

WHEN RECORDED MAIL TO:

David W. Johnson
Attorney at Law
P.O. Box 3598
Park City, Utah 84060

RED NOTE AB

321515

COALITION TITLE
90 MAR -8 PM 3:13

ALAN SPRIGGS
SUMMIT COUNTY RECORDER

REC'D BY BH

DECLARATION OF COVENANTS, CONDITIONS

AND RESTRICTIONS

FOR

MOUNTAIN RIDGE SUBDIVISION

*Amendment to Declarations
#335065-Bk 592 Pg. 208-11*

BOOK 557 PAGE 132 - 175

INDEX TO
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
FOR
MOUNTAIN RIDGE SUBDIVISION

	<u>Page</u>
Recitals.....	1
ARTICLE I - Definitions.....	2
Section 1 - Architectural Committee.....	2
Section 2 - City.....	2
Section 3 - Declarant.....	2
Section 4 - Declaration.....	2
Section 5 - Deed of Trust.....	2
Section 6 - Design Guidelines.....	2
Section 7 - Dwelling Unit.....	2
Section 8 - Family.....	2
Section 9 - Improvement.....	2
Section 10 - Lot.....	3
Section 11 - Mortgage.....	3
Section 12 - Owner.....	3
Section 13 - Person.....	3
Section 14 - Plat Map.....	3
Section 15 - Properties.....	3
Section 16 - Record, Recorded, Filed and Recordation.....	3
Section 17 - Subdivision.....	3
Section 18 - Association.....	3
ARTICLE II - Architectural Control.....	4
Section 1 - Architectural Committee.....	4
Section 2 - Approval by Architectural Committee and Park City.....	5
Section 3 - Variances.....	5
Section 4 - General Requirements.....	6
Section 5 - Preliminary Approvals.....	6
Section 6 - Plans.....	6
Section 7 - Declarant and Architectural Committee Not Liable.....	6
Section 8 - Written Records.....	7
Section 9 - Limited Extent of Committee Review...	7
Section 10 - Completion Required Before Occupancy.....	7
ARTICLE III - Restrictions on all Property.....	7
Section 1 - Zoning Regulations.....	7

Section 2 - No Mining, Drilling or Quarrying.....	7
Section 3 - No Business Uses.....	7
Section 4 - Restrictions of Signs.....	8
Section 5 - Restrictions on Animals.....	8
Section 6 - No Resubdivision.....	8
Section 7 - Underground Utility Lines.....	8
Section 8 - Service Yards.....	8
Section 9 - Maintenance of Property.....	8
Section 10 - No Noxious or Offensive Activity....	8
Section 11 - No Hazardous Activities.....	9
Section 12 - No Unsightliness.....	9
Section 13 - No Annoying Lights, Sounds or Odors.....	9
Section 14 - No Cesspools or Septic Tanks.....	9
Section 15 - Water Systems.....	9
Section 16 - Drainage.....	10
 ARTICLE IV - Restriction on Lots.....	 10
Section 1 - Number and Location of Buildings.....	10
Section 2 - Residence Floor Area.....	10
Section 3 - Single Family Dwelling to be Constructed First.....	10
Section 4 - Setbacks and Building Placement.....	10
Section 5 - Height Limitations.....	10
Section 6 - Towers and Antennae.....	11
Section 7 - Used or Temporary Structures.....	11
Section 8 - Fences.....	11
Section 9 - Landscaping and Preservation of Existing Site Vegetation.....	11
Section 10 - Driveway Access.....	11
Section 11 - Architectural.....	12
(a) Roofs.....	12
(b) Icicles and Ice Buildup.....	12
(c) Structural Certification.....	12
(d) Insulation and Weatherstripping...	12
(e) Flashings and Roof Gutters.....	12
(f) Automatic Fire Sprinkler Systems..	13
Section 12 - Protection to Minimize Problem of Frozen Pipes.....	13
 ARTICLE V - Maintenance Obligations.....	 13
Section 1 - Maintenance Obligations of Owners....	13
Section 2 - Variance in Exterior Appearance and Design.....	13
 ARTICLE VI - Owner's Association and Maintenance.....	 14
Section 1 - Formation of Association.....	14
Section 2 - Membership.....	14
Section 3 - Voting Rights.....	15

Section 4 - Obligation for Assessments.....	15
Section 5 - Purpose of Assessments.....	15
Section 6 - Regular Assessments.....	15
Section 7 - Special Assessments.....	16
Section 8 - Date of Commencement of Regular Assessments and Fixing Thereof....	16
Section 9 - Certificate of Payment.....	16
Section 10 - Delinquency.....	16
Section 11 - Notice of Lien.....	17
Section 12 - Foreclosure Sale.....	17
Section 13 - Curing of Default.....	17
Section 14 - Cumulative Remedies.....	17
Section 15 - Subordination of Assessment Liens...	17
 ARTICLE VII - General Provisions.....	 18
Section 1 - Enforcement.....	18
Section 2 - Severability.....	18
Section 3 - Limited Liability.....	19
Section 4 - Duration of Declaration.....	19
Section 5 - Amendment or Revocation.....	19
Section 6 - Constructive Notice and Acceptance...	19
Section 7 - Reservation of Easements.....	20
Section 8 - Easements for City and County Public Service Use.....	20
Section 9 - Notices.....	20
Public Service Use.....	20
Section 10 - Interpretation.....	20
Section 11 - Severability.....	20
Section 12 - Captions.....	21
 EXHIBIT A - Legal Description.....	 22
EXHIBIT B - Park City Municipal Corporation Review....	24
EXHIBIT C - Design Guidelines.....	25
EXHIBIT D - Articles of Incorporation.....	30
EXHIBIT E - Bylaws.....	34

BOOK 557 PAGE 135

DECLARATION OF COVENANTS, CONDITIONS

AND RESTRICTIONS

FOR

MOUNTAIN RIDGE SUBDIVISION

THIS DECLARATION, made on this ___ day of _____, 1990, by AC DEVELOPMENT, INC., a Utah Corporation, hereinafter designated "Declarant":

RECITALS

A. Declarant is the owner of certain property in Park City, Summit County, State of Utah, which is more particularly described as follows:

LEGAL DESCRIPTION

see attached Exhibit "A"

B. Declarant will develop and convey all of the Lots contained in the Subdivision pursuant to a general plan and subject to a certain protective covenants, conditions, restrictions, reservations, easements, equitable servitudes, liens and charges, all running with the title to said Lots as hereinafter set forth.

C. Declarant hereby declares that all of the Lots shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following easements, restrictions, covenants, conditions and equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of all Lots in the Subdivision, in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the subdivision, or any portion thereof, The covenants, conditions, restrictions, reservations, easements, and equitable servitudes set forth herein shall run with the Lots and shall be binding upon all persons having any right, title or interest in any Lot or Lots, their heirs, successors and assigns, shall inure to the benefit of each and every Lot and any interest therein; and shall inure to the benefit of and be binding upon Declarant, his successors in interest and each Owner and his respective successors in interest.

Notwithstanding the foregoing, no provisions of this Declaration shall be construed as to prevent or limit Declarant's rights to complete development of the Subdivision and improvements

thereon, nor Declarant's rights to maintain model homes, construction, sales or leasing offices or similar facilities on any Lot owned by Declarant nor Declarant's right to post signs incidental to construction, sales or leasing.

ARTICLE I

Definitions

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

Section 1. "Architectural Committee: shall mean the committee created pursuant to Article IV hereof.

Section 2. "City" shall mean the municipal government of Park City, Utah, and its appropriate officers and departments.

Section 3. "Declarant" shall mean and refer to AC DEVELOPMENT, INC., its successors and assigns so long as Declarant assigns such rights of Declarant hereunder to any such person by an express written assignment.

Section 4. "Declaration" shall mean this instrument as it may be amended from time to time.

Section 5. "Deed of Trust" shall mean and refer to a mortgage or a deed of trust, as the case may be.

Section 6. "Design Guidelines" shall mean the architectural guidelines established from time to time by the Architectural Committee and guidelines required by Park City.

Section 7. "Dwelling Unit" shall mean and refer to a building located on a single Lot designed and intended for use and occupancy as a residence by a single Family and its domestic employees and guests.

Section 8. "Family" shall mean (1) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, or (2) a group of not more than five (5) persons not all so related, inclusive of their domestic servant, who maintain a common household in a residence on a Lot.

Section 9. "Improvements" shall mean all structures and appurtenances thereto of every type and kind, including but not limited to buildings, out buildings, walkways, sprinkler pipes, carports, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, landscaping, hedges, windbreaks, planting, planted trees and shrubs, poles, signs, exterior air conditioning, and water softener fixtures or equipment.

Section 10. "Lot" shall mean and refer to any residential Lot shown upon any recorded plat of the Subdivision.

