner of the Lot, and a copy thereof has been recorded by the Master Association in the office of the appropriate County Recorder. Said Notice of Default must recite a good and sufficient legal description of the Lot, the record Owner or reputed Owner thereof, the amount claimed (which may at the Master Association's option include interest on the unpaid assessment at eighteen percent (18%) per annum, plus reasonable attorney's fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the claimant. Such Notice of Default shall be signed and acknowledged by an officer of the Master Association, and said lien shall be prior to any declaration of homestead recorded after the date on which this Master Declaration is recorded. The lien shall continue until fully paid or otherwise satisfied.

(b) Foreclosure Sale. Any sale provided for above may be conducted by the Board, its attorneys or other persons authorized by the Board in accordance with the provisions of the Utah Code Annotated, 1953 as amended, applicable to the exercise of powers of sale in deeds of trust, by foreclosure as a mortgage, or in any other manner permitted by law. The Master Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.

(c) Curing of Default. Upon the timely curing of any default for which a Notice of Default was filed by the Master Association, the officers of the Master Association shall record an appropriate Release of Lien, upon payment by the defaulting Owner of a fee, to be determined by the Master Association to cover the cost of preparing and recording such release.

(d) Certificate as to Indebtedness. A certificate executed and acknowledged by any two (2) members of the Board stating the indebtedness secured by the liens upon any Lot created hereunder shall be conclusive upon the Master Association and the Owners as to the amount of such indebtedness as of the date of the certificate, in favor of all persons who rely thereon in good faith.

(e) Cumulative Remedies. The assessment liens and the rights of foreclosure and sale hereunder shall be in addition to and not in substitution for all other rights and remedies which the Master Association and its assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments, as above provided.

3.29 Title to the Common Elements. Subject to the terms of the Deer Valley Agreement, which contemplates the transfer of title to or other interests in a portion of the Property containing some or all of the Ski Facilities to a separate corporation to be controlled by Deer Valley Resort Company and ultimately, the possible transfer of title to or other interests in a portion of the Property containing some or all of the Ski Facilities directly to Deer Valley Resort Company, and subject to the right of Wasatch County or Park City to require the conveyance of certain open space to a governmental or qualified conservation entity, Declarant hereby agrees that it will convey or assign (where Declarant owns less than the title) all of its right, title and interest in and to the Common Elements to the Master Association, free and clear of all encumbrances and liens, except for the following:

- (a) Easements, conditions and reservations set forth in this Master Declaration or any Plat;
- (b) The provisions of the Third Party Agreements, Deer Valley Agreement, the Settlement Agreement, the Density Determination, the Use Restrictions and certain recreational easement rights in favor of Lot 20;
- (c) The State Leases;
- (d) Liens for taxes and assessments;
- (e) The terms of other easements, and reservation interest in Declarant's chain of title, excluding financial liens; and
- (f) The Public Rights.

The Declarant may delay, in whole or in part, the conveyance of the title or assignment or rights until after the recording of a Plat or Plats.

3.30 Taxes on Common Elements. Taxes or assessments levied or assessed against or upon the Common Elements shall be paid by the Master Association and shall constitute a portion of Common Expenses. Each Owner shall execute such instruments and take such action as may be reasonably specified by the Master Association to obtain separate real estate tax assessments on the Owner's Lot. If any taxes or assessments may, in the opinion of the

Master Association, nevertheless be a lien on more than one Lot, not under common ownership, or any part thereof, they may be paid by the Master Association, and each Owner shall be obligated to pay or reimburse the Master Association for, as the case may be, the taxes and assessments assessed by the County Assessor or other taxing authority against the Owner's Lot.

3.31 Damage or Destruction to Common Elements. Damage to or destruction of all or any portion of the Common Elements shall be handled in the following manner, notwithstanding any provision in this Master Declaration to the contrary:

(a) In the event of damage or destruction to any Common Element, and if the insurance proceeds are sufficient to effect total restoration, then the Master Association shall cause such Common Element to be repaired and reconstructed substantially as it previously existed.

(b) If the insurance proceeds are insufficient to effect total restoration, then the Master Association shall cause such Common Element to be repaired and reconstructed substantially as it previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a Capital Improvement Assessment against each of the Owners, in accordance with the provisions of this Master Declaration.

ARTICLE 4

Easements and Third Party Rights

4.1 Easements Reserved by Declarant. Declarant hereby reserves the easements provided in this Section 4.1.

(a) Construction Easements and Related Rights. Declarant hereby reserves for the benefit of Declarant and the Master Association the rights from time to time

(i) to construct, maintain, repair and replace any improvements necessary or required for the full development of the Deer Crest Project on property owned by Declarant, on the Common Elements and on portions of Lots outside of the building areas of Lots designated on the Plat;

(ii) to establish and use nonexclusive perpetual utility and other easements, leases, permits or licenses on, over, upon, across, above, under and through the Common Elements for uses including, but not limited to, mountain access roads and other limited access roads, paths, ski ways, sidewalks and Trails; any facilities necessary or useful for transit purposes, including means of transportation to, from and within the Deer Crest Project; Ski Facilities; clubhouses; shuttle stops and related structures and signage; mailbox structures; gardens, sprinkler systems and other landscaping changes, improvements and appurtenances (including without limitation, removal of trees and other vegetation subject to any necessary governmental approvals); ponds and water tanks; drainage facilities; monuments; recreational

areas and facilities; parking areas; ducts, shafts and flues; conduit installation areas; storage facilities for supplies and equipment; earth walls and other road and ski way supports; lighting; signage; and

(iii) to create other interests, reservations, exceptions and exclusions for the best interest of the Master Association and for the benefit of any Owner or all Owners;

provided that any such action taken and any easement, lease, permit or license, interest, reservation, exception or exclusion established does not unreasonably impair the use of the Common Elements or the building areas of Lots designated on the Plat for their respective intended purposes.

(b) Landscaping and Drainage Easements. Declarant hereby reserves for itself and the Master Association an easement across Lots except the portions thereof occupied by Improvements and within all Common Elements:

(i) to revegetate, beautify or maintain portions of Lots located adjacent to road rights of way;

(ii) to beautify and maintain portions of Lots to the extent necessary, in Declarant's judgment, to mitigate through landscaping, any potential visual impact of the Deer Crest Project;

(iii) to revegetate disturbed portions of the Property in order to control erosion, to beautify the Property or to restore Property to a natural condition after damage by natural or man-made causes;

(iv) to preserve, improve, maintain, restore and revegetate natural and man-made storm drainage ways across Lots, including the building areas of Lots which include drainage ways, and to convey water in those drainage ways; and

(v) to construct, operate, maintain, repair and replace storm detention and water quality structures on Lots, including within the building areas of Lots where necessary to adequately control surface water.

No Owner of a Lot or Unit shall interfere with the established drainage pattern over the Owner's Lot or Unit. For purposes of this Master Declaration, "established drainage" on any Lot or Unit is defined as the drainage pattern and facilities in existence at the time that such Lot or Unit is conveyed to a purchaser by Declarant.

This paragraph reserving rights to landscape or revegetate shall not create an obligation or the part of Declarant or the Master Association to landscape or revegetate any portion of the Property. Further, in the event any such landscaping or revegetation is undertaken by Declarant or the Master Association, the Declarant or the Master Association shall not be obligated to guarantee the survival of or to maintain any landscaping or vegetation installed.

(c) Easements for the Benefit of Owners. Declarant hereby reserves for the benefit of all the Owners, the following described perpetual non-exclusive easements over all portions of Lots located outside of the building envelope designated on the Plats, and over the Common Elements, for the use and enjoyment of the Lots and Units in accordance with this Master Declaration: easements, including any necessary access rights for the installation, maintenance and repair of utilities and services whether publicly or privately supplied, for drainage over, across and upon adjacent Lots and Units for water from normal use of adjoining Lots, for the installation and maintenance of ski runs, ski ways and Trails, for the construction, maintenance and repair of earth walls, slopes, retaining walls and other Common Element supports, and for installation, maintenance and repair of other Common Elements structures and improvements. Such easements may be used by Declarant, its successors, and the Master Association for such purposes reasonably necessary for the use and enjoyment of the Lots and Units and the Common Elements. Declarant further expressly reserves for the benefit of the Master Association easements of access, ingress and egress, over the Lots and Units and the Common Elements, for the purpose of maintaining, repairing and installing water and other utility lines, sewer pipelines and laterals if necessary, in accordance with the provisions of this Master Declaration, and as otherwise provided by law. Declarant also reserves any other easements referred to on any Plat as reserved by Declarant or for the benefit of the Master Association or for the use and enjoyment of Owners of Lots or Units.

(d) Easements for Offices. Declarant hereby reserves the right to construct and maintain offices, booths or other structures for administrative, sales and promotional purposes.

4.2 Easements for Benefit of Master Association. Declarant hereby grants to the Master Association, its licensees, invitees, lessees, successors and assigns, a nonexclusive, perpetual easement on, over, upon, across, above, under and through the Property and each portion thereof to (i) exercise any right held by the Master Association under this Master Declaration or any other association documents, and (ii) perform any obligation imposed upon the Master Association by this Master Declaration or any other association documents. Notwithstanding the foregoing, the Master Association shall not enter upon any Lot or Unit without reasonable prior notice of the Owner of the Lot or Unit, except in cases of emergency.

4.3 Other Easements. The Property shall be subject to the following easements in addition to those created in this Master Declaration.

(a) Easements on Plats and of Record. The Property shall be subject to all easements shown on a Plat, and to all easements of record.

(b) Easements for Parking. Temporary guest or recreational parking shall be permitted within the Common Elements only within spaces and areas clearly marked for this purpose. Spaces shall be shown by signs or markings on the paved area. The Master Association is hereby empowered to establish "parking" and "no parking" areas within the Common Elements, as well as to enforce these parking limitations by all means lawful for such enforcement including the removal of any violating vehicle by those so empowered.

(c) Easements for City and County Public Service Use. Declarant hereby reserves and covenants for itself and all future Owners within the Deer Crest Project, easements for city, county, state and federal public services, and for public utilities, including but not limited to, the right of the police to enter upon any part of the Common Elements for the purpose of enforcing the law.

(d) Cable Television. Declarant hereby reserves easements in, upon, over, across and through the Property for the installation of a cable television antenna system are hereby reserved by Declarant, together with the right to cause the Master Association to own all improvements, facilities and equipment thereof including but not limited to any building therefor, equipment therein, pipes, cables, lines and conduits therefor, and any antenna therefor mounted on or in the vicinity of such building (including dish-antenna), and also together with the right to grant and transfer such easements; provided, however, such easements shall not unreasonably interfere with the use and enjoyment by the Members of, or ingress to or egress from or access to, their Lots or Units or the Common Elements.

4.4 Nature of and Creation of Easements. Unless otherwise set forth herein, any easement reserved in this Declaration shall be deemed to be nonexclusive, and each easement in favor of an Owner shall be deemed to be appurtenant to and for the benefit of the Lot or Unit owned by such Owner. Any and all easements reserved in this Declaration shall be deemed to be in full force and effect upon recordation of this Declaration whether or not referred to, reserved and/or granted in any instrument of conveyance.

4.5 Lower Deer Crest Road.

(a) Location of Lower Deer Crest Road. The Queen Esther Village Project 1 Owners Association ("Queen Esther") is an incorporated association of homeowners within a part of the Queen Esther Condominium Project (the "Queen Esther Project"). The Queen Esther Project is located adjacent to the entry road (the "Lower Deer Crest Road") extending from Queen Esther Drive to the West Control Gate of the Deer Crest Project.

(b) Covenants Relating to the Lower Deer Crest Road. The Master Association shall comply with the following provisions in connection with the construction and maintenance of the Lower Deer Crest Road.

(i) As Built Drawings; Limits of Disturbance. The Declarant shall provide the Master Association and Queen Esther with duplicate sets of as-built drawings and specifications for the Lower Deer Crest Road. The as-built drawings and specifications shall be the basis for any required reconstruction of the Lower Deer Crest Road, except as set forth in the following sentence. The 5.0 foot area adjacent to the base of the wall downhill wall shall constitute the limits of downhill area that will be disturbed in connection with the reconstruction, maintenance or operation of the Lower Deer Crest Road (the "Limits of Disturbance Area"). The Limits of Disturbance Area shall control over any inconsistent specification of a limits of disturbance area in the as-built drawings and specifications. Modifications to the as-built drawings and specifications shall be subject to the prior written approval of Queen Esther.

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(ii) Wall Landscaping and Landscape Maintenance. The Master Association shall maintain landscaping along the base of the downhill retaining wall along the Lower Deer Crest Road, including watering, the removal of aspen to allow evergreen growth (with the prior approval of Queen Esther), and dead tree replacement, for the longer of 5 years after planting or the period necessary to establish the trees for survival without watering.

(iii) Trash Removal. The Master Association shall remove trash at the base of the downhill retaining wall on a regular basis.

