

DEVELOPMENT AGREEMENT

Triple Crown

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This DEVELOPMENT AGREEMENT (the "Agreement") is entered into as of this 10 day of July, 2007, by and between Wallace Investments, LLC, Utah limited liability company (hereinafter called "Developer"), and Wasatch County, a political subdivision of the State of Utah (hereinafter called the "County"). Developer and the County are hereinafter referred to individually as a "Party" and collectively as the "Parties." This Agreement supersedes and replaces any previous agreements entered into or representations made by and between Developer and the County involving the Property (defined below).

RECITALS

- A. The County, acting pursuant to its authority under Utah Code Ann. Section 17-27-101, et seq., and Section 17-53-223, and Section 17-53-302(13), as amended, and in furtherance of its land use policies, goals, objectives, ordinances, and regulations, in the exercise of its discretion, has elected to approve and enter into this Agreement.
- B. Developer has a legal interest in certain real property consisting of approximately 95 acres located in the unincorporated portion of the County, as described in Exhibit A attached hereto.
- C. Developer has requested approval to develop the real property described in Exhibit A as a Residential Subdivision consisting of 61 Equivalent Residential Units or lots (hereinafter referred to as "ERUs"), together with other uses, as more particularly described in Section 2 of this Agreement. This development is commonly known as The Triple Crown Subdivision and is more particularly described in a Plat on file with the Wasatch County Recorder, which Plat is incorporated by reference herein.
- D. The County desires to enter into this Agreement because the Agreement establishes planning principles, standards, and procedures to: (1) eliminate uncertainty in planning and guide the orderly development of the Property consistent with the County General Plan, the County Development Code, and the conditions imposed by the Planning Commission and County Legislative Body; (2) mitigate significant environmental impacts; (3) ensure installation of necessary on-site and off-site public improvements; (4) provide for the preservation of substantial permanent open space; (5) make provision for trail facilities; (6) provide for the timely payment of all fees and charges, including impact fees in the amounts set forth herein; (7) ensure that public services appropriate to the development of the Property are provided; (8) provide affordable housing; (9) provide for the maintenance of facilities, trails and open space within the development during construction and after completion; and (10) otherwise achieve the goals and purposes of the County and Developer.
- E. Developer desires to enter into this Agreement to ensure that Developer may proceed with the Project in accordance with the "Applicable Law" (defined below).

- F. The County has undertaken review and planning actions relating to the development of the Property and the Project. These actions are set forth in the official minutes and record of the County Planning Commission and the County Legislative Body. A condition of final approval of the Project is that Developer enter into and abide by the terms of this Agreement. The terms of this Agreement apply to the Project, and to any and all phases or plats therein. These various review and planning actions are collectively referred to herein as the "Current Approvals."
- G. On July 13, 2006, following a duly noticed public hearing, the County Legislative Body granted final approval to Developer, subject to Developer entering into this Agreement.
- H. By developing the Project in accordance with this Agreement, the Project shall be in compliance with the Wasatch County General Plan and all development ordinances, resolutions, rules, regulations, policies, standards, and directives of the County.
- I. Each Party acknowledges that it is entering into this Agreement voluntarily.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and provisions set forth herein, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

Section 1. EFFECTIVE DATE AND TERM

1.1 Effective Date. This Agreement shall become effective on the date it is executed by Developer and the County (the "Effective Date"). The Effective Date shall be inserted in the introductory paragraph preceding the Recitals.

1.2 Term. The term of this Agreement (the "Term") shall commence upon the Effective Date and continue for a period of twenty-five (25) years. Unless otherwise agreed between the County and Developer, Developer's vested interest(s) and right(s) contained in this Agreement expire at the end of the Term, or upon termination of this Agreement.

Upon termination of this Agreement, for any reason, the obligations of the Parties to each other hereunder shall terminate, but none of the licenses, building permits, or certificates of occupancy granted prior to expiration of the Term or termination of this Agreement shall be rescinded or limited in any manner. No easements, maintenance requirements, or other agreements intended to run with the land shall expire.

Section 2. DEFINITIONS

Any term or phrase used in this Agreement that has its first letter capitalized shall have that meaning given to it in this section.

"Applicable Law" shall have that meaning set forth in Section 4.2 of this Agreement.

"Approval Date" shall mean the date set forth in Recital G of this Agreement.

"Changes in the Law" shall have that meaning set forth in Section 4.2 of this Agreement.

"Conditions to Current Approvals" shall have the meaning set forth in Section 3.1(b) of this Agreement.

"County" shall mean Wasatch County and shall include, unless otherwise provided, any and all of the County's agencies, departments, officials, employees or agents.

"County General Plan" or "General Plan" shall mean the General Plan of Wasatch County, adopted December 10, 2001.

"Current Approvals" shall have the meaning set forth in Recital F of this Agreement.