Section 11. "Mortgage" shall mean any mortgage or deed of trust or other conveyance of a Lot to secure the performance of an obligation, 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". The term "Mortgagee" shall mean a person or entity to whom a mortgage is made and shall include the beneficiary of a deed of trust; "Mortgagor" shall mean a person or entity who mortgages his or its property to another (i.e. the maker of a mortgage), and shall include the trustor of a deed of trust. The term "Trustor" shall be synonymous with the term "Mortgagor" and the term "beneficiary" shall be synonymous with the term "Mortgagee". The term "first mortgagee" shall include any Mortgages or the beneficiary under any deed of trust who, by virtue of his mortgage or deed of trust, holds a first and prior lien upon any Lot to that of any other mortgagee.

Section 12. "Owner" shall mean and refer to the person or persons or other legal entity or entities, including Declarant, holding fee simple interest of record to any Lot, including sellers under executory contracts of sales, but excluding those having such interest merely as security for the performance of an obligation.

Section 13. "Person" shall mean a natural individual or any entity with the legal right to hold title to real Property.

Section 14. "Plat Map" shall mean and refer to that plat of "Mountain Ridge Subdivision" which will be recorded in the official records of the Summit County Recorder concurrently with the recordation hereof.

Section 15. "Properties" shall mean and refer to all of the real Property described in Paragraph A of the Recitals to this Declaration.

Section 16. "Record, Recorded, Filed and Recordation" shall mean, with respect to any document, the recordation of such document in the office of the County Recorder of the County of Summit, State of Utah.

Section 17. "Subdivision" shall mean Mountain Ridge Subdivision which has been divided or separated into Lots as shown on the Plat Map.

Section 18. "Association" shall mean the Mountain Ridge Subdivision Owners Association, a non-profit corporation incorporated under the laws of the state of Utah.

ARTICLE II

Architectural Control

Section 1. Architectural Committee.

(a) The Architectural Committee shall be three members. The Committee shall initially consist of members selected by the Declarant. At such time as 90% of the Lots are sold or in five years following the date hereof, whichever comes later, all members of the Committee shall be selected by Owners of the Lots at meetings called for that purpose. Said Architectural Committee shall have and exercise all of the powers, duties and responsibilities set out in this instrument.

(b) In elections for members of the Architectural Committee, or any other matter presented to a vote of the Owners, each Owner shall be entitled to one vote for each Lot which is owned by said Owner. When more than one person holds such interest or interests in any Lot ("co-owner"), all such co-owners shall be Owners and may attend any meetings of the Owners, but only one such co-owner shall be entitled to exercise the votes to which the Lot is entitled. Such co-owners may from time to time all designate in writing one of their number to vote. The vote for each Lot shall be exercised, if at all, as a unit. 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 agreed. Unless a written objection from a co-owner is delivered to the meeting, it shall be presumed that the voting co-owner is acting with the consent of his or her co-owners. No votes shall be cast for any Lot where the majority of the co-owners present in person or proxy and representing such Lot cannot agree to said votes or other action. The non-voting co-owner or co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly owned Lot and shall be entitled to all other benefits of ownership.

(c) Written notice of any meeting called for the purpose of electing members of the Architectural Committee or taking any action by the Owners shall be sent to all Owners 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 Owners, in person or by proxy, of fifty-one percent (51%) of the Lots shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be the Owners of twenty-five percent (25%) of the Lots. No such subsequent meeting shall be held more than thirty (30) days following the preceding meeting.

Section 2. Approval by Architectural Committee and City. No improvements of any kind, including but not limited to dwelling houses, swimming pools, ponds, parking areas, fences, walls, tennis courts, garages, drives, antennae, satellite dishes, flag poles, curbs and walks shall ever be erected, altered, or permitted to remain on any lands within the Subdivision, unless the complete plans and specifications therefor are approved by the Declarant and by the Architectural Committee, prior to the commencement of such work. In addition to approval by Declarant and the Architectural Committee, prior to commencement of such work, approval must also be obtained from the City in accordance with the provisions of Exhibit "B". A fee as determined by the Architectural Committee, but not to exceed \$200.00, shall be paid to the Architectural Committee to cover costs and expenses of review. Improvements, to be made after the initial improvements, which will cost less than \$500.00 shall be submitted as directed to Declarant and the Architectural Committee for approval but the architectural review fee shall not be required. The Declarant, the Architectural Committee, and the City 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 said subdivision, the building bulk or mass of said buildings or structures, the building envelopes as shown on the subdivision plat, existing trees and finished grade elevations and harmony of landscaping with the natural setting and surroundings, and shall ascertain whether the architecture conforms to the Design Guidelines which are attached hereto as Exhibit "C", and are by this reference, incorporated as part of this document as requirements which must be met for approval of construction on any Lot. To the extent the Design Guidelines set forth on Exhibit "C" conflict with any other guidelines or terms of this document, the terms set forth on Exhibit "C" shall control. The complete architectural plans and specifications must be submitted in quadruplicate and must include at least four different elevation views. One complete copy of the plans and specifications shall be signed for identification by the Owner and left with the Architectural Committee. In the event that either Declarant, the Architectural Committee, or the City, fails to take any action within 45 days after complete plans for such work have been submitted to them, than all of such submitted plans shall be deemed to be disapproved.

Section 3. Variances. The Declarant, the Architectural Committee, and the City have the authority to deviate from the requirements contained herein in extenuating circumstances, when following these covenants would create an unreasonable hardship or burden for an Owner. An affirmative vote of Declarant and of two-thirds (2/3) of the members of the Architectural Committee and approval of the City Manager must be gained for such a variance to be granted. The Declarant, the Architectural Committee, and the City do not, however, have authority to allow deviation beyond the requirements of the Park City Land Management Code.

Section 4. General Requirements. The Declarant, the Architectural Committee, and the City shall exercise their best judgment to see that all improvements, construction, landscaping, and alterations on the lands within the Subdivision 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. All dwelling houses to be built on Lots in the subdivision shall be sited so as not to break prominent ridgelines, to preserve significant views to the property, and to protect significant vegetation.

Section 5. Preliminary Approvals. Persons who anticipate constructing improvements on lands within the Subdivision, whether they already own lands or are contemplating the purchase of such lands shall submit preliminary sketches of such improvements to the Declarant, the Architectural Committee, and the City for informal and preliminary approval or disapproval. All preliminary sketches shall be submitted in duplicate and shall contain a proposed site plan together with sufficient general information on all aspects that will be required to be in the complete plans and specification to allow the Declarant, the Architectural Committee, and the City to act intelligently on giving an informed preliminary approval or disapproval until such time as complete plans are submitted and approved or disapproved.

Section 6. Plans. The Declarant, the Architectural Committee, and the City shall disapprove any plans submitted to it which are not sufficient for it to exercise the judgment required of it by these covenants.

Section 7. Declarant, Architectural Committee, and City Not Liable. The Declarant, the Architectural Committee, and the City shall not be liable for damages to any person submitting any plans for approval, or to any Owner or Owners of lands within the Subdivision, by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove, with regard to such plans. Neither Declarant, the Architectural Committee, nor any member thereof, nor their duly authorized representative, nor the City, nor any employee thereof, shall be liable to any Owner for any loss, damage or injury arising out of or in any way connected with the performance of the Declarant's, the Architectural Committee's, or the City's duties hereunder unless due to the willful misconduct or bad faith of the Declarant, the Architectural Committee, or the City. Any person or group acquiring the title to any Property in the Subdivision or any person submitting plans to the Declarant, the Architectural Committee, or the City, for approval, by so doing shall be deemed to have agreed and covenanted that he, she, or they will not bring any action or suit to recover damages against the Declarant, the Architectural Committee, or the City, or any of its members, as individuals, or its advisors, employees, or agents.

Section 8. Written Records. The Declarant, the Architectural Committee, and the City shall keep and safeguard complete written records of all applications for approval submitted to them (including one set of all preliminary sketches and all architectural plans 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.

Section 9. Limited Extent of Review. The Declarant, the Architectural Committee, and the City shall review and approve or disapprove all plans submitted to them for any proposed improvement, alteration or addition, on the basis of aesthetic considerations and the overall benefit or detriment which would result on the immediate vicinity and the Subdivision generally, together with conformity with the requirements of Exhibit "C". The Architectural Committee, the Declarant, and the City shall also take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall their approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformity with building or other codes.

Section 10. Completion Required Before Occupancy. No Building within the Property shall be occupied until an unless the owner of any Building shall have completed the Building in accordance with, and complied with, all approved plans and specifications.

ARTICLE III

Restrictions on all Property

Section 1. Zoning Regulations. No lands within the Subdivision shall ever be occupied or used by or for any Building or purpose or in any manner which is contrary to the zoning regulations applicable thereto validly in force from time to time.

Section 2. No Mining, Drilling or Quarrying. No mining, quarrying, tunneling, excavating or drilling for any substances within the earth, including oil, gas, minerals, gravel, sand, rock, and earth, shall ever be permitted on the surface of the Property.