(iv) Deed Restricted Open Space. The area below the Lower Deer Crest Road and adjacent to the Queen Esther Project boundary has been preserved by Developers as open space by an Open Space Preservation Easement in favor of Queen Esther dated March 31, 1997 and recorded on April 3, 1997 in Book 1036 at Page 554 of the official records of the Summit County Recorder. This "Open Space Area" is more particularly described in the recorded easement. The Master Association is obligated to preserve the Open Space Area generally in its natural state as a visual buffer without above ground improvements. The classification of the Open Space Area as open space shall not preclude the Master Association from constructing, maintaining, or reconstructing the Lower Deer Crest Road at its designated location as shown on the as-built drawings and specifications or limit the right of the Master Association to work within the Limits of Disturbance Area (as defined in Section 4.5(b)) in connection with such construction, maintenance or reconstruction or to install or irrigate vegetation within the Open Space Area provided no permanent man-made physical structures will be located above ground. The Master Association further agrees to maintain vegetation within the Open Space Area at a level that is at least equivalent to the extent of vegetation presently existing within the Open Space Area. The Master Association may, at its option, improve upon the level of vegetation within the Open Space Area with the prior approval of Queen Esther.

(c) Covenants Relating to Traffic on the Lower Deer Crest Road. The Master Association shall comply with the following provisions in connection with the control of traffic on the Lower Deer Crest Road.

(i) Park City Municipal Transportation. The use of the Lower Deer Crest Road for Park City municipal transportation (other than emergency vehicles) or buses shall not be allowed.

(ii) Oversized Vehicle and Time of Day Limitations on Use of Lower Deer Crest Road. All RV's, vehicles pulling trailers, tractor-trailer rigs and other vehicles with three axles and all construction traffic (excluding vehicles responding to an emergency situation and excluding snow removal equipment) shall be prohibited from using the Lower Deer Crest Road for any purpose other than for the purpose of constructing that road segment, and shall be required to enter and exit the Deer Crest Project at the east control gate on the Wasatch County side of the Deer Crest Project

(iii) Gate Control Regulations, Procedures and Protocols. Certain categories of vehicles or trips not prohibited by the preceding subparagraph on the Lower Deer Crest Road (other than vehicles responding to an emergency situation and other than snow removal equipment) shall be regulated in one or more respects by requiring a prior appointment, by imposing a time-of-day limitation or by imposing a size of vehicle limitation as applicable under the Gate Control Regulations attached hereto as Exhibit E (the "Gate Control Regulations"). Any trips not meeting all of the stated requirements of the Gate Control Regulations shall be required to enter and exit the Deer Crest Project at the east control gate on the Wasatch County side of the Deer Crest Project. The permanent control gates at the East and West entrances shall be configured and operated in accordance with the Gate Control Regulations so as to limit use of the Lower Deer Crest Road to users, vehicles and trips authorized by the Settlement Agreement and this section of the Master Declaration. The Master Association shall keep adequate records of the operation of the gates for not less than the immediately preceding fifteen months to allow Queen Esther periodically to audit and verify compliance with the Gate Control Regulations.

(d) Settlement Agreement and Release. The obligations with respect to the Lower Deer Crest Road to be performed by the Master Association or in favor of Queen Esther are more fully set forth in that certain Settlement Agreement and Release dated as of August 1, 1996, which is one of the Third Party Agreements and which is hereby assumed by the Master Association.

(e) Enforcement, Inspection, and Approvals. Queen Esther has the right to enforce the terms of the Settlement Agreement and Release as generally summarized in this Section 4.5, and duly authorized representatives of Queen Esther shall be deemed to be Guests of the Master Association, possessing the right to enter and exit at times and through gates of their choice, the Deer Crest Project, and shall possess the right to monitor compliance with the terms of this Section of the Master Declaration and the Settlement Agreement and Release dated August 1, 1996. For the purpose of this paragraph, "duly authorized representatives" shall mean the individual owners, from time to time, of Units 1 and 2 in the Queen Esther Project (being the two units in closest proximity to Lower Deer Crest Road and therefore the units most affected by any misuse of the Lower Deer Crest Road), the President of Queen Esther, and no more than one additional trustee of Queen Esther resident on Good Trump Court as may be designated by the President of Queen Esther.

4.6 Third Party Access Rights. The owners of the Additional Properties shall have such easements for access and other purposes as are generally reflected on Exhibits B and D. In addition, Deer Valley Resort Company shall have such access rights and operational rights with respect to the Ski Facilities as are contained in the agreements referred to in Exhibits B and C.

ARTICLE 5

Owners' Property Rights and Obligations

5.1 Owners' Easements of Enjoyment. Every Owner and the Owner's Guests shall have a non-exclusive right and easement of ingress and egress and of enjoyment in, to and over the Common Elements which right and easement shall be appurtenant to and shall pass with title of said Owner's Lot or Unit, subject to the following provisions:

(a) The right of the Master Association to establish uniform rules and regulations pertaining to the use of the Common Elements and any facilities thereon.

(b) The rights of Deer Valley Resort Company under the Deer Valley Agreement.

(c) The rights of third persons under easements and instruments of record and the Third Party Agreements.

(d) The Public Rights.

(e) The covenants, restrictions and requirements of the Use Restrictions.

(f) The right of the Master Association in accordance with the Articles, Bylaws and this Master Declaration, to borrow money for the purpose of improving the Common Elements and in aid thereof, and to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, provided that the rights so granted by the Master Association shall be subordinated to the rights of the Owners hereunder.

(g) The right of the Master Association to suspend the voting rights and rights to use the Common Elements, except for ingress and egress to the Owner's Lot or Unit, by an Owner for any period during which any assessment against the Owner's Lot or Unit remains unpaid and delinquent, and for a period not to exceed thirty (30) days for any single infraction of the Master Rules.

(h) The right of the Master Association to dedicate, release, alienate, lease or transfer all or any part of the Common Elements to any public or private entity, agency, authority or utility for such purposes and subject to such conditions as may be agreed to by 75% of all Member votes. The vote required in the preceding sentence shall not be applicable to transfers contemplated under the Settlement Agreement, the Density Determination or the Deer Valley Agreement.

(i) The right of the Master Association to reconstruct, replace or refinish any improvement or portion thereof upon the Common Elements.

(j) The right of the Master Association to plant and maintain trees, shrubs, ground cover and other vegetation upon any portion of the Common Elements or on the Lots under Section 4.1(b).

(k) The right of the Owner of the mineral estate underlying any part of the Property to exercise the Owner's reserved rights with respect thereto:

5.2 No Exemption from Liability. No Owner may exempt himself or herself from personal liability for assessments to be levied by the Master Association, nor release the Lot or Unit or other property owned by him or her from the liens and charges thereof, by waiver of the use and enjoyment of the Common Elements or the facilities thereon or by abandonment of the Owner's Lot or Unit.

5.3 Maintenance Obligations of Owners. Subject to the duty of the Master Association to provide for maintenance as provided in Section 3.3, it shall be the duty of each Owner, at the Owner's sole cost and expense, subject to the provisions of this Master Declaration regarding Design Review Committee approval, to maintain, repair, replace and restore the Owner's Lot or Unit in a neat, sanitary and attractive condition. In the event that any Owner shall permit any Improvement, which it is the responsibility of such Owner to maintain, to fall into disrepair or not to be so maintained so as to create a dangerous, unsafe, unsightly or unattractive condition, or to otherwise violate this Master Declaration, the Board shall have the right, but not the duty, upon thirty (30) days' prior written notice to the Owner of such Lot or Unit, to correct such condition and to enter upon such Owner's Lot or Unit to make such repairs or to perform such maintenance and the cost thereof shall be charged to the Owner. Said cost shall be a Specific Assessment and shall create a lien enforceable in the same manner as other assessments as set forth in this Master Declaration.

ARTICLE 6

Design Control

6.1 Design Review Committee. The Design Review Committee shall consist of not less than seven (7) members. The term of office shall be two (2) years commencing July 1 of each year; provided, however, that the terms of the initial members of the Design Review Committee shall commence on their appointment and continue through June 30, 1999. The Committee shall consist of a chair and one other member selected annually by the Declarant with the two remaining members being selected annually by the Board of the Master Association. At such time as seventy-five percent (75%) of the total number of Undeveloped Density Units have been converted to Lots and Units and sold or on the fifth anniversary of the date hereof, whichever comes later, the chair and three members of the Design Review Committee shall be selected by the Board. In addition to those four members, the Design Review Committee shall

have three additional professional members: an architect, a landscape architect and a civil engineer. These professional members shall be jointly nominated and selected by the Board of the Master Association and Wasatch County. The Design Review Committee shall have and exercise all of the powers, duties and responsibilities set out in this Master Declaration. The Design Review Committee shall meet on such schedules as may be established by the Chairman of the Design Review Committee. A majority of its Members shall constitute a quorum and the majority vote of a quorum present at the meeting shall be sufficient to approve action. Meetings may occur telephonically and actions may be approved by unanimous written consent of all Committee Members.

6.2 Approval by Design Review Committee. No Improvements of any kind, including, without limitation, dwelling houses, swimming pools, ponds, parking areas, fences, walls, tennis courts, garages, driveways, antennae, flag poles, curbs, and covered walks shall ever be erected, altered, or permitted to remain on any lands within the Property, nor shall any excavating, clearing, removal of trees or shrubs, landscaping or other alteration of existing site conditions be done on any lands within the Property, unless the complete plans and specifications therefor complying with Design Guidelines requirements ("Plans and Specifications") are approved by the Design Review Committee prior to the commencement of such work. The Design Review Committee shall consider the materials to be used on the external features of said buildings or structures, including exterior colors, harmony of external design with existing structures within the Deer Crest Project, the building bulk or mass of said buildings or structures, the location with respect to topography, existing trees and finished grade elevations, and harmony of landscaping with the natural setting and surroundings, and shall ascertain whether the Improvements conform to the Design Guidelines then in effect, this Master Declaration, and the applicable Neighborhood Declaration. The complete Plans and Specifications must be submitted and will be reviewed in accordance with the process described in the Design Guidelines. In the event of a conflict between the Design Guidelines and the applicable regulations or ordinances of any governmental entity having jurisdiction, the latter shall prevail unless otherwise required by the Settlement Agreement or the Density Determination.

6.3 Fee. The Design Review Committee may charge such fee or fees for its reviews of Plans and Specifications as shall be determined from time to time by the Board or as provided in the Design Guidelines. Such fee or fees shall be reasonable in relation to the work performed and shall be applied uniformly.

6.4 Inspection by Design Review Committee. The Design Review Committee shall have the authority and right at any time and from time to time at any reasonable hour to inspect Improvements under construction for the purpose of determining whether the same comply in all respects with the applicable Plans and Specifications as approved by it, but it shall have no duty to make such inspections.

6.5 Variances. The Design Review Committee has the authority to deviate from the requirements contained in the Design Guidelines in extenuating circumstances, when following this Master Declaration or the applicable Neighborhood Declaration would create an unreasonable hardship or burden for an Owner. An affirmative vote of two-thirds (2/3) of the

members of the Design Review Committee must be gained for a variance to be granted. The Design Review Committee does not, however, have authority to allow deviation from the requirements of the Settlement Agreement, the Density Determination or the land management code of the city or county having jurisdiction.

6.6 General Requirements. The Design Review Committee shall exercise its best judgment to see that all improvements, construction, landscaping, and alterations on the lands within the Deer Crest Project conform and harmonize with the natural surroundings and with existing structures as to external design, materials, color, siting, height, topography, grade and finished grade elevation in keeping with the Design Guidelines, this Master Declaration and any applicable Neighborhood Declaration.

6.7 Ultimate Responsibility. Each Owner shall at all times conform and comply with all approved Plans and Specifications for the Improvements on his Lot and otherwise conform and comply in all respects with the Design Guidelines, this Master Declaration, and any applicable Neighborhood Declaration, as well as with all applicable laws, ordinances, building codes, rules, regulations, orders and the like of any governmental agency having jurisdiction.

6.8 Plans. The Design Review Committee shall disapprove any plans submitted to it which are not sufficient for it to exercise the judgment required of it by these covenants.

6.9 Written Records. The Design Review Committee shall keep and safeguard complete written records of all applications for approval submitted to it (including one set of all Plans and Specifications so submitted) and of all actions of approval or disapproval and all other actions taken by it under the provisions of this instrument which records shall be maintained for a minimum of five years after approval or disapproval.

6.10 Procedure for Appeal. In the event Plans and Specifications or Plans and Specifications submitted to the Design Review Committee are disapproved or deemed disapproved, the Owner may appeal such disapproval or deemed disapproval in writing to the Board; provided, however, a written notice of appeal specifying the grounds for appeal consisting of any alleged failure by the Design Review Committee to properly apply the Design Guidelines or provisions of this Master Declaration shall be received by the Board not more than thirty (30) days following such disapproval or deemed disapproval. Within thirty (30) days following receipt of such notice of appeal, the Board shall render a written decision determining whether the Design Review Committee properly applied the Design Guidelines, or the provision of this Master Declaration. In the event the Board fails to render such decision within said thirty (30) day period, such disapproval or deemed disapproval of the Design Review Committee shall be deemed to have been affirmed by the Board.