"Developer" shall have that meaning set forth in the preamble, and shall include Developer's successors in interest and assigns.

"Director" shall mean the Director of the Wasatch County Planning Department, or his or her designee.

"Effective Date" shall have that meaning set forth in Section 1.1 of this Agreement.

"Home Owners' Association" means the Triple Crown Home Owners' Association, a non-profit corporation formed in accordance with the state and federal law and authorized to impose fees sufficient to perform the maintenance obligations transferred to it by Developer.

"Planning Commission" shall mean the Wasatch County Planning Commission.

"Project" shall mean the Property and the development on the Property which is the subject of this Agreement, including all phases or plats regularly approved by the County and any ancillary and additional improvements or endeavors incident to the development of the Project.

"Project Improvements" shall mean all infrastructure improvements intended for public or private use and located within the boundaries of the Project, including but not limited to sewer lines, water lines, roads, electricity, gas, telephone, detention basins, curb and gutter, trails, recreational facilities, and open space.

"Property" shall mean the parcel or parcels of land which are the subject of this Agreement and which are more particularly described in Exhibit A.

Section 3. OBLIGATIONS OF DEVELOPER AND THE COUNTY

3.1 Obligations of Developer.

(a) ***Generally.*** The Parties acknowledge and agree that the County's agreement to perform and abide by the covenants and obligations of the County set forth herein is material consideration for Developer's agreement to perform and abide by the covenants and obligations of Developer set forth herein.

(b) **Conditions to Current Approvals.** Developer shall comply with all of the following Conditions to Current Approvals:

- (1) ***Compliance With Conditions Imposed By County:*** Developer agrees to comply with any and all conditions imposed by the Planning Commission or the County Legislative Body during the permitting and approval process as set forth in the official minutes of the County Planning Commission and County Legislative Body.
- (2) ***Payment of Administrative Fees:*** Developer agrees to pay all generally applicable Wasatch County fees as a condition of developing the Property and Project.
- (3) ***Payment of Impact Fees:*** Wasatch County has enacted an impact fee ordinance. Subject to adjustments approved by the Director and/or the County Legislative Body, Developer agrees to pay the Wasatch County impact fees due and payable in connection with any structure built by Developer, or Developer's agent, employee, contractor, or subcontractor.
- (4) ***Affordable Housing:*** To comply with the County Affordable Housing Ordinance, Developer will enter into and agree to be bound by a separate Affordable Housing Agreement, dated as of the Effective Date of this Agreement and recorded in the office of the Wasatch County Recorder. The Affordable Housing Agreement shall be entered into within 60 days of the Effective Date of this Agreement and shall be in a form substantially similar to that attached hereto as Exhibit B.
- (5) ***Special Service District Fees, and Charges:*** The following services will be provided to the Project by special service districts, or other approved entity, each of which has issued to Developer a "will serve" letter, copies of which are attached hereto as Exhibit C and incorporated by reference herein:

Service	Entity Providing Service
Culinary Water	Twin Creeks Special Service District
Irrigation Water	Lake Creek Irrigation (Not a SSD)
Trash Removal	Wasatch County Solid Waste Special Service District
Sanitary Sewer	Twin Creeks Special Service District

Developer agrees to pay any and all fees imposed by the District in connection with development of the Project, including (but not limited to) fees for plan check and engineering review.

- (6) ***Construction of Project Improvements:*** All Project Improvements within each phase of the Project shall be inspected and accepted by the County in writing prior to the issuance of any building permit within that phase.
- (7) ***Phasing:*** Unless otherwise stated herein, Developer may in his or her discretion develop the Project in phases. In developing each phase, Developer shall ensure the logical extension of the Project Improvements through each phase and throughout the Project, all in conformance with the requirements of this Agreement, the Applicable Law, and the requirements imposed by the County Planning Commission and County Legislative Body.

- (8) **Construction and Maintenance of Recreational Facilities:** Developer shall construct the public trails. The canal bank trail will be constructed using the Soft Surface trail cross section and follow the requirements identified for this standard in Appendix 3 of Title 16. The Creek Trail shall be an 8-foot Asphalt Trail and shall also follow the requirements in Appendix 3. These facilities are constructed in conjunction with the Project in accordance with the following schedule:

Recreational Facility	Date of Substantial Completion
Non-Motorized Public Trails	Prior to issuance of first CO

Developer shall maintain the above-described recreation facilities in all respects. Developer shall show and dedicate the 20-foot public trail easements on the plat. This obligation may be transferred to the Home Owner's Association. Maintenance provided by Developer or the Home Owners' Association shall meet or exceed a standard of reasonableness and safety as established by the County. In the event Developer or the Home Owners' Association fails to maintain the recreational facilities, the County may (but is not obligated to) maintain them. The market value of the cost of this maintenance is hereby agreed to and shall constitute a valid lien on the Property and its lots on parity with and collected at the same time and in the same manner as general County taxes that are a lien on the Property.