Section 3. No Business Uses. With the exception of Lots A & B which are dedicated to the City, the Lots within the Property shall be used exclusively for residential living purposes, such purposes to be confined to approved residential Buildings within the Property. No Lots within the Property shall ever be occupied or used for any commercial or business purposes provided, however, that nothing in this Article VIII, Section 3 shall be deemed to

prevent (a) Declarant or his duly authorized agent from using any Lot owned by Declarant as a sales model, or (b) any Owner or his duly authorized agent from renting or leasing said Owner's residential Building from time to time for periods of not less than one weeks duration, subject to all of the provisions of this Declaration.

Section 4. Restriction of Signs. With the exception of a sign no larger than six (6) square feet on each side 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 six (6) square feet for owner to advertise his home or Lot for sale, no signs or advertising devices, including but without limitation, commercial, political, informational or directional signs or devices, shall be erected or maintained on any of the Property, except signs approved in writing by the Architectural Committee as to size, materials, color and location: (a) as necessary to identify ownership of the Lot 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. No sign shall be placed in or on any vehicle parked on the Property, or any portion of the private or public street adjacent to the Property.

Section 5. Restrictions on Animals. No animals other than ordinary household pets may be kept or allowed to remain on any of the Property.

Section 6. No Resubdivision. No Lot shall be resubdivided and no Building shall be constructed or allowed to remain on any tract that comprises less than one full Lot.

Section 7. Underground Utility Lines. All water, gas, electrical, telephone and all other utility lines within the limits of the Property must be buried underground and may not be exposed above the surface of the ground.

Section 8. Service Yards. All clothes lines, equipment, service yards or storage piles on any Lot in the Property shall be kept screened by approved planting or fencing so as to conceal them from the view of neighboring Lots, access roads and area surrounding the Property.

Section 9. Maintenance of Property. All Property and all improvements on any Lot shall be kept and maintained by the Owner thereof in clean, safe, attractive and sightly condition and in good repair.

Section 10. No Noxious or Offensive Activity. No noxious or offensive activity shall be carried on upon any Property nor shall anything be done or placed on any Property which is or may become a nuisance or cause embarrassment, disturbance or annoyance

to others.

Section 11. No Hazardous Activities. No activities shall be conducted on any Property and no improvements constructed on any Property 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 any Property and no pen fires shall be lighted or permitted on any Property except in a contained barbecue unit while attended and in use for cooking purposes or within a safe and well-designed interior fireplace.

Section 12. 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 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 any of 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 any of the Property, except in service yards meeting the requirements of Article VIII, Section 8; (e) refuse, garbage and trash shall be placed and kept at all times in a covered containers 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 if visible from Buildings, Lots or areas surrounding the Property.

Section 13. No Annoying Lights, Sounds or Odors. No light shall be emitted from any Lot or Property which is unreasonably bright or causes unreasonable glare or does not comply with the design Guidelines; no sound shall be emitted from an Lot or Property 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 any of the Property or Buildings; and no odors shall be emitted from any Lot or Property which are noxious or offensive to others.

Section 14. No Cesspools or Septic Tanks. No cesspools or septic tanks shall be permitted on any of the Property.

Section 15. Water Systems. No water wells or individual private water supply systems shall be permitted on any Lot.

Section 16. Drainage. No owner shall have the right to alter or obstruct the points at which runoff water or storm drainage flows into or from any of the Lots.

ARTICLE IV

Restriction on Lots

Section 1. Number and Location of Buildings. No building or structures shall be placed, erected, altered, or permitted to remain on any Lot other than one single family dwelling together with related nonresidential structures and improvements.

Section 2. Residence Floor Area. The single-family dwelling which may be constructed on a Lot on the Properties shall have a square foot limit as set forth on Exhibit "C".

Section 3. Single Family Dwelling to be Constructed First. No garage or other structure shall be constructed on any Lot until after commencement of construction of the single family dwelling on the same Lot except as otherwise specifically permitted by the Architectural Committee and the City. All construction and alteration work shall be prosecuted diligently, and each building, structure, or improvement which is commenced on any Lot shall be entirely completed within 18 months after commencement of construction.

Section 4. Setbacks and Building Placement. The placement of buildings shall respect existing land forms and generally shall follow contours and fit into land massing rather than ignoring and dominating these forms. Unless the Architectural Committee and the City shall approve a variance from said restriction, all buildings and structures on any Lot shall be constructed within the area designated as the "Building Envelope" for said Lot as set forth in the Plat Map, except that with the approval of the Architectural Committee and the City, decks or patios attached to the main dwelling may be extended outside said Building Envelope so long as no trees, rock out-crops or brush are removed or destroyed in connection with or as a result of extension of said decks or patios outside said Building Envelope.

Section 5. Height Limitations. No building on any Lot shall be erected to a height greater than 25 feet as measured from natural grade to a point midway between the lowest part of the eaves or cornice and ridge of a hip or pitched roof. The maximum height of the ridge shall be 30 feet measured from natural grade. This measurement applies to all elevations of the building, the intent being that buildings will conform with and reflect the natural contour of the land.

Section 6. Towers and Antennae. No towers, and no exposed, or outside, radio, television or other electronic antennae, shall be allowed or permitted to remain on any Lot. Satellite dishes may be allowed only as approved by the Architectural Committee and the City. It is recommended that lightning rods be installed on all structures.

Section 7. Used or Temporary Structures. No used or previously erected or temporary house, structure, house trailer, mobile home, camper, or nonpermanent outbuilding shall ever be placed, erected, or allowed to remain on any Lot except during construction periods, and no dwelling house shall be occupied in any manner prior to this completion.

Section 8. Fences. In general, no fences will be allowed. Fencing for dog runs and/or patio decks, may be allowed if they are of such design, materials, and heights as may be approved by the Architectural Committee and the City.

Section 9. Landscaping and Preservation of Existing Site Vegetation. All buildings should be located to preserve and utilize existing tree masses. Except for those trees which are within the perimeter of the outer roof liens of buildings, the plans for which have been approved by Architectural Committee and the City, trees with a caliper measurement of 3 inches or more, measured at a point on the tree trunk 4 feet above natural grade may not be removed, cut, destroyed or in any way harmed without approval in writing from the Architectural Committee and the City. With respect to those trees, shrubs, bushes, and other vegetation required to be removed for the purposes of construction, access, utility runs and related matters, all vegetation to be cut or removed must be identified clearly with red surveyor's flagging, inspected and approved by the Architectural Committee and the City in writing prior to the issuance of excavation permits from the City. Landscaping of Lots should generally consist or revegetating areas of disturbance caused by construction, or minor landscaping to enhance the existing physical features of the surrounding area. All landscaping plans shall be submitted to and approved by the Architectural Committee and the City in advance of any construction.

Section 10. Driveway Access. All individual driveway access locations within the Subdivision shall be designed to function well with the site location and layout of each appropriate residential building. Care shall be taken in siting driveways to allow for the least amount of site and vegetation disturbance. Unless the Architectural Committee and the City shall approve a variance from said restriction, all driveways on any Lot shall be constructed within the area designated as the "Driveway Envelope" for said Lot as set forth in the subdivision plat. The maximum grade of any driveway shall not exceed 12%. The width of any drive shall not be less than 15 feet, nor more than 20 feet. The maximum

width of a curb cut shall not exceed 15 feet. The approaching private driveway shall align the slope to lessen site impact. The approaching private driveway shall align itself with the intersecting road at approximately 90 degrees for 20 feet. When necessary to cut and fill, a balance shall be sought. Exception will be allowed in order to save specimen vegetation. Fill areas shall be contoured to 2 feet horizontal to 1 foot vertical slopes and if the disturbed area fails to catch existing grade within ten feet, a retaining wall shall be used.

Section 11. Architectural.

(a) Roofs. All roofs shall comply with City design standards.

(b) Icicles and Ice Buildup. Building designs must consider and address the danger caused by falling ice and ice accumulation on walks and building entrances.

(c) Structural Certification. In all building designs particular attention should be given to snow loads on roofs and frost line depth for foundations and plumbing installations. Structural calculations stamped by a licensed architectural or structural engineer may be required by the City.

(d) Insulation and Weatherstripping. The following are the minimum insulating and weatherstripping requirements in all heated buildings.

1. All outside walls - minimum insulation factor of R-19;
2. All ceilings separating attic from roof - minimum insulation factor R-30;
3. All vaulted ceilings that are also the roof - minimum insulation factor R-30;
4. Exposed underfloor areas - minimum insulation factor R-25;
5. Perimeter concrete foundation walls to be insulated with a minimum of two inch rigid insulation on the outside of wall;
6. All outside windows shall be double glazed;
7. All outside doors and windows shall be weather-stripped on all edges.

(e) Flashing and Roof Gutters. Flashing or roof gutters or other metal fittings on the exterior of buildings shall be copper or Cor-Ten Steel or other material which takes on a natural patina or shall be painted to match adjacent materials on buildings.