6.11 Non-Liability of Design Review Committee Members. Neither Declarant, the Design Review Committee, any member thereof, nor any duly authorized representative thereof shall be liable to the Master Association, any Neighborhood Association, or to any

Owner for any loss, damage or injury arising out of or in any way connected with the performance of the Design Review Committee's duties hereunder unless due to the willful misconduct or bad faith of the Design Review Committee. The Design Review Committee shall review and approve or disapprove all plans submitted to it for any proposed Improvement, alteration or addition, solely on the basis of compliance with the Design Guidelines, this Master Declaration, any applicable Neighborhood Declaration, aesthetic considerations, and the overall benefit or detriment which would result to the immediate vicinity and the Deer Crest Project generally. The Design Review Committee shall take into consideration the aesthetic aspects of the Design designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes. This clause shall be inapplicable to the extent necessary if any, to actually obtain insurance coverage required by Article 8.

6.12 Variance in Exterior Appearance and Design in Event of Reconstruction.

Any Owner whose Lot or Unit has suffered damage may apply for approval to the Design Review Committee for reconstruction, rebuilding or repair of the Owner's Lot or Unit in a manner which will provide for an exterior appearance and design different from that which existed prior to the date of the casualty. Application for such approval shall be made in writing together with full and complete Plans and Specifications showing the proposed reconstruction and the end result thereof. The Design Review Committee shall grant such approval only if the design proposed by the Owner would result in a finished structure in compliance with the then applicable Design Guidelines.

ARTICLE 7

Restrictions on all Property

7.1 Zoning Regulations. No lands within the Property shall ever be occupied or used by or for any building or purpose or in any manner which is contrary to the Density Determination, the Settlement Agreement, the zoning regulations applicable thereto validly in force from time to time, the Master Declaration, or the applicable Neighborhood Declaration.

7.2 No Mining, Drilling or Quarrying. No Owner shall conduct mining, quarrying, tunneling, excavating or drilling for any substances within the earth, including oil, gas, minerals, gravel, sand, rock, and earth, on the surface of the Property.

7.3 No Business Uses. The Residential Lots and Residential Units within the Deer Crest Project shall be used exclusively for residential living purposes, including lodge, hotel, condominium and related facilities for overnight stay, such purposes to be confined to approved residential buildings within the Deer Crest Project. No Residential Lots or Residential Units within the Deer Crest Project shall ever be occupied or used for any commercial or business purposes provided, however, that nothing in this Section 7.3 shall be deemed to prevent

(a) Declarant or its duly authorized agent from using any Residential Lot or Residential Unit owned by Declarant as a sales model, or (b) any Owner or the Owner's duly authorized agent from renting or leasing said Owner's Residential Lot or Residential Unit for residential use or, in the case of hotel or lodge Units, overnight accommodations, or (c) the use of Commercial Space or a Commercial Lot for commercial purposes.

7.4 Restriction of Signs. With the exception of a sign no larger than six (6) square feet identifying the architect and a sign of similar dimension identifying the prime contractor to be displayed only during the course of construction, and a sign no larger than three (3) square feet for the Owner to advertise the Owner's Lot or Unit for sale, no signs or advertising devices, including, without limitation, commercial, political, informational or directional signs or devices, shall be erected or maintained on any of the Lots or Units, except signs approved in writing by the Design Review Committee in accordance with the Design Guidelines as to size, materials, color and location: (a) as necessary to identify ownership of the Lot or Unit and its address; (b) as necessary to give directions; (c) to advise of rules and regulations; (d) to caution or warn of danger; and (e) as may be required by law. Any approved signs shall be located as approved by the Design Review Committee. The Design Review Committee may develop comprehensive sign regulations.

7.5 Restrictions on Animals. No animals other than ordinary household pets may be kept or allowed to remain on any Lot or Unit. Such ordinary household pets may not be kept or allowed to remain on any Lot or Unit unless and until written authorization is obtained from the Board, and no more than two ordinary pets shall be allowed on any Lot or Unit. The Board, in its sole discretion, shall have the right to revoke such authorization at any time in its sole discretion and shall have the power to require any Owner or Guest to remove any animal or other pet belonging to it which is not disciplined or which constitutes an undue annoyance or a danger to other Owners, their Guests, or others.

7.6 Underground Utility Lines. All water, gas, electrical, telephone, and other permanent utility lines within the limits of the Property must be buried underground and may not be exposed above the surface of the ground.

7.7 Service Yards. All equipment, service yards or storage piles on any Lot or Unit shall be kept screened by approved planting or fencing so as to conceal them from the view of neighboring Lots and Units, access roads and area surrounding the Property. The service yards shall be approved in advance by the Design Review Committee in accordance with any applicable provision of the Design Guidelines.

7.8 Maintenance of Property. All Lots and Units and all improvements on any Lot or Unit shall be kept and maintained by the Owner thereof in clean, safe, attractive and slightly condition and in good repair.

7.9 No Noxious or Offensive Activity. No noxious or offensive activity shall be carried on upon any Lot or Unit nor shall anything be done or placed on any Lot or Unit which is or may become a nuisance or cause significant embarrassment, disturbance or annoyance to others.

7.10 No Hazardous Activities. No activities shall be conducted on any Lot or Unit and no improvements constructed on any Lot or Unit which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon the Property and no open fires shall be lighted or permitted on the Property except in a contained barbecue unit while attended and in use for cooking purposes or within a safe and well-designed interior fireplace.

7.11 No Unsightliness. No unsightliness shall be permitted upon any of the Property. Without limiting the generality of the foregoing, (a) any unsightly structures, facilities, equipment, tools, boats, vehicles other than automobiles, objects and conditions shall be enclosed within an approved building or appropriately screened from view, except equipment and tools when in actual use for construction, maintenance or repairs; (b) no trailers, mobile homes, tractors, truck campers or trucks other than pickup trucks shall be kept or permitted to remain upon the Property; (c) no vehicle, boat or equipment shall be constructed, reconstructed, repaired or abandoned upon the Property; (d) no lumber, grass, shrub or tree clippings, plant waste, metals, bulk materials or scrap shall be kept, stored or allowed to accumulate on the Property, except in approval service yards meeting the requirements of Section 7.7 and any requirements of the Design Guidelines and the Design Review Committee; (e) refuse, garbage and trash shall be placed and kept at all times in a covered container and such container shall be kept within an enclosed structure or appropriately screened from view; (f) hanging, drying or airing of clothing or household fabrics shall not be permitted on Lots or Units if visible from buildings, Lots, Units, or areas surrounding the Property.

7.12 No Annoying Lights, Sounds or Odors. No light shall be emitted from any Lot or Unit which is unreasonably bright or causes unreasonable glare or does not comply with the Master Rules or Design Guidelines; no sound shall be emitted from any Lot or Unit which is unreasonably loud or annoying including but without limitation, speakers, horns, whistles, bells or other sound devices, except security and fire alarm devices used exclusively to protect the Property or improvements thereon; and no odors shall be emitted from any Lot or Unit which are noxious or offensive to others.

7.13 No Cesspools or Septic Tanks. No cesspools or septic tanks shall be permitted on the Property. Any other type of sewage disposal system shall be installed only after approval by the Design Review Committee and all governmental health authorities having jurisdiction.

7.14 Master Rules. No Owner shall violate the Master Rules adopted from time to time by the Master Association or rules adopted from time to time by any Neighborhood Association. No such rules shall be established which violate the intention or provisions of this Master Declaration or which shall unreasonably restrict the use of any Lot or Unit by the Owner thereof.

7.15 Drainage. No Owner shall have the right to alter or obstruct the then normal flow of runoff water or storm drainage into, from or across any of the Lots or Units in the absence of specific approval of the Design Review Committee and Wasatch County.

7.16 Trails and Ski Ways. No Owner shall have the right to alter or obstruct the maintenance, use or enjoyment of any Trail, ski way or ski run on or adjacent to any Lot or Unit.

7.17 Parking. Parking of vehicles shall be allowed only in parking areas approved by the Design Review Committee.

7.18 Protection of Vegetation. No trees of four (4) inches or greater in diameter shall be removed without the prior approval of the Design Review Committee pursuant to the Design Guidelines. Vegetation shall be placed and maintained on all Lots and in the common areas of all condominium projects as provided in the Design Guidelines and the landscaping plan approved by the Design Review Committee.

7.19 Stilt Housing. No stilt housing may be constructed on any Lot.

7.20 Excavations. Except for excavations made in the exercise of reserved mining rights (see Section 5.1(k) above), no excavation shall be made on lands subject to any Plat or Super Pad Parcel Plat without the approval of the Design Review Committee and any governmental entity with jurisdiction over such activity.

7.21 Occupancy. No Lots shall be used for human occupancy, either temporarily or permanently, until culinary water and sewage and waste disposal facilities approved by Wasatch County or any other governmental entity are available for use on the Lot.

ARTICLE 8

Insurance

8.1 Common Elements. The Master Association shall maintain fire and extended coverage insurance for no less than one hundred percent (100%) of the maximum insurable value of insurable improvements on the Common Elements. The insurance coverage shall name as the insured the Master Association for the benefit of the Owners. Premiums for all insurance carried by the Master Association are Common Expenses and shall be included in the Common Assessment made by the Master Association.

8.2 Fidelity Coverage. The Master Association shall maintain fidelity coverage against dishonest acts on the part of managers, trustees, employees or volunteers responsible for handling funds collected and held for the benefit of the Members. The fidelity bond or insurance must name the Master Association as the named insured and shall be written in an amount sufficient to provide protection which is in no event less than one and one-half times the Master Association's estimated annual operating expenses and total reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

8.3 Waiver of Subrogation. The Master Association hereby waives and releases all claims against the Board, the Owners, the Declarant, and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but only to the extent that insurance proceeds are received in compensation for such loss.

8.4 Liability Insurance. The Master Association shall maintain a comprehensive policy of public liability insurance covering all of the Common Elements. Such insurance policy shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Master Association or other Owners. Coverage shall have limits of liability of not less than \$2,000,000 per occurrence for personal injury and/or property damage.

8.5 Other Insurance and General. The Master Association shall also maintain Workmen's Compensation Insurance as required by law and may maintain other liability insurance as it may deem desirable, insuring each Owner and the Master Association, Board and any manager, from liability in connection with the Common Elements, the premiums for which are Common Expenses included in the Common Assessments made against the Owners. Such insurance policies shall have severability of interest clauses or endorsements which shall preclude the insurer from denying the claim of an Owner because of the negligent acts of the Master Association or other Owners.

ARTICLE 9

Enforcement

9.1 Remedies and Enforcement. Declarant, the Master Association, and any Owner shall have the right to enforce this Master Declaration, the Design Guidelines and the Articles and Bylaws by appropriate proceedings at law or in equity, including the right to enjoin and violation hereof or thereof; provided, however, that the Master Association shall have the exclusive right to enforce the liens and remedies provided herein with expect to the levy, collection, and enforcement of liens for Common Assessments, Specific Assessments, Special Assessments, and Capital Improvement Assessments.

9.2 Attorneys Fees and Costs. Any judgment rendered in any action or proceeding to enforce this Master Declaration, the Design Guidelines, the Articles, or Bylaws shall include a sum for attorneys' fees in an amount as the court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection and court costs.

9.3 Nuisance. Any act or omission resulting in a breach of this Master Declaration, the Design Guidelines, or the Articles or Bylaws is hereby declared to be and constitute a nuisance, and every remedy allowed by law or equity against a nuisance either public or private shall be applicable against every such act or omission and may be exercised by Declarant, the Master Association, or any Owner.

9.4 Cumulative Remedies. All rights, options, and remedies of Declarant, the Master Association, or any Owner for the enforcement of this Master Declaration, the Design Guidelines, the Articles, or Bylaws shall be deemed cumulative and none of such rights, options, or remedies shall be deemed exclusive.

9.5 Waiver. The failure to enforce any of the covenants contained in this Master Declaration, the Design Guidelines, the Articles, or Bylaws shall not constitute a waiver of the right to enforce the same thereafter.

9.6 Personal Covenant. To the extent the acceptance of a conveyance of a Lot or Unit creates a personal covenant between the Owner of such Lot or Unit, other Owners, or the Master Association, such personal covenant shall terminate and be of no further force or effect from and after the date such Owner ceases to be the Owner of such Lot or Unit except for the payment of moneys which came due to the Master Association during the period of such ownership.

ARTICLE 10

Mortgage Protection Clause

10.1 Mortgage Protection. Notwithstanding any and all provisions of this Master Declaration, the Articles, or the Bylaws to the contrary (and to the extent the provisions of this Article 10, conflict with other provisions of this Master Declaration, the Articles, or the Bylaws, this Article 10 shall control):

(a) Each first Mortgagee of a mortgage encumbering any Lot or Unit, at the Owner's written request, is entitled to written notification from the Master Association of any default by the Mortgagor of such Lot or Unit in the performance of such Mortgagor's obligations under this Master Declaration, the Articles, or the Bylaws, which default is not cured within sixty (60) days.

(b) Each first Mortgagee of a mortgage encumbering any Lot or Unit, together with such mortgagee's successors and assigns (including a purchaser of a Lot or Unit from or through a mortgagee), which obtains title to such Lot or Unit pursuant to the remedies provided in such mortgage, or by foreclosure of such Mortgage, or by deed in lieu of foreclosure shall take title to such Lot or Unit free and clear and shall not be liable for any claims of unpaid assessments or charges against such Lot or Unit which accrued prior to the acquisition of title to such Lot or Unit by the Mortgagee.