- (9) **Maintenance of Open Space and Public Trails:** Developer has granted to the County an open space easement attached hereto as Exhibit D and incorporated by reference herein. Developer has also reserved certain portions of the Project as Public trails which shall be dedicated to for the perpetual use of the public as detailed in the Trail Plan attached hereto as Exhibit E and incorporated by reference herein. Developer shall be responsible to maintain the open space and trails in all respects, including but not limited landscaping, irrigation, and weed control. This obligation shall be transferred by written agreement to the Home Owners' Association. Maintenance provided by Developer or the Home Owners' Association shall meet or exceed a standard of reasonableness and safety as established by the County. In the event Developer or the Home Owners' Association fails to maintain the open space and trails, the County may (but is not obligated to) maintain them. The market value of the cost of this maintenance is hereby agreed to and shall constitute a valid lien on the Property and its lots on a parity with and collected at the same time and in the same manner as general County taxes that are a lien on the Property.

- (10) **Maintenance and bonding of landscaping of retention ponds and common open spaces:** Developer will provide a landscaping and irrigation plan for the two retention ponds and common open space near the 400 S entrance in the Triple Crown subdivision. The landscaping and irrigation will be bonded with the Planning Department at an amount approved by the County.

(11) ***Architectural Renderings and Landscape Plan:*** Developer has submitted to the County the Architectural Renderings attached hereto as Exhibit F and incorporated by reference herein. These Architectural Renderings shall guide future development of the Project. Developer has also submitted to the County and agrees to be bound by the Landscape Plan attached hereto as Exhibit G and incorporated by reference herein.

(12) ***Bonding:***

- a. ***Performance Bonds and Warranty Bonds.*** Developer shall post performance and warranty bonds in relation to the Project. The bonds shall conform to the requirements of section 16.27.18 of the Wasatch County Code.
- b. ***Maintenance Bonds.*** Developer shall post a bond of either cash or an irrevocable letter of credit on a form approved by the County in an amount equal to the annual maintenance expense for open space, trails, and recreational facilities within the Project. If Developer transfers these obligations by written agreement to the Home Owners' Association, the County may waive the maintenance bond requirement for that portion of the Project under the Home Owners' Association's jurisdiction, subject to the County being provided with evidence of the Association's financial ability to maintain the open space, trails, and recreational facilities.

(13) ***600 South Road extension:*** Developer agrees to deposit with the County \$166,672.50 which is the estimated amount, to build ½ of the 600 South road and bridge as it extends from their south western most property line to their southeastern corner, to where it meets with the Beaufontaine Project. (see exhibit G) Developer will also deed ½ of the property necessary for said proposed roadway to Wasatch County to be held for future development. (see attached legal) If it is ever determined that the roadway will not be built, or if it has not been built by the time this agreement ends, the amount originally escrowed for the development of 600 South will be returned to the developer with interest, also the County may, but is not required to vacate the public road and deed the property to adjacent property owners in Triple Crown,

(14) A 20' easement along both sides of both creeks will be granted to the County and shown on the plat for access for any future maintenance work. The area in the easement will be restricted to landscaping that will not impede access for flood control or maintenance. No structures, fences or irrigation lines will cross the area. Only lawn will be allowed in the area. No personal bridges will be allowed to cross the creek except through written permission by the County.

3.2 Obligations of the County.

(a) ***Generally.*** The Parties acknowledge and agree that Developer's agreement to perform and abide by the covenants and obligations of Developer set forth herein is material consideration for the County's agreement to perform and abide by the covenants and obligations of the County set forth herein.

(b) ***Conditions to Current Approvals.*** The County shall not impose any further Conditions to Current Approvals other than those detailed in this Agreement and in the official minutes of the County Planning Commission and County Legislative Body, unless agreed to in writing by the Parties.

(c) **Acceptance of Project Improvements.** The County agrees to accept all Project improvements intended for public use and constructed by Developer, or Developer's contractors, subcontractors, agents or employees, provided that (1) the Wasatch County Building and Engineering Department reviews and approves the plans for any Project improvements prior to construction; (2) Developer permits Wasatch County Building and Engineering representatives to inspect upon request any and all of said Project improvements during the course of construction; (3) the Project improvements have been inspected by a licensed engineer who certifies that the Project improvements have been constructed in accordance with the plans and specifications; (4) Developer has warranted the Project improvements as required by the Wasatch County Building and Engineering Department; and (5) the Project improvements pass a final inspection by the Wasatch County Building and Engineering Department. In the case of open space, landscaping, and public trails, the Planning Department will perform the reviews, approvals, and inspections described above.