(f) Automatic Fire Sprinkler Systems. Unless specifically exempted by the City, all buildings must contain an automatic fire sprinkler system for interior and exterior, or such other approved in writing automatic fire extinguishing system which meets the requirements of the Uniform Building Code for structures of that composition and construction. In addition to interior sprinkling, all structures shall have exterior building material which meet the fire spread standards defined in Table 42-A of the Uniform Building Code unless protected by exterior sprinkling system meeting the standards of Section 3802 of the Uniform Building Code. These references are to the 1982 Edition of the Uniform Building Code, but structures shall comply with successor provisions of that Code in subsequently adopted codifications.

Section 12. Protection to Minimize Problem of Frozen Pipes. Water lines and sewer wasteline shall not be installed in the outside walls, overhangs, or in uninsulated attic or crawl spaces.

ARTICLE V

Maintenance Obligations

Section 1. Maintenance Obligations of Owners. It shall be the duty of each Owner, at his sole cost and expense, subject to the provisions of this Declaration regarding Declarant and Architectural Committee approval, to maintain, repair, replace and restore his residence and Lot in a neat, sanitary and attractive condition. In the event that any Owner shall permit any improvement, which is the responsibility of such Owner to maintain, to fall into disrepair or not to be so maintained as to create a dangerous, unsafe, unsightly or unattractive condition, or to otherwise violate this Declaration, the Declarant or Architectural committee shall have the right, but not the duty, upon thirty (30) days' prior written notice to the Owner of such Lot, to correct such condition and to enter upon such Owner's Lot to make such repairs or to perform such maintenance and the cost thereof shall be charged to the Owner. The Owner shall pay promptly all amounts due for such work, and the costs and expenses of collection may be added.

Section 2. Variance in Exterior Appearance and Design. Any Owner who has suffered damage may apply for approval to the Declarant, the Architectural Committee, and the City for reconstruction, rebuilding or repair of his residence in a manner which will provide for an exterior appearance and design difference from that which existed prior to the date of the casualty. Application for such approval shall be made in writing together with fully and complete plans and specifications, working drawings and elevations showing the proposed reconstructions and the end result thereof. The Declarant, the Architectural Committee, and the City shall grant such approval only if the design proposed by the Owner would result in a finished residence in harmony with

exterior design of other residences on the Properties. Failure of the Declarant, the Architectural Committee, or the City to act within thirty (30) days after receipt of such a request in writing coupled with the drawings and plot plans showing the full and complete nature of the proposed changes shall constitute disapproval thereof.

ARTICLE VI

Owner's Association and Maintenance

Section 1. Formation of Association. Declarant agrees that, promptly following the recording hereof by both parties hereto, it will execute and file with the office of the Division of Corporations of the Utah Department of Commerce, Articles of Incorporation of the Mountain Ridge Subdivision Owners Association (hereinafter referred to as "Articles"), which Articles shall be substantially in the form of Exhibit "D" attached hereto and by this reference made a part hereof. Upon receipt by Declarant of the Certificate of Incorporation for the Mountain Ridge Subdivision Owners Association (hereinafter referred to as the "Association"), Declarant agrees that it will cause to be executed Bylaws for the Association in the form of Exhibit "E" attached hereto and by this reference made a part hereof.

Section 2. Membership. Each owner of a Lot shall be deemed to be a member of the Association (hereinafter referred to as "Member"). Memberships in the Association shall not be assignable, except to the successor in interest of the Lots, and membership in the Association shall be appurtenant to and may not be separated from the fee ownership of the Lots. Ownership of a Lot shall be the sole qualification for membership in the Association. The Association membership held by any owner of a Lot shall not be transferred, pledged, or alienated in any way, except upon the sale or encumbrance of said Lot, and then only to the purchaser or purchasers of said Lot. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association. In the event an owner of a Lot shall fail or refuse to transfer the membership registered in his name to the purchaser of said Lot, upon the transfer of fee title thereto, the Board of Trustees of the Association shall have the right to record the transfer on the books of the Association.

Section 3. Voting Rights. The Association shall have one class of voting membership. Members shall be all those owners as defined in Section 2 above. Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership by Section 2. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast for any one Lot. All voting rights shall be subject to the restrictions and limitations provided herein and in the Articles and Bylaws of the Association.

Section 4. Obligation for Assessments. Each member, by acceptance of a real estate contract or deed therefor, covenants and agrees to pay to the Association: (1) regular assessments or charges, and (2) special assessments for capital improvements, and other Association purposes, such assessments to be fixed, established and collected from time to time as hereinafter provided, and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment together with any interest, costs and reasonable attorney's fees, shall also be the personal obligation of the owner of such property at the time when the assessment fell due. In any conveyance, except to a mortgagee holding a first lien on the subject Lot, the grantee of a Lot shall be jointly and severally liable with the grantor for all unpaid assessments against the latter up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee. However, any such grantee shall be entitled to a statement from the Board of Trustees setting forth the amounts of the unpaid assessments against the grantor, and such grantee shall not be liable for, nor shall the Lot conveyed be subject to a lien for, any unpaid assessments against the grantor in the excess of the amount set forth. No membership may be transferred to a subsequent purchaser until all assessments, interest, penalties and other charges that are due have been paid in full to the Association.

Section 5. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the members of the Association and, in particular, for snow removal on the road until such time as 50% or more of the Lots are sold by Declarant, at which time the responsibility for snow removal shall rest with the City, and for the improvement and maintenance of the properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the common areas.

Section 6. Regular Assessments. The amount and time of payment of regular assessments shall be determined by the Board of Trustees of the Association after giving due consideration to the current maintenance costs and future needs of the Association. Written notice of the amount of an assessment, regular or special,

shall be sent to every owner, and the due date for the payment of same shall be set forth in said notice.

Section 7. Special Assessments. In addition to the regular assessments authorized above, the Association may levy special assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of a capital improvement upon the common area, including fixtures and personal property related thereto, or costs incurred for any other Association purpose, provided that any such assessment shall have the assent of a majority of the Members entitled to vote at a meeting duly called for this purpose. Written notice of such meeting shall be sent to all Members not less than ten (10) calendar days nor more than thirty (30) calendar days in advance of the meeting.

Section 8. Date of Commencement of Regular Assessments and Fixing Thereof. The regular assessments provided for herein shall commence as to all Lots on the first day of the month following the purchase of each Lot to an individual owner. Monthly or annual assessments will be payable at times designated by the Board of Trustees of the Association.

Section 9. Certificate of Payment. The Association shall, upon the written request of any Lot owner or any encumbrancer or prospective encumbrancer of a Lot, and upon payment of a reasonable fee not to exceed \$10, issue to the requesting person or persons, a written statement setting forth the unpaid assessments with respect to the Lot covered by the request. This written statement of indebtedness is conclusive upon the remaining Lot owners in favor of all persons who rely thereon in good faith. Unless the Association complies with the request for a statement of indebtedness within ten (10) day, all unpaid assessments which became due prior to the date of the making of such request are subordinate to the lien held by the person requesting the statement. Any encumbrancer holding a lien payable with respect to the Lot and upon payment the encumbrancer shall have a lien on such Lot for the amounts paid of the same rank as the lien of his Lot.

Section 10. Delinquency. Any assessment provided for in this Declaration, which is not paid when due, shall be delinquent. With respect to each assessment, not paid within fifteen (15) days after its due date, the Association may, at its election require the Owner to pay a "late charge" in the sum to be determined by the Association, but not to exceed \$10 per each delinquent assessment. If any such assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, and the Association may, at its option, bring an action at law against any person obligated to pay the same, or, upon

compliance with the notice provisions set forth in Section 11 hereof, to foreclose the lien against the Lot, and there shall be added to the amount of such assessment any late charges, interest and all costs of collecting the same, including a reasonable attorney's fee, whether incurred by filing suit or not. Each Owner vests in the Association or its assigns, the right and power to bring all actions at law or in equity or lien foreclosure against all proper parties for the collection of such delinquent assessments.

Section 11. Notice of Lien. No action shall be brought to foreclose said assessment lien or to proceed under the power of sale herein provided less than thirty (30) days after the date a notice of claim of lien is deposited in the United States mail, certified or registered, to the owner of said Lot.

Section 12. Foreclosure Sale. Any such foreclosure and subsequent sale provided for above is to be conducted in accordance with the laws of the State of Utah relating to liens, mortgages, and deeds of trust. The Association, through its 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.

Section 13. Curing of Default. Upon the timely curing of any default for which a notice of claim of lien was filed by the Association, the officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting owner of a fee, to be determined by the Association, but not to exceed \$25.00, to cover the costs of preparing and filing or recording such release, together with payment of such other costs, interest or fees as shall have been incurred.

Section 14. Cumulative Remedies. The assessment lien and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgement for unpaid assessments, as above provided.