10.2 Consent of Lender Required. Unless one hundred percent (100%) of first Mortgagees and Members holding seventy-five percent (75%) of the voting rights in the Master Association and all of the Class C Memberships have given their prior written approval, neither the Master Association nor the Owners shall:

(a) Abandon Common Elements. By act or omission seek to abandon or materially change the use of the Common Elements or any of the improvements thereon which are owned by the Master Association. The foregoing shall not prohibit or require consent to changes on the Common Elements or the ownership thereof where the Common Elements generally remain usable for their intended purposes without material impairment as contemplated in this Master Declaration. The granting of easements for public utilities or for other public purposes, open spaces conveyances and restrictions and ski-related transactions consistent with the intended use of such property by the Master Association and actions taken pursuant to government requirements shall not be deemed a violation of this clause.

(b) Calculation of Assessments. Change the method of calculating the obligations, assessments, dues or other charges which may be levied against a Lot or Unit Owner.

(c) Fire and Extended Coverage Insurance. Fail to maintain fire and extended coverage on insurable Common Elements property on a current replacement cost basis in an amount not less than one hundred percent (100%) of the maximum insurable value.

(d) Fire and Extended Coverage Insurance. Use hazard insurance proceeds for losses to any Common Elements for other than the repair, replacement or reconstruction of such Common Elements.

10.3 Notice of Amendment or Damage. All first Mortgagees who have requested the same shall be given (a) thirty (30) days' written notice prior to the effective date of any proposed, material amendment to this Master Declaration, or the Articles or Bylaws; and (b) immediate notice following any damage to the Common Elements whenever the cost of reconstruction exceeds Ten Thousand Dollars (\$100,000.00).

10.4 Right to Pay. First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Elements property and may pay any overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such property. The first Mortgagees making such payments shall be reimbursed immediately by the Master Association. The Master Association shall, upon request of any first Mortgagee, issue an agreement to make reimbursement in full to all first Mortgagees.

10.5 Amendment.

(a) Neither this Master Declaration nor the Articles nor Bylaws will be amended in such a manner that the rights of any Mortgagee will be materially adversely affected.

(b) Neither Article 6, this Article 10, nor the subordination of assessments in favor of mortgages provisions earlier in the Master Declaration can be amended without the consent of all first Mortgagees.

ARTICLE 11

General Provisions

11.1 Protection of Lenders. A breach of this Master Declaration or the Articles or Bylaws shall not affect or impair the lien or charge of any bona fide first Mortgage made in good faith and for value on any Lot or Unit or the improvements thereon; provided, however, that any subsequent Owner of such property shall be bound by this Master Declaration, the Articles and Bylaws, whether such Owner's title was acquired by foreclosure in a trustee's sale or otherwise.

11.2 Successors and Assigns. Except as otherwise provided herein, this Master Declaration shall be binding upon and shall inure to the benefit of Declarant, the Master Association, and each Owner and their respective heirs, personal representatives, successors and assigns.

11.3 Limited Liability. Neither Declarant, the Master Association, the Board, the Design Review Committee nor any member, agent or employee of any of the same shall be liable to any party for any injury, damage, loss, cost or expense suffered by reason of any action or for failure to act with respect to any matter if the action taken or failure to act was in good faith and without malice.

11.4 Duration of Declaration. Any provision, covenant, condition or restriction contained in this Master Declaration which is subject to the common law rule sometimes referred to as the "rule against perpetuities," shall continue and remain in full force and effect for the period of twenty years or until this Master Declaration is terminated as hereinafter provided, whichever first occurs. All other provisions, covenants, conditions and restrictions contained in this Master Declaration shall continue and remain in full force and effect until January 1, 2050, provided however, that unless at least one year prior to said time of expiration, there is recorded an instrument directing the termination of this Master Declaration, executed by the Owners of not less than ninety percent (90%) of the Lots and Units and all first Mortgagees then subject to this Master Declaration, said other provisions, covenants, conditions and restrictions shall continue automatically for an additional ten years and thereafter for successive periods of ten years unless, at least one year prior to the expiration of any such extended period of duration, this Master Declaration is terminated by recorded instrument directing termination signed by the Owners of not less than ninety percent (90%) of the Lots and Units and all first mortgages then subject to this Master Declaration as aforesaid.

11.5 Lease of a Lot or Unit. Any agreement for the leasing or rental of a Lot or Unit (hereinafter in this Section referred to as a "lease") shall provide that the terms of such lease shall be subject in all respects to the provisions of this Master Declaration, the Articles, the Bylaws, the Master Rules and Design Guidelines, and any applicable Neighborhood Declaration. Said lease shall further provide that any failure by the lessee thereunder to comply with the terms of the foregoing documents shall be a default under the lease. All leases shall be in writing. Any Owner who shall lease the Owner's Lot or Unit shall be responsible for assuring compliance by such Owner's lessee with this Master Declaration, the Articles, the Bylaws, the Master Rules and Design Guidelines, and applicable Neighborhood Declaration. Failure by an Owner to take legal action, including the institution of proceedings in Unlawful Detainer against his lessee who is in violation within ten (10) days after receipt of written demand so to do from the Board, shall entitle the Master Association, through the Board, to take any and all such action, including the institution of proceedings in Unlawful Detainer on behalf of such Owner against the Owner's lessee. Any expenses incurred by the Master Association, including attorneys' fees and costs of suit, shall be repaid to it by such Owner. Failure by such Owner to make such repayment within ten (10) days after receipt of a written demand therefor shall entitle the Board to levy a Specific Assessment against such Owner. In the event such Specific Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Master Association for the collection thereof including those set forth in Article 3.

11.6 Use of Funds Collected by the Master Association. All funds collected by the Master Association, including assessments, reserves and contributions to the Master Association paid by Owners, if any, shall be held by the Master Association in a fiduciary

capacity to be expended in their entirety for not-for-profit purposes of the Master Association in managing, maintaining, caring for, preserving and architecturally controlling the Property and for other permitted purposes as set forth in this Master Declaration. No part of said funds shall inure to the benefit of any Member (other than as a result of the Master Association managing, maintaining, caring for, preserving and architecturally controlling the Property and other than as a result of expenditures made for other permitted purposes as set forth in this Master Declaration). Contributions to the Master Association paid by Owners, if any, shall be maintained in a segregated account.

11.7 No Perimeter Fencing; Public Use of Trails. Declarant does not propose to enclose the entire perimeter of this Property with fencing and Owners and occupants of the Property are therefore hereby placed on notice of the Public Rights.

11.8 Amendment. Subject to the other provisions of this Master Declaration, including without limitation, the rights of first Mortgagees pursuant to Article 10, and subject to the prior consent of Wasatch County, this Master Declaration may be revoked or amended as follows:

(a) Prior to the conveyance of the first Lot or Unit in the initial Property to an Owner, this Master Declaration and any amendments thereto may be amended or revoked by the execution by Declarant of an instrument amending or revoking same.

(b) Subsequent to the conveyance of the first Lot or Unit in the First Phase of Development to an Owner, this Master Declaration and any amendments thereto may be amended by affirmative vote or written consent of not less than seventy-five percent (75%) of all Member votes and the consent of the Class C Member.

(c) An amendment or revocation which only requires the execution of an instrument by Declarant shall be effective when executed by Declarant and recorded in the office of the Recorder of the appropriate County. An amendment which requires the affirmative vote or written consent of the Members as provided above shall be effective when executed by the President and Secretary of the Master Association who shall certify that the amendment has been so approved, and when the amendment has been recorded in the office of the Recorder of the appropriate County.

(d) Notwithstanding the foregoing, any provision of the Articles, the Bylaws, or this Master Declaration, which expressly requires the approval of a specified percentage or specified percentages of the voting power of the Master Association or first Mortgagees for action to be taken under said provision can be amended only with the affirmative vote or written consent of not less than the same percentage or percentages of the voting power of the Master Association and/or first Mortgagees. Any amendment subject to this provision shall be effective after the specified approval has been given and that fact has been certified in a writing executed by the President and the Secretary of the Master Association.

(e) A copy of the Design Guidelines has been attached to this Master Declaration for informational purposes only. It is not intended to be incorporated by reference into, or made a part of, this Master Declaration. Therefore, the Design Guidelines may be amended without also amending this Master Declaration, and the Master Declaration may be amended without also amending the Design Guidelines. In this regard, if the Design Guidelines are amended, then the amended version of the Design Guidelines shall be the controlling and operative Design Guidelines without any requirement that the amendment be recorded rather than the unamended version of the Design Guidelines attached to this Master Declaration.

11.9 No Public Right or Dedication. Nothing contained in this Master Declaration shall be deemed to be a gift or dedication of all or any part of the Deer Crest Project or the Property to the public, or for any public use.

11.10 Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in any Lot or Unit in the Deer Crest Project does and shall be conclusively deemed to have consented and agreed to every limitation, restriction, easement, reservation, condition and covenant contained, referred to or incorporated herein, whether or not any reference to this Master Declaration is contained in the instrument by which such person acquired an interest in said Lot or Unit.

11.11 Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Master Association for the purpose of service of such notice, or to the residence of such person if no address has been given to the Master Association. Such address may be changed from time to time by notice in writing to the Master Association.

11.12 Unsegregated Real Property Taxes. Until such time as real property taxes have been segregated by the appropriate County Assessor for any portion of the Property subdivided by a Plat, the same shall be paid by the respective Owners of Lots or Units therein. In connection with such payment, the proportionate share of such tax or installment thereof for a particular Lot or Unit in such portion of the Property shall be determined by multiplying the tax or installment in question by a fraction the numerator of which is the estimated value of such Lot or Unit and all improvements thereon and the denominator of which is the total estimated value of all Lots or Units within such portion of the Property and all improvements thereon. For purposes hereof, the Board shall obtain a determination as to such estimated values from a qualified appraiser selected by it. The Master Association may levy a Specific Assessment against any Owner who fails to pay the Owner's share of any real property taxes pursuant to this Section.

11.13 Interpretation. The provisions of this Master Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a resort community within the Deer Crest Project. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of

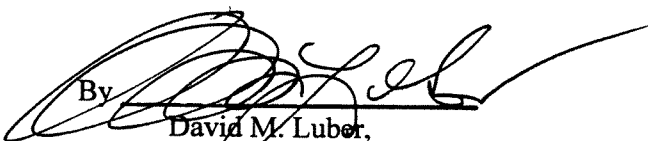
interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter. The term "person" shall refer to a person or entity. The terms "recorded and recordation" shall refer to recording as the official records of the Summit County or Wasatch County Recorder's office.

11.14 Severability. Invalidity or unenforceability of any provision of this Master Declaration in whole or in part shall not affect the validity or enforceability of any other provision of this Master Declaration.

IN WITNESS WHEREOF, Deer Crest Associates I, L.C., has executed this Master Declaration the day and year first above written.

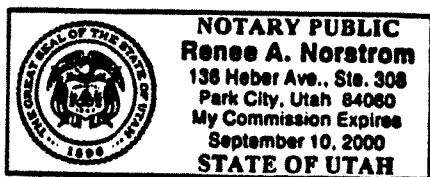
DEER CREST ASSOCIATES I, L.C., a
Utah limited liability company

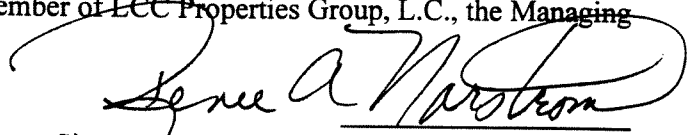
By LCC Properties Group, L.C., a
Utah limited liability company,
Managing Member

By 
David M. Lubert,
Managing Member

STATE OF UTAH)
COUNTY OF Summit) : ss.

The foregoing instrument was acknowledged before me this 31st day of October, 1997, by David M. Lubert, Managing Member of LCC Properties Group, L.C., the Managing Member of Deer Crest Associates I, L.C.




Notary Signature and Seal

00198235 Bk00363 Pg00587

EXHIBIT "A"
TO
MASTER DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS, AND RESERVATION OF EASEMENTS

DEER CREST
OWNER'S POLICY
EXHIBIT "A" DESCRIPTIONS

(Work Order 00006516)

October 23, 1997

PARCEL 1 HOTEL SITE:

A portion of the property is located in Summit County, Utah, and is described as follows:

Beginning at a point on the Summit-Wasatch County line as monumented, said point is located South 1799.86 feet and East 5007.93 feet from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the Summit-Wasatch County line the following nine (9) courses: 1) South 08°43'41" West 376.39 feet; thence 2) 28°29'27" West 214.25 feet; thence 3) South 11°18'39" West 801.35 feet; thence 4) South 12°51'25" West 724.39 feet; thence 5) South 12°53'14" West 499.61 feet; thence 6) South 26°08'13" East 279.53 feet; thence 7) South 40°47'43" East 296.74; thence 8) South 51°35'50" East 408.17 feet; thence 9) South 41°02'08" West 549.09 feet; thence along the Westerly end line of the Rucker No. 1 Mining Claim (MS 5166) North 30°48'28" West 353.22 feet; thence along the Westerly end line of the Fred Williams No. 1 Mining Claim (MS 5166) North 30°48'28" West 390.46 feet more or less; thence North 00°11'40" West 1465.51 feet more or less; thence North 89°56'57" West 283.66 feet; North 11°55'00" East 245.62 feet to the Southeast Corner of the East Bench multi-family parcel in Deer Valley Subdivision, recorded Plat No. 228831 in the Summit County Recorder's Office; thence along the Easterly line of said plat the following two (2) courses: 1) North 11°55'00" East 183.55 feet; thence 2) North 17°46'20" East 1256.61 feet to the Northeast Corner of said plat; thence along the Northerly side line of the McKinley No. 1 Mining Claim (MS 6645) South 85°42'00" East 511.49 feet to the POINT OF BEGINNING. The basis of bearing for the description is South 00°30'11" West between the East Quarter Corner and the Southeast Corner of Section 16.