(d) **Additional Obligations of the County.**

1. **Road Maintenance:** The roads in the Project shall be public roads. After the roads have been constructed in accordance with County standards and the County has accepted them, the roads shall be Class B roads and shall be placed on the County Class B road map. The County shall maintain the roads, providing the same level of service provided to other Class B roads in the County. The priority and method of maintenance shall be determined in the sole discretion of the County.
2. **Snow Removal:** The County shall provide snow-removal on the public roads in the Project. The County shall provide the same level of service provided to other Class B roads in the County. The priority and method of snow-removal shall be determined in the sole discretion of the County.
3. **Creek Bed Maintenance:** The developer will grant to the County 20 foot easements along each side of the channels on the North and South arms of Lake Creek. The county shall provide the maintenance along these creeks. The county agrees to use the north side of each channel as reasonably feasible for maintenance or emergency issues. The County will, only access the creeks from the south in emergency or when not reasonably feasibly to use the north side easement.

Section 4. VESTED RIGHTS AND APPLICABLE LAW

4.1 **Vested Rights.**

(a) **Generally.** As of the Effective Date of this Agreement, Developer shall have the vested right to develop the Property in accordance with this Agreement and Applicable Law.

(b) **Reserved Legislative Powers.** Nothing in this Agreement shall limit the future exercise of the police power by the County in enacting zoning, subdivision, development, transportation, environmental, open space, and related land use plans, policies, ordinances and regulations after the date of this Agreement. Notwithstanding the retained power of the County to enact such legislation under its police power, such legislation shall not modify Developer's vested right as set forth herein unless facts and circumstances are present which meet the exceptions to the vested rights doctrine as set forth in Western Land Equities, Inc. v. City of Logan, 617 P.2d 388 (Utah, 1988), its progeny, or any other exception to the doctrine of vested rights recognized under state or federal law.

4.2 Applicable Law.

(a) Applicable Law. Unless otherwise provided herein, the rules, regulations, official policies, standards and specifications applicable to the development of the Property (the "Applicable Law") shall be those rules, regulations, official policies, standards and specifications, including County ordinances and resolutions, in force and effect on the date the County Legislative Body granted preliminary approval to Developer. However, notwithstanding the foregoing, any person applying for a building permit within the Project shall be subject to the building, electrical, mechanical, plumbing, and fire codes, and other County ordinances relating to the placement and construction of the proposed structure, that are in effect at the time the person files with the County a completed application for building permit.

(b) State and Federal Law. Notwithstanding any other provision of this Agreement, this Agreement shall not preclude the application of changes in laws, regulations, plans or policies, to the extent that such changes are specifically mandated and required by changes in state or federal laws or regulations ("Changes in the Law") applicable to the Property. In the event the Changes in the Law prevent or preclude compliance with one or more provisions of this Agreement, such provisions of the Agreement shall be modified or suspended, or performance thereof delayed, as may be necessary, to comply with the Changes in the Law.

Section 5. AMENDMENT

5.1 Amendments Generally. Unless otherwise stated in this Agreement, the Parties may amend this Agreement by mutual written consent. No amendment or modification to this Agreement shall require the consent or approval of any person or entity having any interest in any specific lot, unit or other portion of the Project.

Section 6. DEFAULT; TERMINATION; ANNUAL REVIEW

6.1 General Provisions.

(a) Defaults. Any failure by either Party to perform any term or provision of this Agreement, which failure continues uncured for a period of thirty (30) days following written notice of such failure from the other Party, unless such period is extended by written mutual consent, shall constitute a default under this Agreement. Any notice given pursuant to the preceding sentence shall specify the nature of the alleged failure and, where appropriate, the manner in which said failure satisfactorily may be cured. If the nature of the alleged failure is such that it cannot reasonably be cured within such 30-day period, then the commencement of the cure within such time period, and the diligent prosecution to completion of the cure thereafter, shall be deemed to be a cure within such 30-day period. Upon the occurrence of an uncured default under this Agreement, the non-defaulting Party may institute legal proceedings to enforce the terms of this Agreement or, in the event of a material default, terminate this Agreement. If the default is cured, then no default shall exist and the noticing Party shall take no further action.

(b) Termination. If the County elects to consider terminating this Agreement due to a material default of Developer, then the County shall give to Developer a written notice of intent to terminate this Agreement and the matter shall be scheduled for consideration and review by the County Legislative Body at a duly noticed public meeting. Developer shall have the right to offer written and oral evidence prior to or at the time of said public meeting. If the County Legislative Body determines that a material default has occurred and is continuing and elects to terminate this Agreement, the County Legislative

Body shall send written notice of termination of this Agreement to Developer by certified mail and this Agreement shall thereby be terminated. The County may thereafter pursue any and all remedies at law or equity.

6.2 Review by County

(a) **Generally.** The County may at any time and in its sole discretion request that Developer demonstrate that Developer is in full compliance with the terms and conditions of this Agreement. Developer shall provide any and all information reasonably necessary to demonstrate compliance with this Agreement as requested by the County within thirty (30) days of the request, or at a later date as agreed between the Parties.