Section 15. Subordination of Assessment Liens. If any Lot subject to a monetary lien created by any provision hereof shall be subject to the lien of a deed of trust: (1) the foreclosure of any lien created by anything set forth in this Declaration shall not operate to affect or impair the lien of such deed of trust; and (2) the foreclosure of the lien of deed of trust or the acceptance of a deed in lieu of foreclosure of the deed of trust shall not operate to affect or impair the lien hereof, except that the lien hereof for said charges as shall have accrued to the foreclosure or the acceptance of the deed in lieu of foreclosure shall be subordinate to the lien of the deed of trust, with the foreclosure-purchaser or deed-in-lieu grantee taking title free of the lien

hereof for all said charges that have accrued up to the time of the foreclosure of deed given in lieu of foreclosure, but subject to the lien hereof for all said charges that shall accrue subsequent to the foreclosure or deed given in lieu of foreclosure.

ARTICLE VII

General Provisions

Section 1. Enforcement. This Declaration may be enforced as follows:

(a) Breach of any of the covenants contained in this Declaration and the continuation of any such breach may be enjoined, by the Declarant, any Owner, the Association, or by the Architectural Committee. Any judgment rendered in any action or proceeding pursuant hereto 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.

(b) The result of every act or omission whereby any of the covenants contained in this Declaration are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance either public or private shall be applicable against every such result and may be exercised by Declarant, any Owner, the Association, or by the Architectural Committee.

(c) The remedies hereby provided for breach of the covenants contained in this Declaration shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

(d) The failure to enforce any of the covenants contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter.

(e) A breach of the covenants, conditions or restrictions contained in this Declaration shall not affect or impair the lien or charge of any bona fide first Mortgage made in good faith and for value on any residential Lot or the improvements thereon, provided, however, that any subsequent Owner of such property shall be bound by said covenants, whether such Owner's title was acquired by foreclosure in a trustee's sale or otherwise, but shall not be liable for prior breach.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Limited Liability. Neither Declarant, the Architectural Committee, the Association, nor any member, agent or employee of Declarant or the Architectural Committee shall be liable to any party for 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.

Section 4. Duration of Declaration. Any provision, covenant, condition or restriction contained in this Declaration or any Supplemental or Amended 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 Declaration is terminated as hereinafter provided, whichever first occurs. All other provisions, covenants, conditions and restrictions contained in this Declaration or in any Supplemental or Amended Declaration shall continue and remain in full force and effect until January 1, 2014 A.D., provided however, that unless at least one year prior to said time of expiration, there is recorded an instrument directing the termination of this Declaration, executed by Declarant and by the Owners of not less than 90% of the Lots then subject to this 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 Declaration is terminated by recorded instrument directing termination signed by the Declarant and by the Owners of not less than 90% of the Lots then subject to this Declaration as aforesaid.

Section 5. Amendment or Revocation. At any time while any provision, covenant, condition or restriction contained in this Declaration or any Supplemental or Amended Declaration is in force and effect, it may be amended or repealed by the recording of a written instrument specifying the amendment or the repeal, executed by Declarant and by the Owners of not less than 90% of the Lots then subject to this Declaration. No such amendment or repeal shall be effective with respect to the holder or successor or assign of the holder of a Mortgage recorded prior to recording of the instrument specifying the amendment or repeal unless such holder executes the said instrument.

Section 6. Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in any Lot in the Subdivision does and shall be conclusively deemed to have consented and agreed to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired an interest in the properties, or any portion hereof.

Section 7. Reservation of Easements.

(a) No Owner of a Lot shall interfere with the established points at which drainage enters and leaves his Lot.

(b) Declarant further expressly reserves (for a period not to exceed five (5) years after conveyance of the first Lot), for himself and his agents and employees, easements of access, ingress and egress, over the Lots, for the purpose of maintaining, repairing and installing water and other utility lines, drainage structures, sewer pipelines and laterals if necessary, in accordance with the provisions of this Declaration, and as otherwise provided by law.

(c) Owners shall take title to their respective Lots subject to all easements as shown on the recorded subdivision plat.

Section 8. Easements for City and County Public Service Use. There shall be and Declarant hereby reserves and covenants for itself and all future Owners within the Subdivision, 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 for the purpose of enforcing the law.

Section 9. 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 in the United States mail, postage prepaid, at the mailing address of such person, as listed on the tax roles or other records of the Summit County Assessor's or Treasurer's Office.

Section 10. Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community. 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.

Section 11. Severability. Invalidity or unenforceability of any provision of this Declaration or of any Supplemental or Amended Declaration in whole or in part shall not affect the validity or enforceability of any other provision or valid and enforceable part of a provision of this Declaration.

Section 12. Captions. The captions and headings in this instrument are for convenience only and shall not be considered in construing any provision, restriction, covenant or condition contained in this Declaration.

IN WITNESS WHEREOF, AC DEVELOPMENT, INC. has executed this Declaration the day and year first above written.

AC DEVELOPMENT, INC.,
a Utah Corporation

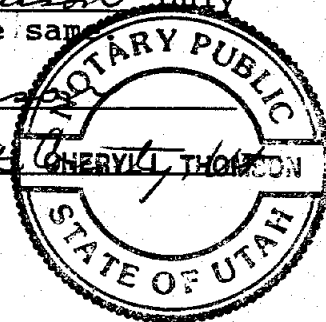
by: Evelyn M. Anderson

its: President

STATE OF Utah)
) : ss.
COUNTY OF Summit)

On the 21st day of February, 1990, appeared before me Evelyn M. Anderson who being by me duly sworn did say, that she is the President of AC DEVELOPMENT, INC., a Utah Corporation, and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its board of directors and said Evelyn M. Anderson duly acknowledged to me that said corporation executed the same.

Cheryl L. Thomson
NOTARY PUBLIC
Residing at: Summit



My Commission Expires:
9/21/91

800-557-PAGE 156

EXHIBIT "A"

Description of Mountain Ridge Subdivision
(with Quit Claimed Right-of-Way)
January 19, 1990

A parcel of land in the Northeast quarter section of Section 5, Township 2 South, Range 4 East, Salt Lake Base and Meridian described more in particular as follows:

Beginning at a point which is North 89°57'58" West 808.27 feet and North 06°25'41" East 1339.96 feet from the East Quarter corner of Section 5, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said point also being on the westerly line of Meadows Drive (Basis of bearing is North 00°09'43" East 2660.51 feet from the said East Quarter corner to the Northeast corner of said Section 5); thence South 59°00'00" West 128.73 feet along said westerly line to a point on a 473.00 foot radius curve to the left (center bears South 31°00'00" East 473.00 feet of which the central angle is 73°30'00"); thence southwesterly along the arc of said curve and westerly line 606.77 feet to the Northeast corner of Ridgeview Townhouses Condominiums and following along the boundary of said Condominiums the next five courses; 1) South 74°50'12" West 129.48 feet; 2) thence South 63°02'22" West 102.00 feet; 3) thence South 15°31'19" East 127.00 feet; 4) thence South 59°39'55" East 250.00 feet; 5) thence North 47°17'20" East 61.22 feet to the westerly line of Meadows Drive; thence South 23°00'00" East along said westerly line 158.95 feet to a point on a 527.00 foot radius curve to the right (center bears South 67°00'00" West 529.00 feet of which the central angle is 29°30'00"); thence southeasterly along the arc of said curve and westerly line 271.34 feet to a point of tangency; thence South 06°30'00" West along said westerly line 42.53 feet; thence North 89°57'58" West 515.44 feet; thence North 00°08'52" East 1333.00 feet; thence South 89°50'50" East 662.02 feet to the point of beginning.

EXHIBIT "A"
(Continued)

ALSO:

Beginning at a point which is North $89^{\circ}57'58''$ West 808.27 feet and North $06^{\circ}25'41''$ East 1339.96 feet from the East quarter corner of Section 5, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said point also being on the westerly dedicated right-of-way line of Meadows Drive (Basis of bearing is North $00^{\circ}09'43''$ East 2660.51 feet from the said East quarter corner to the Northeast corner of said Section 5); thence South $59^{\circ}00'00''$ West 128.73 feet along the said right-of-way line, to a point on a 473.00 foot radius curve to the left (center bears South $31^{\circ}00'00''$ East 473.00 feet of which the central angle is $06^{\circ}35'25''$); thence southwesterly along said curve and right-of-way line 54.38 feet to a point on a 15.00 foot radius curve to the left (center bears North $25^{\circ}00'22''$ East 15.00 feet of which the central angle is $47^{\circ}32'57''$); thence northeasterly along said curve 12.45 feet; thence North $59^{\circ}00'00''$ East 171.95 feet; thence North $30^{\circ}59'44''$ West 8.00 feet to the point of beginning.

Contains 11.81 acres more or less.