Containing 34.639 acres more or less.

00198235 Bk00363 Pg00588

**TOGETHER WITH THE FOLLOWING UTILITY EASEMENT:
EASEMENT NO. 1**

An easement and right-of-way, as platted on the East bench multi-family parcel in Deer Valley, recorded Plat No. 228831 (12-28-84) in the Summit County Recorder's Office, and described as follows:

Beginning at a point on the East right-of-way of the Deer Valley East Road, said point being due South 2931.90 feet, and due East 4037.67 feet from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; basis of bearing South $00^{\circ}30'11''$ West 2630.02 feet between said East Quarter Corner and the Southeast Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence South $75^{\circ}00'00''$ East 80.545 feet to the Westerly line of Stott property; thence South $11^{\circ}55'00''$ West along said Westerly line 78.113 feet; thence North $75^{\circ}00'00''$ West 84.743 feet to the Easterly right-of-way line of Deer Valley East Road, said point also being on a 309.90 foot radius curve to the left (center bears North $67^{\circ}46'14''$ West 309.90 feet of which the central angle is $14^{\circ}27'33''$); thence Northeasterly along the arc of said curve 78.207 feet to the POINT OF BEGINNING.

**PARCEL 2 TWC REMAINDER PROPERTY
(OPEN SPACE CONTAINING KEETLEY ROAD CORRIDOR):**

Part of Lots F, G and I, Hanover-Queen Esther Subdivision and a part of the West half of Section 14, Township 2 South, Range 4 East, Salt Lake Base and Meridian more particularly described as:

Beginning at a point on the Summit-Wasatch County line; said point being South $00^{\circ}30'11''$ West 529.16 feet along the section line and East 5719.73 feet from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the County line the following three (3) courses: 1) South $61^{\circ}48'14''$ West 133.55 feet; thence 2) South $55^{\circ}24'54''$ West 454.52 feet; thence 3) South $17^{\circ}33'57''$ West 370.98 feet more or less; thence along the North line of the McKinley Mining Claim (MS 6645) North $85^{\circ}42'00''$ West 328.95 feet more or less; thence North $10^{\circ}11'15''$ East 539.77 feet more or less; thence North $01^{\circ}37'00''$ East 432.66 feet; thence North $14^{\circ}00'00''$ East 258.00 feet; thence along the

boundary line of the Nordic Village PUD Parcel B the following four (4) courses: 1) North 29°36'17" East 266.20 feet; thence 2) North 23°00'00" East 189.00 feet; thence 3) North 08°00'00" West 55.58 feet; thence 4) North 80°00'00" West 97.00 feet to a point on a 275.00 foot curve to the left, whose radius point bears North 83°13'29" West; thence along the arc of said curve and along the Queen Esther Drive right-of-way line 54.92 feet thru a central angle of 11°26'31"; thence along the Queen Esther Drive right-of-way line North 04°40'00" West 57.72 feet; thence along the boundary line of the Nordic Village PUD Parcel A the following three courses: 1) South 80°00'00" East 315.23 feet; thence 2) North 04°00'00" East 303.94 feet; thence 3) North 17°00'00" West 360.40 feet; thence along the South line of the Weary Willie and the Republican Mining Claims South 68°19'00" East 649.62 feet more or less; thence South 00°40'51" East 620.11 feet; thence South 12°19'16" West 761.76 feet; thence South 04°33'29" West 142.89 feet to the POINT OF BEGINNING.

Containing 34.459 acres more or less.

TOGETHER WITH THE FOLLOWING UTILITY EASEMENT:

EASEMENT NO. 2

Beginning at a point which is South 1181.24 feet and East 4782.83 feet from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence North 85°42'00" West 689.87 feet to a point on the Easterly right-of-way line of Deer Valley East Road, as dedicated, said point also being on a 300.00 foot radius curve to the right (center bears South 65°50'05" East 300.00 feet of which the central angle is 12°50'05"); thence Northeasterly along the arc of said curve and Easterly right-of-way line 67.20 feet; thence North 37°00'00" East along said Easterly right-of-way line 53.00 feet; thence South 81°01'56" East 639.098 feet; thence South 10°11'15" West 53.00 feet to the POINT OF BEGINNING. (The basis of bearing for this description is South 00°30'11" West 2630.08 feet from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian and the Southeast Corner of said Section 16).

00198235 Bk00363 Pg00590

PARCEL 3 (TELEMARK PARK) (PARCEL A TELEMARK PARK SURVEY)

Beginning at a point on the Summit-Wasatch County line, said point is located South $00^{\circ}30'11''$ West 5480.89 feet along the Section Line and East 4742.22 feet from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the County Line the following 16 courses: 1) North $41^{\circ}15'09''$ East 548.41 feet; thence 2) North $51^{\circ}35'50''$ West 408.17 feet; thence 3) North $40^{\circ}47'43''$ West 296.74 feet; thence 4) North $26^{\circ}08'13''$ West 279.53 feet; thence 5) North $12^{\circ}53'14''$ East 499.61 feet; thence 6) North $12^{\circ}51'25''$ East 724.39 feet; thence 7) North $11^{\circ}18'39''$ East 801.35 feet; thence 8) North $28^{\circ}29'27''$ East 214.25 feet; thence 9) North $08^{\circ}43'41''$ East 906.05 feet; thence 10) North $17^{\circ}33'57''$ East 446.92 feet; thence 11) North $55^{\circ}24'54''$ East 454.52 feet; thence 12) North $61^{\circ}48'14''$ East 133.55 feet; thence 13) North $73^{\circ}02'55''$ East 812.81 feet; thence 14) North $73^{\circ}11'51''$ East 485.08 feet; thence 15) South $85^{\circ}09'01''$ East 382.13 feet; thence 16) South $43^{\circ}00'37''$ East 488.15 feet; thence along the East Line of the Queen Esther No. 3 Mining Claim (MS 6979) South $18^{\circ}31'58''$ West 333.29 feet; thence along the West line of the Mountain Neff No. 5 Mining Claim (MS 6798) South $05^{\circ}39'38''$ East 573.77 feet; thence along the West Line of the Mountain Neff No. 3 Mining Claim South $05^{\circ}26'45''$ East 627.94 feet; thence along the South Line of the Mountain Neff No. 3 Mining Claim South $77^{\circ}30'43''$ East 1500.74 feet; thence along the East Line of the Mountain Neff No. 3 Mining Claim North $05^{\circ}26'43''$ West 28.39 feet; thence along the North Line of the Mountain Neff No. 3 Mining Claim North $84^{\circ}33'15''$ East 1386.12 feet; thence along the right-of-way line of US 40 South $18^{\circ}46'46''$ East 493.82 feet more or less; thence along the East Line of the Mountain Neff Mining Claim South $05^{\circ}26'45''$ East 119.49 feet more or less; thence along the South Line of the Mountain Neff Mining Claim South $84^{\circ}40'19''$ West 468.55 feet more or less; thence along the East Line of the Kruger No. 3 Mining Claim (MS 5161) South $50^{\circ}41'13''$ East 615.39 feet; thence along the North Line of the Old Missouri Mining Claim (MS 5161) South $89^{\circ}54'38''$ East 490.74 feet; thence along the right-of-way line of US 40 the following 3 courses: 1) South $20^{\circ}26'22''$ East 433.78 feet more or less; thence 2) South $01^{\circ}51'02''$ East 213.74 feet; thence 3) South $34^{\circ}17'35''$ East 97.77 feet more or less; thence along the West Line of the Thurman Lode (Lot 155) South $07^{\circ}10'00''$ East 414.32 feet more or less; thence along the South Line of the Kruger No. 4 Mining Claim South $80^{\circ}45'00''$ West 177.04 feet more or less to a point on the Easterly right-of-way line of a U.D.O.T. frontage road; thence North $71^{\circ}05'06''$ West (North $71^{\circ}13'00''$ West, Highway Bearing) along said right-of-way 220.25 feet; thence South $18^{\circ}54'54''$ West (South $18^{\circ}47'00''$ West Highway Bearing) along said right-of-way 100.00 feet; thence South $71^{\circ}05'06''$ East (South $71^{\circ}13'00''$ East, Highway Bearing) along said right-of-way 33.48 feet more or less to the South line of said Kruger No. 4 Mining Claim; thence continuing along said South line South

80°45'00" West 416.87 feet thence along the South Line of the Kruger No. 4 Mining Claim South 80°20'00" West 683.50 feet more or less; thence along the South Line of the Dewet No. 4 Mining Claim (MS 5161) South 80°20'00" West 798.50 feet more or less; thence along the South Line of the Dewet No. 4 Mining Claim South 85°53'00" West 697.41 feet more or less; thence along the North Line of the Pioche No. 14 Mining Claim South 85°53'00" West 798.80 feet more or less; thence along the West Line of the Pioche No. 14 Mining Claim (Lot 181) South 09°45'00" East 341.45 feet more or less; thence along the South Line of the Sommer Mining Claim (MS 5166) South 81°01'45" West 597.51 feet more or less; thence along the South Line of the Sommer Mining Claim South 53°31'51" West 772.57 feet; thence along the West Line of the Sommer Mining Claim North 47°08'25" West 395.50 feet; thence along the South Line of the Hanna Lode No. 1 Mining Claim (MS 5166) South 56°21'07" West 61.39 feet more or less; thence along the North Line of the North Dakota Mining Claim (Lot 185) South 59°25'05" West 1303.28 feet more or less; thence along the West Line of the Hanna Lode No. 1 North 30°41'11" West 532.49 feet more or less; thence along the West Line of the Rucker No. 1 Mining Claim (MS 5166) North 30°48'29" West 250.00 feet to the POINT OF BEGINNING.

Containing 524.559 acres more or less, less exceptions.

**TOGETHER WITH THE FOLLOWING DESCRIBED PROPERTY (PARCEL B
TELEMARK PARK SURVEY)**

Beginning at the Southwest Corner of the Hanna Lode Mining Claim (MS 5166), said point is located South 00°30'11" West 6213.60 feet along the Section Line and East 5184.07 feet from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the West Line of the Hanna Lode Mining Claim North 30°41'11" West 59.50 feet more or less; thence along the North Line of the North Dakota Mining Claim (MS 185) South 47°40'42" East 61.25 feet more or less; thence along the South Line of the Hanna Lode Mining Claim South 56°21'07" West 17.92 feet more or less to the POINT OF BEGINNING.

Containing 532.51 square feet more or less.

EXCEPTING THEREFROM THE FOLLOWING:

EXCEPTION NO. 1

**SLL#1 (MCKINLEY EAST OF COUNTY LINE) (EXCEPTION NO. 1 TELEMAR
PARK SURVEY)**

Beginning at a point on the North Line of the McKinley Mining Claim (MS 6645) and on the Summit-Wasatch County line, said point being South 00°30'11" West 1203.97 feet along the Section Line and East 5121.79 feet more or less from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the North Line of the McKinley Mining Claim South 85°42'00" East 400.24 feet; thence along the East Line of the McKinley Mining Claim South 04°18'00" West 600.00 feet; thence along the South Line of the McKinley Mining Claim North 85°42'00" West 458.40 feet; thence along the Summit-Wasatch County line North 08°43'41" East 527.66 feet; thence along the Summit-Wasatch County Line North 17°33'57" East 75.94 feet to the POINT OF BEGINNING.

EXCEPTION NO. 2

**SLL#2 (ROOSEVELT NO. 1 MINING CLAIM) (EXCEPTION NO. 2 TELEMAR
PARK SURVEY)**

Beginning at the Northwest Corner of the Roosevelt No. 1 Mining Claim (MS 6645), said point being South 00°30'11" West 1832.31 feet along the Section Line and East 5481.43 feet more or less from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the North Line of the Roosevelt No. 1 Mining Claim South 85°42'00" East 1500.00 feet; thence along the East Line of the Roosevelt No. 1 Mining Claim South 04°18'00" West 600.00 feet; thence along the South Line of the Roosevelt No. 1 Mining Claim North 85°42'00" West 1500.00 feet; thence along the West Line of the Roosevelt No. 1 Mining Claim North 04°18'00" East 600.00 feet to the POINT OF BEGINNING.