(b) **Determination of Non-Compliance.** If the County Legislative Body finds and determines that Developer has not complied with the terms of this Agreement, and noncompliance may amount to a default if not cured, then the County may deliver a Default Notice pursuant to Section 6.1(a) of this Agreement. If the default is not cured timely by Developer, the County may terminate this Agreement as provided in Section 6.1(b) of this Agreement.

(c) **Notice of Compliance.** Within fifteen (15) days following any written request which Developer may make from time to time, the County shall execute and deliver to Developer a written "Notice of Compliance," in recordable form, duly executed and acknowledged by the County, certifying that: (i) this Agreement is unmodified and in full force and effect, or if there have been modifications hereto, that this Agreement is in full force and effect as modified and stating the date and nature of such modification; (ii) there are no current uncured defaults under this Agreement or specifying the dates and nature of any such default; and (iii) any other reasonable information requested by Developer. Developer shall be permitted to record the Notice of Compliance.

6.3 Default by the County. In the event the County defaults under the terms of this Agreement, Developer shall have all rights and remedies provided in Section 6.1 of this Agreement and provided under Applicable Law.

6.4 Enforced Delay; Extension of Time of Performance. Notwithstanding anything to the contrary contained herein, neither Party shall be deemed to be in default where delays in performance or failures to perform are due to, and a necessary outcome of, war, insurrection, terrorist acts, strikes or other labor disturbances, walk-outs, riots, floods, earthquakes, fires, casualties, acts of God, restrictions imposed or mandated by other governmental entities, enactment of conflicting state or federal laws or regulations, new or supplemental environmental regulations, or similar basis for excused performance which is not within the reasonable control of the Party to be excused. Upon the request of either Party hereto, an extension of time for such cause shall be granted in writing for the period of the enforced delay, or longer as may be mutually agreed upon.

6.5 Annual Review. Developer and the County shall (at the discretion of the County) meet annually to review the status of the Project and to review compliance with the terms and conditions of this Agreement.

Section 7. DEFENSE AND INDEMNITY

7.1 Developer's Actions. Developer shall defend, hold harmless, and indemnify the County and its elected and appointed officers, agents, employees, and representatives from any and all claims, costs,

judgments and liabilities (including inverse condemnation) which arise directly or indirectly from the County's approval of the Project, construction of the Project, or operations performed under this Agreement by (a) Developer or by Developer's contractors, subcontractors, agents or employees, or (b) any one or more persons directly or indirectly employed by, or acting as agent for, Developer or any of Developer's contractors or subcontractors.

7.2 Hazardous, Toxic, and/or Contaminating Materials. Developer further agrees to defend and hold harmless the County and its elected and/or appointed boards, officers, employees, and agents from any and all claims, liabilities, damages, costs, fines, penalties and/or charges of any kind whatsoever relating to the existence of hazardous, toxic and/or contaminating materials on the Project solely to the extent caused by the intentional or negligent acts of Developer, or Developer's officers, contractors, subcontractors, employees, or agents.

7.3 County's Actions. Nothing in this Agreement shall be construed to mean that Developer shall defend, indemnify, or hold the County or its elected and appointed representatives, officers, agents and employees harmless from any claims of personal injury, death or property damage or other liabilities arising from (i) the willful misconduct or negligent acts or omissions of the County, or its boards, officers, agents, or employees; and/or (ii) the negligent maintenance or repair by the County of improvements that have been offered for dedication and accepted by the County for maintenance.

Section 8. TRANSFER OF MAINTENANCE OBLIGATIONS.

8.1 Creation of Home Owners' Association. It is anticipated that Developer will transfer certain maintenance obligations to the Home Owners' Association. The Association shall be a non-profit corporation formed in accordance with the state and federal law. The Association shall have authority to impose fees sufficient to perform the maintenance obligations transferred to it.

8.2 Written Transfer Agreement Required. In the event Developer transfers Developer's maintenance obligations to the Home Owners' Association, Developer shall do so by written transfer agreement approved by the County.

Section 9. INSURANCE CERTIFICATES.

9.1 Insurance Certificates. Prior to beginning construction on the Project, Developer shall furnish to the County certificates of general liability insurance indicating that the County has been added as an additional named insured with respect to construction of infrastructure, project improvements, and recreational facilities within the Project. Until such time as the Project Improvements described in Section 3.1(b) of this Agreement are completed and approved by the County, such insurance coverage shall not terminate or be canceled or the coverage reduced until after thirty (30) days' written notice is given to the County.