BDD: 557 PAGE 158

EXHIBIT "B"
PARK CITY MUNICIPAL CORPORATION REVIEW

1. In accordance with the requirements for preservation of natural features (Section 14.4.10 of the Park City Land Management Code), buildings shall be sited so as not to break prominent ridgelines, to preserve significant views to the property and to protect significant vegetation.

2. Design standards shall require architectural review of each building by the City and the subdivision architectural review committee prior to issuing building permit. Design standards shall include minimum and maximum square footage, maximum floor area to Lot area ratios (FAR's), building materials, colors, orientation and height limitations for each Lot.

3. Limits of disturbance shall be specified and staked with red construction tape for each Lot including excavations and other public improvements. Grading shall be permitted only for infrastructure and with full building permit issuance or as otherwise approved by the Community Development Director. Conformity with limits of disturbance shall be assured with a letter of credit or cash security provided by each Lot owner prior to commencement of grading or construction.

4. Design standards and limits of disturbance shall substantially conform to Exhibit "C" attached hereto.

EXHIBIT "C"

MOUNTAIN RIDGE SUBDIVISION ARCHITECTURAL DESIGN GUIDELINES AND RESTRICTIONS

PRELIMINARY APPROVALS OF LOT AND HOUSE PLANS

Preliminary sketches will be prepared in duplicate and shall contain floor plans, site plan, grading plan, elevations and landscape plans and be submitted to both the Mountain Ridge Architectural Committee and Park City Planning Staff for design concept approval before proceeding with final construction documents to allow the Architectural Committee and Park City to give an informed and preliminary approval or disapproval. Such review normally requires at least ten working days. The Architectural Committee and Park City shall not be finally committed or bound by any preliminary or informal approval or disapproval.

BUILDING MATERIALS

Materials used for external walls and chimneys must be of natural wood, stucco, or natural stone. Paint and stain colors on external surfaces must be earth tone (browns, tans, greens, and grays; not beige or white). Bright or brilliant colors are prohibited. Roofing materials must be natural wood shake, wood shingle (or similar), or dark color metal roofing (brown, grey, or black). Exposed concrete will be limited to one foot above finished grade. Composition roofing is prohibited.

LIMITS OF DISTURBANCE

Limits of disturbance (zone of no construction, excavation or vegetation removal) will be required on all site plans with areas of disturbance generally restricted to 15 feet around the proposed building and driveway. In no case shall the limits of disturbance for residence construction be closer than ten feet from side or rear property lines. Limits of disturbance will be staked with red construction tape prior to full building permit issuance.

HEIGHT LIMITS

Homes will be designed to step up and down the hillsides to follow the terrain and avoid the appearance of coming straight up out of the ground. Building of all Lots within the subdivision shall not be erected to a height greater than 25 feet as defined by the Park City Land Management Code. The ridge of a gable, hip, gambrel, or similarly pitched roof may extend up to five feet above the 25 foot limit to a maximum of 30 feet. This measurement applies to all elevations of the building, the intent being that buildings will conform with and reflect the natural contour of the land (see

Figures 1 and 2 as part of this exhibit). Further restrictions have been imposed on Lots 3, 4, 5, 8, 9 and 10 and these restrictions will be called out on the final plat as shown below.

1. Lots 3 and 4 maximum building elevation is 6,888.0 feet.
2. Lot 5* maximum building elevation is 6,888.0 feet.
3. Lot 8 maximum building elevation is 6,910.0 feet in zone 1 and 6,913.0 feet in zone 2.
4. Lots 9 and 10 the maximum building elevation is 6,905.0 feet.
5. All elevations are based upon elevation of the north rim of storm sewer manhole in Meadows Drive 400 feet north of the intersection with Crestline Drive and 10 feet west of road centerline. The elevation of the manhole rim is 6781.40 feet.

***Lot #5 - ADDITIONAL RESTRICTIONS**

1. At no place shall there be more than two floors above natural (existing) grade level.
2. No finish floor will be permitted to be more than 14 feet above natural (existing) grade at any point.
3. Facade variation: no vertical walls shall extend more than 30 feet horizontally on any facade at which point it must be varied by at least five feet.
4. No walls will extend higher than 25 feet from the natural grade on the southeast and southwest corner of the residence.

MINIMUM/MAXIMUM BUILDING SIZES

The minimum total square footage of habitable space shall be 2,200 square feet with the main floor being a minimum of 1,300 square feet of habitable space.

Maximum building and floor sizes are as follows:

- A. Maximum main floor level will be approximately 14% of Lot size to a maximum of 2,800 square feet, as shown on the following chart.
- B. Upper floor may be up to 60% of main floor (see Figures 1 and 2 as part of this exhibit).
- C. Lower floor/basement up to 60% of main floor habitable space (see note on Figures 1 and 2 as part of this exhibit).
- D. Total square footage of habitable space shall not exceed

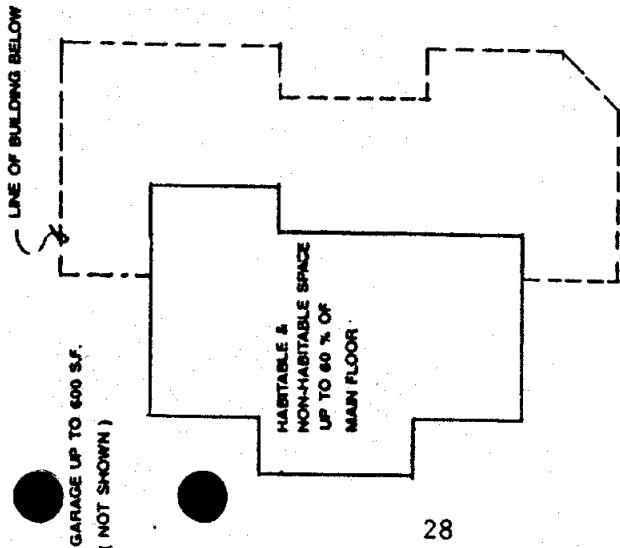
approximately 24% of the Lot area or 4,600 square feet, whichever is less, as shown on the following chart.

- E. In basement areas, non-habitable spaces used for storage, mechanical equipment and similar uses are not counted as part of total square footage.
- F. Garages less than 600 square feet are not counted as part of main floor square footage or total square footage.
- G. When garage exceeds 600 square feet and is located on main floor level, that portion of the garage which exceeds 600 square feet shall be counted as part of the allowable main floor square footage.
- H. Garages located on basement level would not be counted as habitable space, however, in no case shall basement level exceed total square feet allowed on main level (see figures 1 and 2 as part of this exhibit).

<u>Lot Number</u>	<u>Maximum Main Floor Square Footage</u> (Exclusive of Garage Up to 600 sq. ft.)	<u>Maximum Total Square Footage</u> (Exclusive of Garage Up to 600 sq. ft.)
No. 1	2,101	3,616
No. 2	2,622	4,509
No. 3	2,790	4,600
No. 4	2,457	4,226
No. 5	2,800	4,600
No. 6	2,800	4,600
No. 7	2,800	4,600
No. 8	2,800	4,600
No. 9	2,018	3,474
No. 10	1,855	3,194
No. 11	1,826	3,144
No. 12	1,864	3,210
No. 13	1,886	3,247
No. 14	1,943	3,344
No. 15	1,840	3,169
No. 16	2,147	3,695
No. 17	2,210	3,803
No. 18	2,800	4,600
No. 19	2,108	3,628
No. 20	2,080	3,579
No. 21	1,800	2,800

FIRE PROTECTION

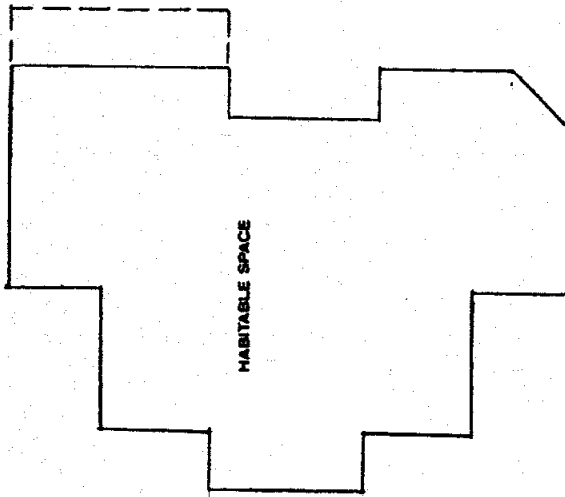
Unless specifically exempted by the City, Fire sprinklers shall be required inside and outside on all buildings.