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EXCEPTION NO. 3**SLL#3 (ROOSEVELT NO. 4 LESS MS 5166) (EXCEPTION NO. 3 TELEMAR PARK SURVEY)**

Beginning at the Northwest Corner of the Roosevelt No. 4 Mining Claim (MS 6645); said point being South 00°30'11" West 3000.53 feet along the Section Line and East 5021.79 feet more or less from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the North Line of the Roosevelt No. 4 Mining Claim South 85°42'00" East 1500.00 feet; thence along the East Line of the Roosevelt No. 4 Mining Claim South 04°18'00" West 437.42 feet; thence along the North Line of the Dieter and the Schuyler Mining Claims (MS 5166) South 74°25'00" West 478.02 feet; thence along the South Line of the Roosevelt No. 4 Mining Claim North 85°42'00" West 1050.48 feet; thence along the West Line of the Roosevelt No. 4 Mining Claim North 04°18'00" East 600.00 feet to the POINT OF BEGINNING.

EXCEPTION NO. 4**(BLM FRACTION NORTH) (EXCEPTION NO. 4 TELEMAR PARK SURVEY)**

Beginning at a point on the North Line of the Roosevelt Mining Claim (MS 6645) and on the East Line of the Queen Esther No. 11 Mining Claim (MS 6979), said point being South 00°30'11" West 1269.25 feet along the Section Line and East 5990.53 feet more or less from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the North Line of the Roosevelt Mining Claim South 85°42'00" East 414.97 feet; thence along the South Line of the Queen Esther No. 6 Mining Claim North 67°49'00" West 402.56 feet; thence along the East Line of the Queen Esther No. 11 Mining Claim South 18°45'00" West 127.66 feet to the POINT OF BEGINNING.

EXCEPTION NO. 5**(BLM FRACTION SOUTH) (EXCEPTION NO. 5 TELEMAR PARK SURVEY)**

Beginning at a point on the East Line of the Hanna Lode Mining Claim (MS 5166) and the South Line of the Schuyler Mining Claim (MS 5166), said point is located South 00°30'11" West 5156.19 feet along the Section Line and East 6294.91 feet more or less from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and

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running thence along the North Line of the Schuyler Mining Claim North 74°15'00" East 99.87 feet more or less; thence along the North Line of the Sommer Mining Claim (MS 5166) South 52°50'00" West 97.07 feet more or less; thence along the East Line of the Hanna Lode Mining Claim North 30°46'00" West 36.70 feet more or less to the POINT OF BEGINNING.

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AND TOGETHER WITH THE FOLLOWING UTILITY EASEMENTS:

**EASEMENT NO. 3 - KEETLEY ROAD NO. 2
A NON-EXCLUSIVE RIGHT-OF-WAY AND UTILITY EASEMENT**

BEGINNING at a point that is North 85°42'00" West 920.24 feet along the North line of the McKinley Mining Claim (MS 6645) from the Northeast Corner of said mining claim; and running North 85°42'00" West along said North line 520.00 feet to a point on the Summit and Wasatch County line; thence South 17°33'57" West 75.94 feet along said County line; thence North 78°05'18" West 317.61 feet; thence North 80°50'40" West 195.94 feet; thence North 30°25'32" East 16.99 feet to the POINT OF BEGINNING.

**EASEMENT NO. 4 - KEETLEY ROAD NO. 3
A NON-EXCLUSIVE RIGHT-OF-WAY AND UTILITY EASEMENT**

BEGINNING at the Northeast Corner of the McKinley Mining Claim (MS 6645); and running thence South 04°18'00" West along the East line of said Mining Claim 129.73 feet; thence North 78°05'18" West 421.38 feet to a point on the Summit and Wasatch County line; thence North 17°33'57" East 75.94 feet along said County line to a point on the North line of said Mining Claim; thence South 85°42'00" East along said North line 400.24 feet to the POINT OF BEGINNING.

The basis of bearing for the above two easement descriptions is North 00°13'37" West between the Southeast Corner of Section 15 and the East Quarter Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said corners being found monuments.

EASEMENT NO. 5 - CENTERLINE SAINT LOUIS DRIVE NO. 1

A 50-foot easement and non-exclusive right-of-way across State Parcel 1C, being 25 feet on either side of the following described centerline:

BEGINNING at a point that is North 16°08'05" West 1736.65 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian,

said point also being on a 75.00 foot radius curve to the left, whose radius point bears North 72°37'48" East; and running thence Southeasterly along the arc of said curve 51.77 feet thru a central angle of 39°32'50" to a point of tangency, thence South 56°55'02" East 267.46 feet to a point on a 177.58 foot radius curve to the right, whose radius point bears South 33°04'58" West; thence Southeasterly along the arc of said curve 138.65 feet thru a central angle of 44°44'02" to a point on a 75.56 foot radius reverse curve to the left, whose radius point bears North 77°49'00" East; thence Southeasterly along the arc of said curve 9.38 feet thru a central angle of 07°06'51" to a point on the East line of the McKinley Mining Claim (MS 6645) and terminating.

EASEMENT NO. 6 - CENTERLINE SAINT LOUIS DRIVE CONNECTOR

A 50-foot easement and non-exclusive right-of-way across State Parcel 1C, being 25 feet on either side of the following described centerline:

BEGINNING at a point that is North 13°41'02" West 1631.01 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian, and running thence North 33°04'58" East 66.23 feet and terminating.

EASEMENT NO. 7 - CENTERLINE SAINT LOUIS DRIVE NO. 3

A 50-foot easement and non-exclusive right-of-way across State Parcel 2A, being 25 feet on either side of the following described centerline:

BEGINNING at a point on the North line of the Roosevelt No. 1 Mining Claim (MS 6645) that is North 03°48'34" East 1109.56 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said point also being on a 248.55 foot radius curve to the left, whose radius point bears North 76°09'24" East; and running thence Southeasterly along the arc of said curve 136.96 feet thru a central angle of 31°34'19" to a point on a 325.20 foot radius reverse curve to the right, whose radius point bears South 44°35'05" West; thence Southeasterly along the arc of said curve 131.61 feet thru a central angle of 23°11'17" to a point on a 140.00 foot radius compound curve to the right, whose radius point bears South 67°46'23" West; thence Southerly along the arc of said curve 174.42 feet thru a central of 71°23'02" to a point of tangency; thence South 49°09'25" West 315.55 feet to a point on the South line of the Roosevelt No. 1 Mining Claim (MS 6645) and terminating.

EASEMENT NO. 8 - CENTERLINE SAINT LOUIS DRIVE NO. 5

A 50-foot easement and non-exclusive right-of-way across State Parcel 3A, being 25 feet on either side of the following described centerline:

BEGINNING at a point on the North line of the Roosevelt No. 4 Mining Claim (MS 6645) that is South $84^{\circ}26'27''$ West 529.13 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian, and running thence South $25^{\circ}53'55''$ East 93.16 feet to a point on a 75.00 foot radius curve to the left, whose radius point bears North $64^{\circ}06'05''$ East; thence Southwesterly along the arc of said curve 110.30 feet thru a central angle of $84^{\circ}15'58''$ to a point on of tangency; thence North $69^{\circ}50'08''$ East 268.18 feet to a point on the North line of the Roosevelt No. 4 Mining Claim (MS 6645) and terminating.

EASEMENT NO. 9 - CENTERLINE KEETLEY ROAD NO. 5 (WEILEN MANN)

A 50-foot easement and non-exclusive right-of-way, being 25 feet on either side of the following described centerline:

BEGINNING at a point on the West line of the Mountain Neef No. 3 Mining Claim (MS 6798) North $05^{\circ}26'45''$ West 145.99 feet from the Southeast Corner of said Mining Claim, said point being North $62^{\circ}43'23''$ East 2289.93 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence South $62^{\circ}58'39''$ East 367.25 feet to a point on a 812.29 foot radius curve to the left, whose radius point bears North $27^{\circ}01'21''$ East; thence Southeasterly along the arc of said curve 179.23 feet thru a central angle of $12^{\circ}40'13''$ to a point on a 842.04 foot radius reverse curve to the right, whose radius point bears South $14^{\circ}21'09''$ West; thence Southeasterly along the arc of said curve 120.15 feet thru a central angle of $08^{\circ}10'31''$ and terminating.

EASEMENT NO. 10 - CENTERLINE KEETLEY ROAD NO. 6 (LAND DEN BERG)

A 50-foot easement and non-exclusive right-of-way, being 25 feet on either side of the following described centerline:

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BEGINNING at a point North 73°32'16" East 2757.06 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian; said point being on a 842.04 foot radius curve to the right, whose radius point bears South 22°31'40" West; and running thence Southeasterly along the arc of said curve 43.65 feet thru a central angle of 02°58'12" to a point on the South line of the Mountain Neef No. 3 Mining Claim (MS 6798) and terminating.

EASEMENT NO. 11 - HIDDEN HOLLOW NO. 1

A 50-foot easement and non-exclusive right-of-way, being 25 feet on either side of the following described centerline:

Beginning at a point on the Summit and Wasatch County line North 17°38'28" East 2792.10 feet more or less from the Southeast corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said point being on a 250.00 foot radius curve to the right whose radius point bears North 36°49'11" East; thence Northwesterly along the arc of said curve 47.18 feet thru a central angle of 10°48'46" to a point on a 140.00 foot radius reverse curve to the left, whose radius point bears South 47°37'58" West; thence Westerly along the arc of said curve 147.58 feet thru a central angle of 60°23'49" to a point on a 375.00 foot radius reverse curve to the right, whose radius point bears North 12°45'51" West; thence Northwesterly along the arc of said curve 344.14 feet thru a central angle of 52°34'53" to a point on a 75.00 foot radius compound curve to the right, whose radius point bears North 39°49'02" East; thence Northwesterly along the arc of said curve 210.60 feet thru a central angle of 160°53'02" to a point on a 750.00 foot radius reverse curve to the left; whose radius point bears North 20°42'04" East; thence Southeasterly along the arc of said curve 214.06 feet thru a central angle of 16°21'10" to a point on a 110.00 foot compound curve to the left, whose radius point bears North 04°20'54" East; thence Northeasterly along the arc of said curve 188.87 feet thru a central angle of 98°22'46" and terminating.

EASEMENT NO. 12 - HIDDEN HOLLOW NO. 2

A 50-foot easement and non-exclusive right-of-way, being 25 feet on either side of the following described centerline:

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Beginning at a point North 14°04'17" East 3104.42 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said point being on a 110.00 foot radius curve to the left, whose radius point bears South 85°58'08" West; and running thence Northwesterly along the arc of said curve 142.09 feet thru a central angle of 74°00'40" to a point on a 151.12 foot radius reverse curve to the right, whose radius point bears North 11°57'28" East; thence Northerly along the arc of said curve 236.64 feet thru a central angle of 89°43'10" to a point of tangency; thence North 11°40'38" East 422.26 feet to a point on a 60.00 foot radius curve to the right, whose radius point bears South 78°19'22" East; thence Northeasterly, Easterly, and Southerly along the arc of said curve 188.50 feet thru a central angle of 180°00'00" to a point of tangency; thence South 11°40'38" West 151.62 feet to a point on a 75.00 foot radius curve to the left, whose radius point bears South 78°19'22" East; thence Southeasterly, Easterly, and Northerly along the arc of said curve 235.62 feet thru a central angle of 180°00'00" to a point of tangency; thence North 11°40'38" East 32.48 feet to a point on a 282.45 foot radius curve to the right, whose radius point bears South 78°19'22" East; thence Northeasterly along the arc of said curve 275.78 feet thru a central angle of 55°56'32" to a point on a 1888.54 foot radius compound curve to the right, whose radius point bears South 22°22'50" East; thence Northeasterly along the arc of said curve 269.33 feet thru a central angle of 08°10'16" to a point on a 332.71 foot radius reverse curve to the left, whose radius point bears North 14°12'34" West; thence Northeasterly along the arc of said curve 222.38 feet thru a central angle of 38°17'45" to a point of tangency; thence North 37°29'42" East 115.24 feet to a point on a 106.92 foot radius curve to the right, whose radius point bears South 52°30'18" East; thence Easterly along the arc of said curve 167.94 feet thru a central angle of 90°00'00" to a point on a 100.00 foot radius reverse curve to the left, whose radius point bears North 37°29'42" East; thence Easterly and Northerly along the arc of said curve 314.16 feet thru a central angle of 180°00'00" to a point on a 79.52 foot radius reverse curve to the right, whose radius point bears North 39°23'55" East; thence Northerly along the arc of said curve 143.19 feet thru a central angle of 103°10'36" to a point on a 265.47 foot radius reverse curve to the left, whose radius point bears North 37°25'30" West; thence Northeasterly along the arc of said curve 214.64 feet thru a central angle of 46°19'30" to a point on a 281.67 foot radius reverse curve to the right, whose radius point bears South 83°45'00" East; thence Northeasterly along the arc of said curve 81.64 feet thru a central angle of 16°36'25" to a point on the Northerly line of the Queen Esther No. 5 Mining Claim (MS 6979) and terminating.