Section 10. NO AGENCY, JOINT VENTURE OR PARTNERSHIP

It is specifically understood and agreed to by and between the Parties that: (1) the subject Project is a private development; (2) the County has no interest or responsibilities for, or due to, third parties

concerning any improvements until such time, and only until such time, that the County accepts the same pursuant to the provisions of this Agreement; (3) Developer shall have full power over and exclusive control of the Property and Project herein described, subject only to the limitations and obligations of Developer under this Agreement; and (4) the County and Developer hereby renounce the existence of any form of agency relationship, joint venture or partnership express or implied between the County and Developer and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between the County and Developer.

Section 11. MISCELLANEOUS

11.1 Incorporation of Recitals and Introductory Paragraph. The Recitals contained in this Agreement, and the introductory paragraph preceding the Recitals, are hereby incorporated into this Agreement as if fully set forth herein.

11.2 Subjection and Subordination. Each person or entity that holds any beneficial, equitable, or other interest or encumbrances in all or any portion of the Project at any time hereby automatically, and without the need for any further documentation or consent, subjects and subordinates such interests and encumbrances to this Agreement and all amendments thereof that otherwise comply with this Section 5. Each such person or entity agrees to provide written evidence of that subjection and subordination within 15 days following a written request for the same from, and in a form reasonably satisfactory to the County.

11.3 Severability. If any term or provision of this Agreement, or the application of any term or provision of this Agreement to a particular situation, is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining terms and provisions of this Agreement, or the application of this Agreement to other situations, shall continue in full force and effect unless amended or modified by mutual consent of the Parties.

11.4 Other Necessary Acts. Each Party shall execute and deliver to the other any further instruments and documents as may be reasonably necessary to carry out the objectives and intent of this Agreement.

11.5 Construction. This Agreement has been reviewed and revised by legal counsel for both the County and Developer, and no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Agreement.

11.6 Other Miscellaneous Terms. The singular shall include the plural; the masculine gender shall include the feminine; "shall" is mandatory; "may" is permissive.

11.7 Covenants Running with the Land. The provisions of this Agreement shall constitute real covenants, contract and property rights, and equitable servitudes, which shall run with all of the land subject to this Agreement. The burdens and benefits of this Agreement shall bind and inure to the benefit of each of the Parties, and to their respective successors, heirs, assigns, and transferees. Notwithstanding anything in this Agreement to the contrary, the owners of individual units or lots in the Project shall (1) only be subject to the burdens of this Agreement to the extent applicable to their particular unit or lot; and (2) have no right to bring any action under this Agreement as a third-party beneficiary or otherwise.

11.8 Method of Enforcement. The County may look to Developer, the Home Owners' Association, or collectively to each lot or unit owners in the Project for performance of the provisions of this Agreement relative to the portions of the Project owned or controlled by such party. Any cost

incurred by the County to secure performance of the provisions of this Agreement shall constitute a valid lien on the Project, including prorated portions to individual lots or units in the Project, on a parity with and collected at the same time and in the same manner as general County taxes and assessments that are a lien on the Project. The County may pursue any remedies available at law or in equity, including the withholding of building permits or certificates of occupancy, to ensure compliance with this Agreement.

11.9 Waiver. No action taken by any Party shall be deemed to constitute a waiver of compliance by such Party with respect to any representation, warranty, or condition contained in this Agreement. Any waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a waiver by such Party of any subsequent breach.

11.10 Remedies. Either Party may, in addition to any other rights or remedies, institute an equitable action to cure, correct, or remedy any default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation thereof, enforce by specific performance the obligations and rights of the Parties hereto, or to obtain any remedies consistent with the foregoing and the purpose of this Agreement.

11.11 Utah Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Utah.

11.12 Covenant of Good Faith and Fair Dealing. Each Party shall use its best efforts and take and employ all necessary actions in good faith consistent with this Agreement and Applicable Law to ensure that the rights secured by the other Party through this Agreement can be enjoyed.

11.13 Requests to Modify Use Restrictions. Developer's successors, heirs, assigns, and transferees shall have the right, without the consent or approval of any other person or entity owning property in any other part of the Project, to request that the County modify any zoning classification, use, density, design, setback, size, height, open space, road design, road dedication, traffic configuration, site plan, or other use restrictions associated with that portion of the Project to which the successor, heir, assign, or transferee holds title. The County shall consider any such request, but is not required to grant it.

11.14 Representations. Each Party hereby represents and warrants to each other Party that the following statements are true, complete and not misleading as regards the representing warranting Party:

- (a) Such Party is duly organized, validly existing and in good standing under the laws of the state of its organization.
- (b) Such Party has full authority to enter into this Agreement and to perform all of its obligations hereunder. The individual(s) executing this Agreement on behalf of such Party do so with the full authority of the Party that those individual(s) represent.
- (c) This Agreement constitutes the legal, valid and binding obligation of such Party enforceable in accordance with its terms, subject to the rules of bankruptcy, moratorium and equitable principles.

11.15 No Third-Party Beneficiaries. This Agreement is between the County and Developer. No other party shall be deemed a third-party beneficiary or have any rights under this Agreement.