UPPER FLOOR

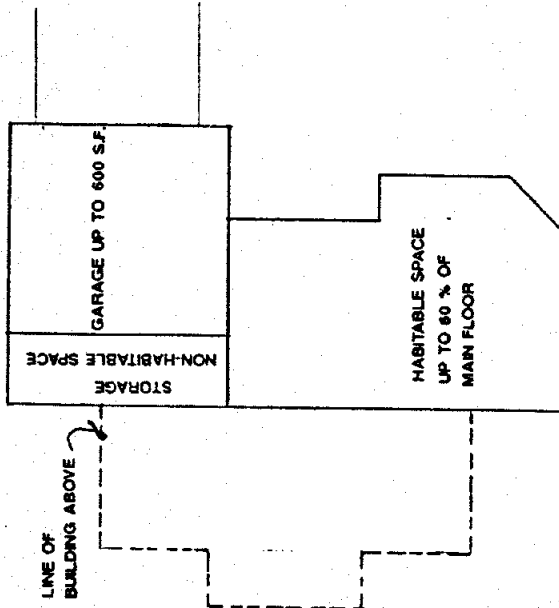
1. Upper floor maximum square footage up to 60% of main floor square footage, this would include both habitable and non-habitable space, except for permitted garages per Note 2.
On lots where access is provided from the high end of the property garages on the upper level or above, up to 600 square feet are allowed and would not be counted as part of the allowable upper floor square footage.

GARAGE UP TO 600 S.F.
(NOT SHOWN)



MAIN FLOOR

1. Main floor maximum square footage as defined in C.C. & R.'s.
Garage up to 600 square feet does not count towards main floor square footage. Garage square footage in excess of 600 square feet shall be counted as habitable space and reduce the allowable main floor square footage by the amount in excess of 600 square feet.
- 2.

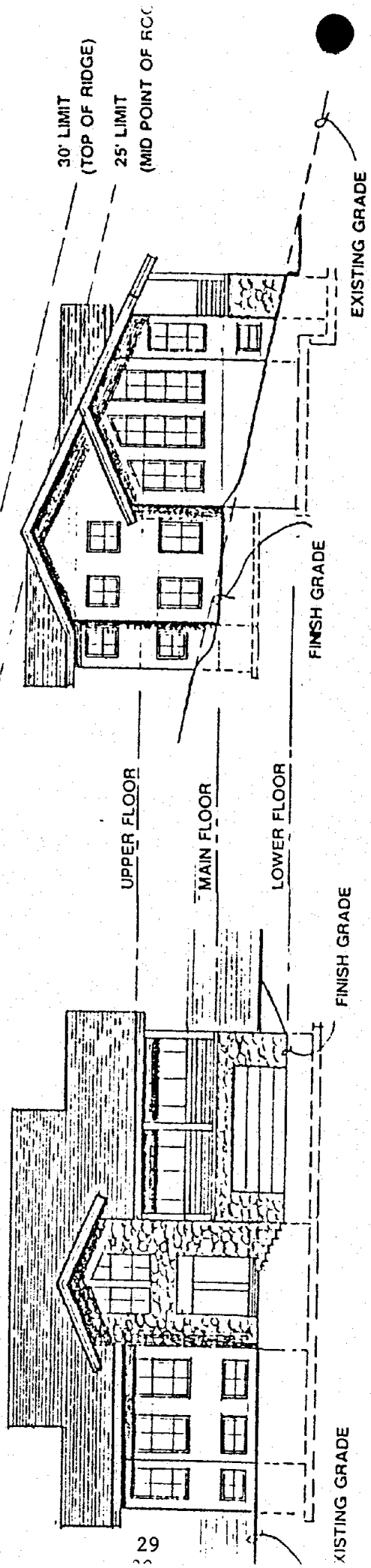


LOWER FLOOR

1. Lower floor, maximum square feet of habitable space is limited to 60% of main floor.
2. Garages and non-habitable spaces such as storage rooms and mechanical rooms may be added.
3. Maximum total square footage of lower floor including garages, habitable and non-habitable spaces shall not exceed the main floor square footage.

MAXIMUM SQUARE FOOTAGE PER FLOOR

FIGURE 1



FRONT ELEVATION

SIDE ELEVATION

EXAMPLE OF TYPICAL BUILDING ELEVATION MEETING MAXIMUM HEIGHT CRITERIA.

FIGURE 2

EXHIBIT "D"
ARTICLES OF INCORPORATION

OF

MOUNTAIN RIDGE SUBDIVISION OWNERS ASSOCIATION

A NON-PROFIT CORPORATION

The undersigned natural person over the age of twenty-one (21) years, acting as the incorporator of a non-profit corporation under the Utah Non-Profit Corporation Cooperative Association Act, hereby adopts the following Articles of Incorporation for said corporation:

ARTICLE I

NAME

The name of the corporation hereby created shall be:

MOUNTAIN RIDGE SUBDIVISION OWNERS ASSOCIATION

ARTICLE II

DURATION

The corporation shall continue in existence perpetually unless dissolved according to law.

ARTICLE III

PURPOSES

The purposes for which the corporation is organized are:

a. To engage in such business activities and pursuits as may be reasonably related to maintenance and operation of an association of property owners within the Mountain Ridge Subdivision.

b. To engage in any and all other lawful pursuits, whether similar or dissimilar to the foregoing.

BOOK 557 PAGE 165

ARTICLE IV

MEMBERSHIP

The corporation shall have members consisting of persons owning Lots in the Mountain Ridge Subdivision situated in Park City, Summit County, State of Utah (herein designated the "Lots").

No person who has conveyed or otherwise disposed of his ownership interest in Lot shall thereafter be entitled to hold or retain the membership in the corporation which is appurtenant to said Lot. The conveyance or other disposition by a person entitled to a membership in the corporation of all such person's ownership interest in the Lot shall be deemed to constitute, and may be treated by the corporation as, a transfer and conveyance by such person to such person's successor in interest in ownership of said Lot of the membership appurtenant to said Lot, and the corporation shall be entitled to cancel the membership certificate with relation to such membership, whether or not said certificate is surrendered, and reissue the same to the new owner or owners upon such terms and conditions as the Board of Trustees shall direct.

ARTICLE V

MEMBERSHIP CERTIFICATES

The corporation shall issue a membership certificate to each person entitled to membership in the corporation, as above provided, to evidence such person's membership interest therein.

ARTICLE VI

TRUSTEES

The corporation shall have a Board of Trustees, which shall consist of a variable number of trustees of from three (3) to nine (9) as prescribed by the By-Laws. Election or removal of Trustees may be accomplished by cumulative voting of the members. the initial Board shall consist of three (3) trustees. The names and addresses of the persons who are to serve as trustees until their successors are duly elected and qualify are:

Name

Address

BDD. 557 PAGE 166

ARTICLE VII

INCORPORATOR

The name and address of the incorporator of the corporation is:

Name

Address

ARTICLE VIII

INITIAL PRINCIPAL OFFICE

The location and street address of the initial principal office of the corporation is:

which office may be changed at any time by the Board of Trustees without amendment of these Articles of Incorporation. The name of the initial registered agent at such address is _____

DATED this ____ day of _____, 1989.

STATE OF UTAH)
 : ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this ____ day of _____, 1989, by _____.

NOTARY PUBLIC

Residing at: _____

My Commission Expires:

800- 557 PAGE 167

ACKNOWLEDGMENT

The undersigned, _____, hereby acknowledges that he has been named as registered agent of the Mountain Ridge Subdivision Owners Association, a Utah corporation to be formed pursuant to Articles of Incorporation to which this Acknowledgment is attached, and hereby agrees to act as registered agent of said corporation.

STATE OF UTAH)
): ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this ___ day of _____, 1989, by _____.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

BOOK 557 PAGE 168

EXHIBIT "E"

BY-LAWS

OF

MOUNTAIN RIDGE SUBDIVISION OWNERS ASSOCIATION

A NON-PROFIT CORPORATION

ARTICLE I

OFFICE

The principal office of the Mountain Ridge Subdivision Owners Association (herein designated the "Association") shall be situated in Park City, Summit County, State of Utah.

ARTICLE II

MEETINGS OF MEMBERS

Section 2.1 -- Annual Meeting. The annual meeting of the members shall be held at 7:00 p.m. on the second Monday in August of each year at the principal office of this Association, or at such other place as shall be stated in the notice of meeting or in a duly executed waiver of notice; provided, however, that, whenever such date falls upon a legal holiday, the meeting shall be held on the next succeeding business day, and further provided that the Board of Trustees may by resolution fix the date of the annual meeting at such other date as the Board may deem appropriate. At such meeting the members shall elect trustees for one (1) year terms to serve until their successors shall be elected and shall qualify. Only members of the Association shall be elected trustees; provided however, that officers and/or duly authorized agents of corporate members or members which are condominium associations may also be elected trustees of the Association.

Section 2.2 -- Special Meetings. Special meetings of the members may be called by the President, by a majority of the Board of Trustees or by any number of members whose holdings shall not be less than one-third (1/3) of the membership of the Association.

Section 2.3 -- Notice of Meetings. Notice of all annual and special meetings of the members shall be given in accordance with the statutes of the State of Utah. Whenever all of the members shall meet in person or by proxy, such meetings shall be valid for all purposes without call or notice, or waiver of call and notice. No notice of any meeting of members shall be necessary if waiver of notice be signed by all of the members, whether before or after the time of the meeting.