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EASEMENT NO. 13 - HIDDEN HOLLOW ACROSS BLM

A 50-foot easement and non-exclusive right-of-way, being 25 feet on either side of the following described centerline:

Beginning at a point that is on the Southerly line of the AJO No. 14, Mining Claim (mineral survey No. 6989) North $56^{\circ}22'33''$ West along said Southerly line 284.97 feet more or less from the Southeast Corner of said mining claim, a found mound of stones, said point being North $24^{\circ}35'22''$ East 5365.17 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence South $39^{\circ}42'29''$ West 65.42 feet to a point on a 398.67 foot radius curve to the right (center bears North $50^{\circ}17'31''$ West); thence Southwesterly along the arc of said curve 150.54 feet thru a central angle of $21^{\circ}38'09''$ to a point on a 281.67 foot radius reverse curve to the left (center bears South $28^{\circ}39'22''$ East); thence Southwesterly along the arc of said curve 189.20 feet more or less thru a central angle of $38^{\circ}29'13''$ to a point on the Northerly line of the Queen Esther No. 5, Mining Claim, (Mineral Survey No. 6979), and terminating.

It is the intent herein that the side lines extend to the referenced Southerly and Northerly Mining Claim lines.

The basis of bearing for the above nine (9) centerline descriptions is North $00^{\circ}13'37''$ West between the Southwest corner of Section 14 and the West Quarter Corner of Section 14, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said corners being found monuments.

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AND TOGETHER WITH THE FOLLOWING STATE LAND LEASE PARCELS:

LEASEHOLD PARCEL 1 - MCKINLEY PARCEL 1C

Beginning at the Northeast Corner of the McKinley Mining Claim (MS 6645), said point being North 04°01'53" West 1727.75 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the East line of said McKinley Mining Claim South 04°18'00" West 405.71 feet to a point on a 100.56 foot radius curve to the right, whose radius point bears North 47°48'56" East; thence Northeasterly along the arc of said curve 52.65 feet thru a central angle of 30°00'03" to a point on a 152.58 foot radius reverse curve to the left, whose radius point bears South 77°49'00" West; thence Northwesterly along the arc of said curve 119.13 feet thru a central angle of 44°44'02" to a point of tangency; thence North 56°55'02" West 267.46 feet to a point on a 100.00 foot radius curve to the right, whose radius point bears North 33°04'58" East; thence Northwesterly along the arc of said curve 20.32 feet thru a central angle of 11°38'37" to a point of tangency; thence North 45°16'25" West 87.39 feet to a point on the Summit/Wasatch County line; thence North 17°33'57" East 75.94 feet along said county line to a point on the North line of said McKinley Mining Claim; thence South 85°42'00" East 400.24 feet along said North line to the POINT OF BEGINNING.

LEASEHOLD PARCEL 2 - MCKINLEY PARCEL 1D

Beginning at the Southeast Corner of the McKinley Mining Claim (MS 6645), said point being North 08°24'54" West 1137.41 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian, and running thence along the South line of said McKinley Mining Claim North 85°42'00" West 458.40 feet to a point on the Summit/Wasatch County line; thence North 08°43'41" East 527.66 feet along said county line; thence South 45°16'25" East 87.39 feet to a point on a 100.00 foot radius curve to the left, whose radius point bears North 44°43'35" East; thence Southeasterly along the arc of said curve 20.32 feet thru a central angle of 11°38'37" to a point of tangency; thence South 56°55'02" East 267.46 feet to a point on a 152.58 foot radius curve to the right, whose radius point bears South 33°04'58" West; thence Southeasterly along the arc of said curve 119.13 feet thru a central angle of 44°44'02" to a point on a 100.56 foot radius reverse curve to the left, whose radius point bears North 77°49'00" East; thence Southeasterly along the arc of said curve 52.65 feet thru a central

angle of 30°00'03" to a point on the East line of said McKinley Mining Claim; thence South 04°18'00" West 194.29 feet along said East line to the POINT OF BEGINNING.

LEASEHOLD PARCEL 3 – ROOSEVELT NO. 1 PARCEL 2A

Beginning at the Northwest Corner of the Roosevelt No. 1 Mining Claim (MS 6645), said point being North 08°24'54" West 1137.41 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian, and running thence along the North line of said Roosevelt No. 1 Mining Claim South 85°42'00" East 240.85 feet to a point on a 248.55 foot radius curve to the left, whose radius point bears North 76°09'24" East; thence Southeasterly along the arc of said curve 136.96 feet thru a central angle of 31°34'19" to a point on a 325.20 foot radius reverse curve to the right, whose radius point bears South 44°35'05" West; thence Southeasterly along the arc of said curve 131.61 feet thru a central angle of 23°11'17" to a point on a 140.00 foot radius compound curve to the right, whose radius point bears South 67°46'23" West; thence Southwesterly along the arc of said curve 174.42 feet thru a central angle of 71°23'02" to a point of tangency; thence South 49°09'25" West 315.55 feet to a point on the South line of said Roosevelt No. 1 Mining Claim; thence North 85°42'00" West 148.44 feet to the Southwest corner of said mining claim; thence North 04°18'00" East 600.00 feet along the West line of said mining claim to the POINT OF BEGINNING.

LEASEHOLD PARCEL 4 – ROOSEVELT NO. 1 PARCEL 2B

Beginning at a point that is South 85°42'00" East 240.85 feet from the Northwest Corner of the Roosevelt No. 1 Mining Claim (MS 6645), said point being North 03°48'34" East 1109.56 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian, and running thence along the North line of said Roosevelt No. 1 Mining Claim South 85°42'00" East 391.45 feet; thence South 08°00'00" East 225.00 feet; thence South 15°08'49" West 306.27 feet; thence South 53°41'55" West 121.95 feet to a point on the South line of said mining claim; thence North 85°42'00" West 381.56 feet along said South line; thence North 49°09'25" East 315.55 feet to a point on a 140.00 foot radius curve to the left, whose radius point bears North 40°50'35" West; thence Northeasterly along the arc of said curve 174.42 feet thru a central angle of 71°23'02" to a point on a 325.20 foot radius compound curve to the left, whose radius point bears South 67°46'23" West; thence Northwesterly along the arc of said curve 131.61 feet thru a central angle of 23°11'17" to a point

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on a 248.55 foot radius reverse curve to the right, whose radius point bears North 44°35'05" East; thence Northwesterly along the arc of said curve 136.96 feet thru a central angle of 31°34'19" to the POINT OF BEGINNING.

LEASEHOLD PARCEL 5 – ROOSEVELT NO. 1 PARCEL 2C

Beginning at a point that is on the North line of the Roosevelt No. 1 Mining Claim (MS 6645), said point being South 85°42'00" East 750.00 feet from the Northwest Corner of said claim and North 28°32'37" East 1216.83 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East Salt Lake Base and Meridian, and running thence along the North line of said Roosevelt No. 1 Mining Claim South 85°42'00" East 480.00 feet; thence South 53°41'55" West 800.00 feet; thence North 15°08'49" East 306.27 feet; thence North 08°00'00" West 225.00 feet to a point on the North line of said Roosevelt No. 1 Mining Claim; thence South 85°42'00" East 117.70 feet along said mining claim to the POINT OF BEGINNING. The basis of bearing for the description is North 00°13'37" West between the Southwest Corner of Section 14 and the West Quarter Corner of Section 14, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said corners being found monuments.

LEASEHOLD PARCEL 6 – ROOSEVELT NO. 1 PARCEL 2D

Beginning at a point on the North line of the Roosevelt No. 1 Mining Claim (MS 6645). Said point being South 85°42'00" East 1230.00 feet from the Northwest Corner of said claim and North 45°44'35" East 1480.12 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the North line of the Roosevelt No. 1 Mining Claim South 85°42'00" East 270.00 feet; thence along the East line of the Roosevelt No. 1 Mining Claim South 4°18'00" West 600.00 feet; thence along the South line of the Roosevelt No. 1 Mining Claim North 85°42'00" West 970.00 feet; thence North 53°41'55" East 921.96 feet to the POINT OF BEGINNING.

LEASEHOLD PARCEL 7 – ROOSEVELT NO. 4 PARCEL 3A

Beginning at the Northwest Corner of the Roosevelt No. 4 Mining Claim (MS 6645). Said point

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being South 86°08'00" West 637.80 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the North line of the Roosevelt No. 4 Mining Claim South 85°42'00" East 580.00 feet; thence South 45°32'34" West 304.70 feet; thence South 73°58'00" West 128.92 feet; thence South 56°10'00" West 328.31 feet; thence along the West line of the Roosevelt No. 4 Mining Claim North 04°18'00" East 476.64 feet to the POINT OF BEGINNING.

LEASEHOLD PARCEL 8 – ROOSEVELT NO. 4 PARCEL 3B

Beginning at a point on the North line of the Roosevelt No. 4 Mining Claim (MS 6645). Said point being South 85°42'00" East 997.39 feet from the Northwest Corner of said claim and South 71°47'54" East 377.10 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the North line of the Roosevelt No. 4 Mining Claim South 85°42'00" East 502.61 feet; thence along the East line of the Roosevelt No. 4 Mining Claim South 04°18'00" West 437.42 feet; thence South 74°25'00" West 150.00 feet; thence North 33°35'00" West 350.00 feet; thence South 79°11'45" West 183.70 feet; thence South 51°28'00" West 500.00 feet; thence along the South line of the Roosevelt No. 4 Mining Claim North 85°42'00" West 600.00 feet; thence along the West line of the Roosevelt No. 4 Mining Claim North 04°18'00" East 123.36 feet; thence North 56°10'00" East 328.31 feet; thence North 73°58'00" East 788.27 feet to the POINT OF BEGINNING.

LEASEHOLD PARCEL 9 – ROOSEVELT NO. 4 PARCEL 3C

Beginning at a point on the South line of the Roosevelt No. 4 Mining Claim (MS 6645). Said point being South 85°42'00" East 600.00 feet from the Southwest Corner of said claim and South 06°53'52" West 691.31 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence North 51°28'00" East 500.00 feet; thence North 79°11'45" East 183.70 feet; thence South 33°35'00" East 350.00 feet; thence South 74°25'00" West 328.02 feet; thence along the South line of the Roosevelt No. 4 Mining Claim North 85°42'00" West 450.48 feet to the POINT OF BEGINNING.

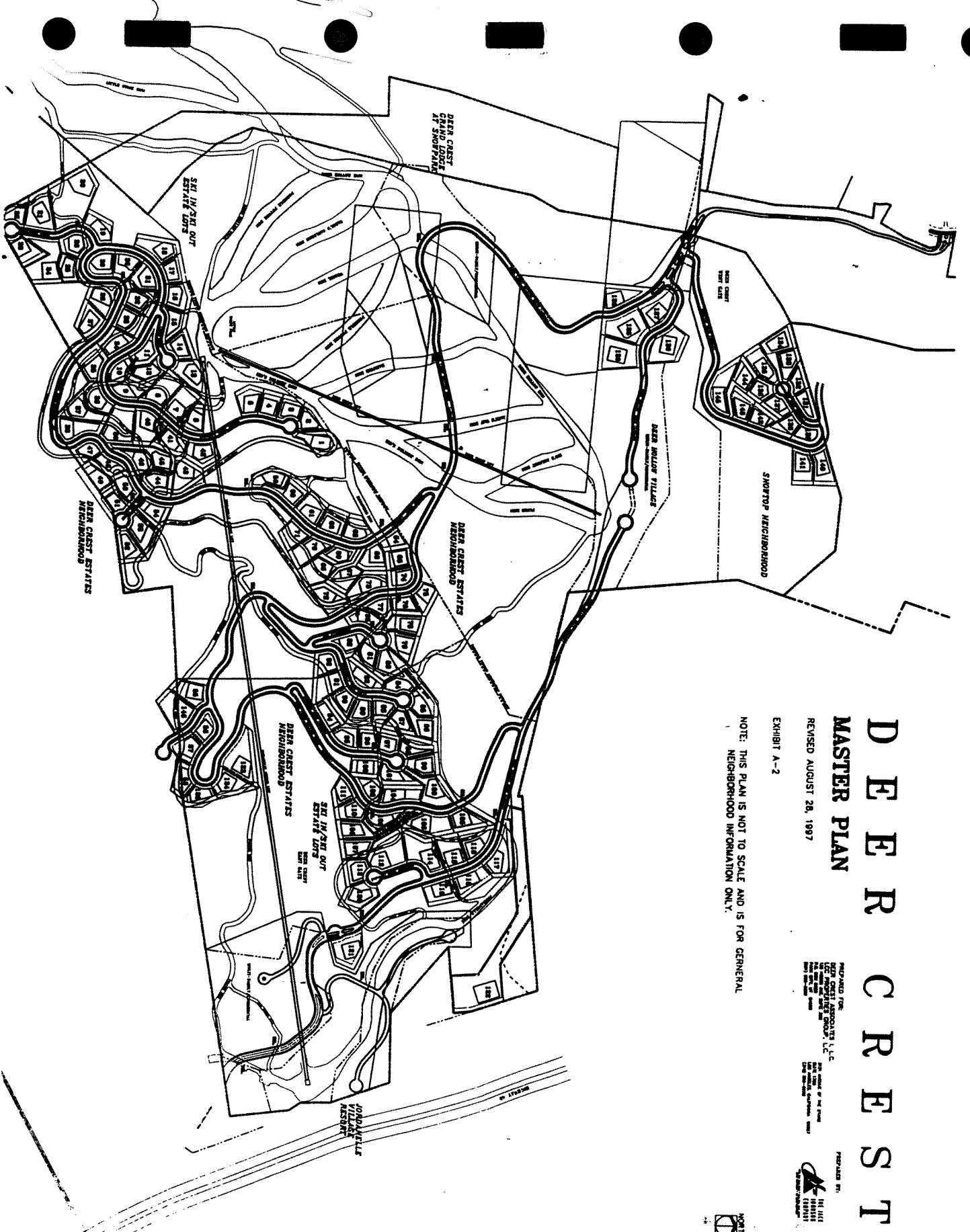
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LEASEHOLD PARCEL 10 – ROOSEVELT NO. 4 PARCEL 3D

Beginning at a point on the North line of the Roosevelt No. 4 Mining Claim (MS 6645). Said point being South 85°42'00" East 580.00 feet from the Northwest Corner of said claim and South 33°50'05" West 104.13 feet more or less from the Southeast Corner of Section 15, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the North line of the Roosevelt No. 4 Mining Claim South 85°42'00" East 417.39 feet; thence South 73°58'00" West 659.35 feet; thence North 45°32'34" East 304.70 feet to the POINT OF BEGINNING.