Section 12. NOTICES

Any notice or communication required hereunder between the County and Developer must be in writing, and may be given either personally or by registered or certified mail, return receipt requested. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the first to occur of (i) actual receipt by any of the addressees designated below as the Party to whom notices are to be sent, or (ii) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. Any Party may at any time, by giving ten (10) days written notice to the other Party, designate any other address to which notices or communications shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

If to the County:

AL MICKELSEN
Director
Wasatch County Administration Building
25 North Main Street
Heber City, UT 84032

With Copies to:

THOMAS L. LOW
Wasatch County Attorney
805 West 100 South
Heber City, UT 84032

If to Developer:

Wallace Investments, LLC
c/o Lone Peak Development, LLC
38 E. Red Pine Dr.
Alpine, UT 84004-1557

Section 13. ENTIRE AGREEMENT, COUNTERPARTS AND EXHIBITS

Unless otherwise noted herein, this Agreement is the final and exclusive understanding and agreement of the Parties and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof. All waivers of the provisions of this Agreement shall be in writing and signed by the appropriate authorities of the County and Developer. The following exhibits are attached to this Agreement and incorporated herein for all purposes:

- Exhibit A - Legal Description of the Property**
- Exhibit B - Affordable Housing Agreement**
- Exhibit C - Will Serve Letters**
- Exhibit D - Open Space Easement**
- Exhibit E - Trail Plan**
- Exhibit F - Bylaws of the Triple Crown Home Owners Association**
- Exhibit G - Declaration of Protective Covenants, Conditions and Restrictions for the Triple Crown Subdivision**

TRIPLE CROWN SUBDIVISION PLAT A

AND THAT THE SAME HAS BEEN CORRECTLY SURVEYED AND STAKED ON THE GROUND AS SHOWN ON THIS PLAT.

BOUNDARY DESCRIPTION

A PARCEL OF LAND LOCATED IN THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 4 SOUTH, RANGE 5 EAST, SALT LAKE BASE & MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT BEING NORTH 89°53'35" EAST 678.55 FEET ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 4, AND SOUTH 694.84 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 4 (BASIS OF BEARING BEING NORTH 89°53'35" EAST 2660.626 FEET ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 4); AND RUNNING THENCE EAST 595.46 FEET; THENCE NORTH 106.84 FEET; THENCE NORTH 89°41'51" EAST 717.30 FEET; THENCE NORTH 89°38'58" EAST 683.30 FEET; THENCE SOUTH 00°14'07" EAST 1265.53 FEET; THENCE SOUTH 00°30'21" EAST 666.95 FEET; THENCE NORTH 57°11'42" WEST 220.02 FEET TO A POINT ON A 48.00-FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT BEARING TO CENTER BEING NORTH 57°11'42" WEST; THENCE WESTERLY ALONG THE ARC OF SAID CURVE A DISTANCE 90.13 THROUGH A CENTRAL ANGLE OF 107°34'56" (CHORD BEARING AND DISTANCE BEING SOUTH 86°35'46" WEST 77.46 FEET) TO A POINT OF REVERSE CURVATURE OF A 14.50-FOOT RADIUS CURVE TO THE LEFT; THENCE WESTERLY ALONG THE ARC OF SAID CURVE A DISTANCE OF 12.86 FEET THROUGH A CENTRAL ANGLE OF 50°48'08" (CHORD BEARING AND DISTANCE BEING NORTH 65°00'49" WEST 12.44 FEET); THENCE SOUTH 89°35'07" WEST 1041.89 FEET; THENCE SOUTH 00°24'53" EAST 218.00 FEET; THENCE SOUTH 89°35'07" WEST 68.94 FEET; THENCE SOUTH 68.02 FEET; THENCE WEST 1296.78 FEET; THENCE NORTH 00°15'47" WEST 1.14 FEET ALONG THE CALCULATED WEST LINE OF THE SOUTHWEST QUARTER OF SECTION 4 TO THE CALCULATED POSITION OF THE WEST QUARTER CORNER OF SECTION 4; THENCE NORTH 00°07'51" WEST 30.86 FEET ALONG THE WEST LINE OF THE NORTHWEST QUARTER OF SECTION 4; THENCE EAST 1232.25 FEET; THENCE NORTH 00°00'27" WEST 660.00 FEET; THENCE WEST 1233.67 FEET; THENCE NORTH 00°07'51" WEST 426.80 FEET ALONG THE CALCULATED WEST LINE OF THE NORTHWEST QUARTER OF SECTION 4; THENCE EAST 372.00 FEET TO A POINT ON THE EAST LINE OF CANAL, SAID POINT ALSO BEING A POINT ON THE ARC OF A 597.46-FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT, BEARING TO CENTER BEING SOUTH 69°44'54" EAST; THENCE ALONG SAID CANAL THE FOLLOWING SIXTEEN (16) COURSES: 1) NORTHEASTERLY 28.31 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 02°42'55" (CHORD BEARING AND DISTANCE BEING NORTH 21°36'34" EAST 28.31 FEET) TO THE POINT OF REVERSE CURVATURE OF A 452.13-FOOT RADIUS CURVE TO THE LEFT; 2) NORTHEASTERLY 97.68 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 12°22'43" (CHORD BEARING AND DISTANCE BEING NORTH 16°46'40" EAST 97.49 FEET); 3) NORTH 10°35'18" EAST 46.99 FEET TO THE POINT OF CURVATURE OF A 87.46-FOOT RADIUS CURVE TO THE RIGHT; 4) NORTHEASTERLY 11.99 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 07°51'16" (CHORD BEARING AND DISTANCE BEING NORTH 14°30'56" EAST 11.98 FEET); 5) NORTH 18°26'34" EAST 134.40 FEET TO THE POINT OF CURVATURE OF A 219.58-FOOT RADIUS CURVE TO THE RIGHT; 6) NORTHEASTERLY 21.10 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 05°30'24" (CHORD BEARING AND DISTANCE BEING NORTH 21°11'46" EAST 21.10 FEET); 7) NORTH 23°56'58" EAST 123.62 FEET TO THE POINT OF CURVATURE OF A 469.91-FOOT RADIUS CURVE TO THE LEFT; 8) NORTHEASTERLY 35.10 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 04°16'47" (CHORD BEARING AND DISTANCE BEING NORTH 21°48'34" EAST 35.09 FEET); 9) NORTH 19°40'11" EAST 67.57 FEET TO THE POINT OF CURVATURE OF A 62.84-FOOT RADIUS CURVE TO THE RIGHT; 10) NORTHEASTERLY 26.88 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 24°30'28" (CHORD BEARING AND DISTANCE BEING NORTH 31°55'25" EAST 26.67 FEET); 11) NORTH 44°10'39" EAST 27.89 FEET TO THE POINT OF CURVATURE OF A 143.11-FOOT RADIUS CURVE TO THE LEFT; 12) NORTHEASTERLY 78.71 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 31°30'41" (CHORD BEARING AND DISTANCE BEING NORTH 28°25'19" EAST 77.72 FEET); 13) NORTH 12°39'58" EAST 110.76 FEET TO THE POINT OF CURVATURE OF A 489.34-FOOT RADIUS CURVE TO THE LEFT; 14) NORTHEASTERLY 60.95 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 07°08'10" (CHORD BEARING AND DISTANCE BEING NORTH 09°05'53" EAST 60.91 FEET); 15) NORTH 05°31'48" EAST 14.90 FEET TO THE POINT OF CURVATURE OF A 169.42-FOOT RADIUS CURVE TO THE RIGHT; 16) NORTHEASTERLY 46.61 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 15°45'49" (CHORD BEARING AND DISTANCE BEING NORTH 13°24'43" EAST 46.47 FEET) TO THE POINT OF BEGINNING.