Section 2.4 -- Presiding Officer. The President, and in his absence a Vice President, shall preside at all such meetings.

Section 2.5 -- Voting Requirements. When a quorum is present in person or represented by proxy at any meeting, the vote of a majority of the votes entitled to be cast shall decide any question brought before such meeting, including the election of trustees, unless the question is one upon which, by express provision of the statutes of the State of Utah or of the Articles of Incorporation or of these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. All votes may be cast by the members either in person or by proxy. All proxies shall be in writing, and, in the case of proxies for the annual meeting, they shall be delivered to a credentials committee consisting of the President, a Vice President and Secretary of the Association at least ten (10) days prior to said annual meeting. Proxies for special members meetings must be of record with the credentials committee at least five (5) days prior to the holding of such special members meetings. If instructed, the Secretary shall enter a record of such proxies in the minutes of the meeting. All matters to be voted upon by the members shall be presented to and voted upon by the members holding membership. Each member shall be entitled to one vote for each square foot of real property owned by said member which is included in the real property described in Exhibits A and B attached hereto and by this reference made a part hereof (herein designated the "Abutting Property"). In the event any of the Abutting Property is part of a condominium project, the member shall be deemed to be the condominium association which shall have the right to vote the votes to which such membership is entitled.

Section 2.6 -- Registered Members. At annual meetings of the members only such persons shall be entitled to vote in person or by proxy as appear as members upon the transfer books of the Association on the 30th day before such annual members meeting. The Board of Trustees may, by resolution, fix a date in advance of the date of special members meetings upon which a member must appear as a member of record on the Association's transfer books in order to be entitled to vote at such special members meetings; provided, however, that said date shall in no event be fixed at less than ten (10) nor more than thirty (30) days prior to the date set for such meeting.

Section 2.7 -- Quorum. At any meeting of the members, the holders of a majority of the voting power of the Association present in person or by proxy shall constitute a quorum of the members for all purposes. In the absence of a quorum, a subsequent meeting may be called and holders of not less than 25% of the voting power of the Association shall constitute a quorum of the members for all purposes. No such subsequent meeting shall be held more than 30 days following the preceding meeting. At any such subsequent meeting at which a quorum shall be present, any business

may be transacted which might have been transacted at the meeting as originally notified.

Section 2.8 -- Waiver of Irregularities. All inaccuracies and/or irregularities in calls, notices of meeting, the manner of voting, form of proxies, credentials and method of ascertaining those present shall be deemed waived if no objection is made at the meeting.

ARTICLE III

BOARD OF TRUSTEES

Section 3.1 -- Responsibilities. The business and property of the Association shall be managed by a Board of Trustees (herein designated and referred to as the "Board of Trustees"). The Board of Trustees may, however, enter into such management agreement or agreements with third persons as it may deem advisable.

Section 3.1 -- Number, Tenure, Qualifications and Vacancies. The number of Trustees of the Association shall be three (3). Each Trustee shall hold office until the next annual meeting of the members and until his successor shall have been elected and qualified. Trustees need not be residents of the State of Utah. In case of any vacancy in the Board of Trustees, the remaining members of the Board may elect a successor trustee or trustees to hold office until the next meeting of the members.

Section 3.3 -- Regular Meetings. A regular annual meeting of the trustees shall be held immediately after the adjournment of each annual members meeting at the place at which such members meeting was held. Regular meetings, other than the annual meeting, shall be held at regular intervals at such places and at such times as the Board of Trustees may from time to time by resolution provide.

Section 3.4 -- Special Meetings. Special meetings of the Board of Trustees shall be held whenever called by the President, the Vice President or by a majority of the Board. By unanimous consent of the trustees, special meetings of the Board may be held without call or notice at any time or place.

Section 3.5 -- Quorum. A quorum for the transaction of business at any meeting of the trustees shall consist of a majority of the trustees then in office.

Section 3.6 -- Committees. The Board of Trustees may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of two (2) or more of the members of the Association, which to the extent provided in said resolution, shall have and may exercise the powers in said resolution set forth. Such committee or committees shall have such

name or names as may be determined from time to time by resolution adopted by the Board of Trustees. Such committees shall keep regular minutes of their proceedings and report the same to the Board of Trustees when required. The President may appoint persons to fill vacancies on each of said committees occasioned by death, resignation, removal or inability to act for any extended period of time.

Section 3.7 -- Compensation. Trustees shall not receive any stated salary for their service.

Section 3.8 -- Additional Facilities. The Board of Trustees shall have the authority to provide such facilities, in addition to those for which provision has already been made, as it may deem to be in the interest of the members.

ARTICLE IV

OFFICERS

Section 4.1 -- Selection of Officers. The Board of Trustees shall elect or appoint the officers of the Association. Such election or appointment shall regularly take place at the first meeting of the trustees immediately following the annual meeting of the members; provided, however, that election of officers may be held at any other meeting of the Board of Trustees.

Section 4.2 -- Additional Officers. The Board of Trustees may appoint such other officers, in addition to the officers hereinbelow expressly named, as they shall deem necessary, who shall have such authority to perform such duties as may be prescribed from time to time by the Board of Trustees or by the President.

Section 4.3 -- Removal. All officers and agents shall be subject to removal, with or without cause, at any time by the affirmative vote of the then members of the Board of Trustees.

Section 4.4 -- President. The President shall be the chief executive officer of the Association and shall exercise general supervision over its property and affairs. He shall sign on behalf of the Association all membership certificates, conveyances, mortgages and contracts and shall do and perform all acts and things which the Board of Trustees may require of him. The President shall be invited to attend meetings of each committee.

Section 4.5 -- Vice President. In the event of the President's absence or inability to act, the Vice President shall have the powers of the President. He shall perform such other duties as the Board of Trustees may impose upon him.

Section 4.6 -- Secretary. The Secretary shall keep the minutes of the Association, its membership books and such books and records as these By-Laws or any resolution of the trustees may require him to keep. He shall be the custodian of the seal of the Association and shall affix the seal to all papers and instruments requiring it. He shall perform such other services as the Board of Trustees may impose upon him. One or more Assistant Secretaries may be elected, who shall, in the event of the Secretary's absence or inability to act, perform the duties and functions of the Secretary.

Section 4.7 -- Treasurer. The Treasurer shall have the custody and control of the funds of the Association, subject to the action of the Board of Trustees and shall, when requested by the President so to do, report the state of the finances of the Association at each annual meeting of the members and at any meeting of the trustees. He shall perform such other services as the Board of Trustees may require of him.

ARTICLE V

SEAL

The seal of the Association shall be impressed as follows:

ARTICLE VI

MEMBERSHIP CERTIFICATES

Section 6.1 -- Form of Certificates. The Association shall issue certificates evidencing each membership.

Section 6.2 -- Issuance. All membership certificates shall be signed by the President or Vice President and by the Secretary or an Assistant Secretary, and the seal of the Association shall be impressed thereon.

Section 6.3 -- Transfer. Except as provided in Section 6.1 membership certificates shall be transferred on the books of the Association by assignment made by the member, his attorney-in-fact or legal representative, and by delivery of the certificate to the Secretary of the Association for transfer, together with such further supporting documents as the Association may reasonably require. Each certificate surrendered for transfer shall be marked "Cancelled" by the Secretary and the cancelled certificate shall be affixed to its stub.

Section 6.4 -- Lost Certificates. Should the owner of any membership certificate make application to the Association for the issuance of a duplicate certificate by reason of the loss or destruction of his certificate, he shall accompany his application by an affidavit setting forth the time, place and circumstances of such loss or destruction, and agreeing to indemnify the Association against such loss as the Association may suffer by reason of the issuance of a duplicate certificate or the refusal to recognize the certificate that was allegedly lost or destroyed. Upon satisfaction of the foregoing, a duplicate certificate may be issued. The duplicate certificate shall be marked "Duplicate", and the stub of the certificate lost or destroyed shall indicate the issuance of the duplicate.

ARTICLE VII

DIVIDENDS

There shall be no dividends paid or payable by the Association. It is hereby acknowledged that the Association is organized as a non-profit corporation under the Utah Non-Profit Corporation Cooperative Association Act solely and strictly as an association of Lot owners to act as an agent for said owners in the management of the Project. It is not intended that the Association realize any profit on any transaction.

ARTICLE VIII

ANNUAL STATEMENT

The Board of Trustees shall present at each annual meeting, and when called for by a vote of the members at any special meeting of the members, a full and complete statement of the business and condition of the Association.

ARTICLE IX

FISCAL YEAR

The fiscal year of the Association shall be the calendar year ending December 31,

ARTICLE X

AMENDMENTS

These By-Laws may be altered or repealed by the affirmative vote of a majority of the members at any regular meeting of the

members or at any special meeting of the members if notice of the proposed alteration or repeal be contained in the notice of such special meeting.

Trustee

Trustee

Trustee