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DEER CREST MASTER PLAN

REVISED AUGUST 28, 1997

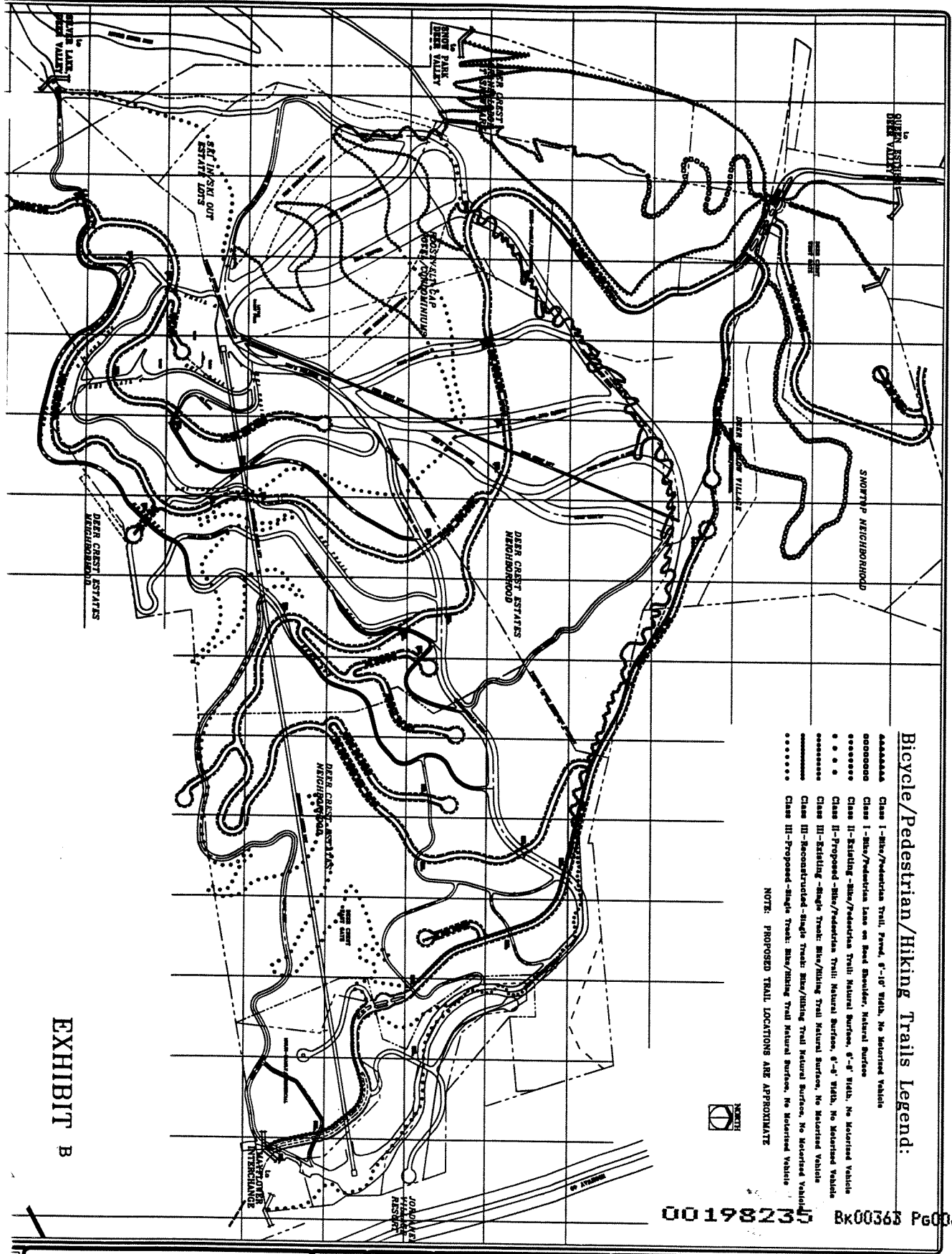
EXHIBIT A-2

NOTE: THIS PLAN IS NOT TO SCALE AND IS FOR GENERAL NEIGHBORHOOD INFORMATION ONLY.

PREPARED FOR:
DEER CREST ASSOCIATES, L.L.C.
10000 DEER CREST DRIVE
MOUNTAIN VIEW, TEXAS 76150



00198235 NORTH Bk00363 Pg00607



Bicycle/Pedestrian/Hiking Trails Legend:

- Class I - Mix/Pedestrian Trail, 6'-10" Wide, No Motorized Vehicle
- Class II - Existing - Mix/Pedestrian Trail, Natural Surface, 6'-8" Wide, No Motorized Vehicle
- Class II - Proposed - Mix/Pedestrian Trail, Natural Surface, 6'-8" Wide, No Motorized Vehicle
- Class III - Existing - Single Track: Mix/Hiking Trail, Natural Surface, No Motorized Vehicle
- Class III - Reconstructed - Single Track: Mix/Hiking Trail, Natural Surface, No Motorized Vehicle
- Class III - Proposed - Single Track: Mix/Hiking Trail, Natural Surface, No Motorized Vehicle

NOTE: PROPOSED TRAIL LOCATIONS ARE APPROXIMATE

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EXHIBIT B

DEER CREST TRAILS LAYOUT	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="font-size: 8px;">DATE</td><td style="font-size: 8px;">BY</td></tr> <tr><td> </td><td> </td></tr> </table>	DATE	BY			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="font-size: 8px;">SCALE</td><td style="font-size: 8px;">PROJECT</td></tr> <tr><td> </td><td> </td></tr> </table>	SCALE	PROJECT				
DATE	BY											
SCALE	PROJECT											
DEER CREST ASSOCIATES L.L.C. 914017	TRAILMAP	1777 Sun Peak Blvd. • Park City, Utah 84098 (435) 766-2000 • Fax: (435) 766-1000										

Exhibit B

Additional Properties

Property	General Location	Anticipated Residential Development	Additional Access Provisions*
Hidden Hollow	North of Snowtop Neighborhood	4 Units	Access to Hidden Hollow is provided through Snowtop and access across other roadways contemplated by Master Plan is preserved.
United Park City Mines	South of Deer Crest Project	12 Units	Access to Lots provided along the south boundary of Deer Crest Property and access across the roadways contemplated by Master Plan is preserved.
Land der Berg	North of Deer Crest Project	14 Units	Access is provided along Keetley Road and through Snowtop and access across other roadways contemplated by Master Plan is preserved.
Weilenmann	North of Deer Crest Project	8 Units	Access to Weilenmann Property is provided through Snowtop and along Keetley Road and access across the roadways contemplated by Master Plan is preserved.

* Deer Valley Resort Company, also retains right of access in connection with the operation of ski runs and lifts, and Queen Esther has reserved inspection rights as reflected in Section 4.5 above. This Exhibit reflects an abbreviated summary of access rights. Complete descriptions of access rights are contained in the Third Party Agreements and easements of record.

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Exhibit C

Agreement(s) between Declarant
and The Deer Valley Resort Company.

Ski Area Maintenance Agreement among Deer Crest Associates I, L.C., Deer Valley
Resort Company, Wasatch County and Deer Crest Master Association.

License, Integration and Operation Agreement among Deer Crest Associates I, L.C., Deer
Valley Resort Company.

These Agreements are subject to amendment and may be superseded.

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Exhibit D

Third Party Agreements

1. Agreement dated December 27, 1995 by and among United Park City Mines Company, Trans-Wasatch Company, Inc., and Park City Municipal Corporation
2. Development Agreement dated December 27, 1995 by and between United Park City Mines Company and Trans-Wasatch Company, Inc.
3. Access Agreement dated November 3, 1995 by and between Deer Valley Resort Company and Trans-Wasatch Company
4. Development Agreement dated November 3, 1995 by and between Trans-Wasatch Company and Deer Valley Resort Company
5. Access Agreement dated November 17, 1995 by and between Land der Berg LLC and Trans-Wasatch Company
6. Development Agreement dated November 17, 1995 by and between Land der Berg LLC and Trans-Wasatch Company
7. Access Agreement dated October 25, 1995 by and between Milton L. Weilenmann and Trans-Wasatch Company
8. Agreement dated October 25, 1995 by and between Trans-Wasatch Company and Milton L. Weilenmann
9. Settlement Agreement and Release dated as of August 1, 1996 between Deer Crest Associates I, L.C., Queen Esther Village Project I Owners Association and others, as supplemented by a certain letter agreement dated as of March 26, 1997.

These agreements are subject to amendment and may be superseded. Easements of record also describe the access rights of these parties.

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EXHIBIT E

MASTER DECLARATION

GATE CONTROL CONFIGURATION,
REGULATIONS, PROCEDURES AND PROTOCOLS

LIMITATIONS ON ACCESS TO LOWER DEER CREST ROAD
AND REQUIRED USE OF EAST CONTROL GATE

TYPE OF TRAFFIC	APPT 1	HOURS ²	VEH. SIZE ³	EAST GATE ONLY ⁴
Emergency Vehicle and Government entities	No	no limit	no limit	n/a
Lodge or Ski Operations and Maintenance Vehicles	No	no limit	3/4 T + 9 ⁵	vehicles above size limit
Owners/Guests/House Staff all properties within gates	No	no limit	3/4 T + 9	vehicles above size limit
Residential Services and Housekeeping (other than babysitting)	No	8 a-8 p	3/4 T + 9	vehicles above size limit or off-hour trip
Commercial Owners/Lessees & Customers	No	no limit	3/4 T + 9	vehicles above size limit
Courier Deliveries	No	8 a-8 p	UPS van size	vehicles above size limit or off-hour trip
Vendor Residential Deliveries	Yes	no limit	3/4 T + 9	vehicles above size limit
Repairman Residential	Yes	no limit	3/4 T + 9	vehicles above size limit
Taxi and Airport Vans	Yes	no limit	3/4 T + 12 ⁶	vehicles above size limit
Other Commercial Deliveries ⁷	No	8 a-8-p	3/4 T + 9	vehicles above size limit or off-hour trip
R.E. Sales Traffic	Yes	8 a-8 p	3/4 T + 9	vehicles above size limit or off-hour trip

¹Traffic allowed on Lower Deer Crest Road by prior appointment confirmed with control gate operator

²Traffic allowed on Lower Deer Crest Road only within this range of hours

³Traffic allowed on Lower Deer Crest Road only if vehicle this size or smaller

⁴Traffic must enter and exit controlled portion of Deer Crest Project from the east control gate if the traffic meets any one of these requirements. All construction traffic, RV's, vehicles pulling trailers, semi tractor-trailer rigs and all other vehicles with three or more axles (except emergency vehicles and snow removal equipment) must enter and exit from the east control gate.

⁵3/4 Ton pick-up or nine passenger vehicle in size

⁶ 3/4 Ton pickup or 12 passenger van.

⁷ Excluding the preceding four specific categories of commercial deliveries.

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Methods for Implementation and Control

Traffic on the Lower Deer Crest Road shall be controlled by a 24 Hour manned gate to be provided at McKinley Gap Main Gate and by a lower gate at Queen Esther Drive. Guard will have audio and video control of lower Queen Esther Gate. Guard will hand log in and out the appointment traffic. New guard training will overlap by 2 weeks old guard's departure. Guard will control traffic attempting to exit to the west in order to assure that traffic required to exit from the east control gate does so.

Programmable keycards will be issued in appropriately limited quantities to Owners, Guests, and on-site staff. Replacement price for lost cards will be set at in excess of \$50 per card. A verifiable continuous electronic log will be provided with system.

Window decals, numbered, will be issued to Owners allowed within the gates, Guests and on-site staff for ready identification of their vehicles.

A system for notification, penalty, and revocation of privileges will be enforced by the Master Association. The Master Association will engage regular security patrols.

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