CONTAINS 88.05± ACRES 7 OPEN SPACE & 55 RESIDENTIAL LOTS

EXHIBIT "A"

Beginning at the Southeast corner of the Northwest Quarter of Section 4, Township 4 South, Range 5 East, Salt Lake Base and Meridian; and running thence West 21.50 chains; thence North 10.00 chains; thence West 1,221.00 feet; thence North 360.80 feet; thence East 1,221.00 feet; thence North 296.41 feet; thence East 1,419.00 feet; thence South 1,317.21 feet to the point of beginning.

ALSO Beginning at a point North 1,317.21 feet from the Southeast corner of the Northwest Quarter of Section 4, Township 4 South, Range 5 East, Salt Lake Base and Meridian; and running thence North 725.49 feet; thence North $89^{\circ} 24' 00''$ West 21.37 chains; thence South 1.67 chains; thence West 606.00 feet more or less to the Humbug Canal; thence along said canal South $12^{\circ} 04' 00''$ West 240 feet; thence South $33^{\circ} 30' 00''$ West 161.00 feet; thence leaving canal and running East 44.00 feet; thence South $21^{\circ} 50' 00''$ West 515.80 feet; thence West 338.40 feet; thence South 66.00 feet; thence East 1221.00 feet; thence North 296.41 feet; thence East 1419.00 feet, more or less, to the point of beginning.

LESS AND EXCEPTING THEREFROM any portion lying within the bounds of the Humbug Canal.

Exhibit B

Wasatch County Housing Authority



Ent 325407 Bk 0948 Pg 2055

November 22, 2005

Michael Henke
Wasatch County Planning
188 South Main Street
Heber City, UT 84032

Re: Affordable Housing Plan – Triple Crown Estates

Dear Michael,

On behalf of the Wasatch County Housing Authority, it is my understanding that Triple Crown Estates is requesting final approval for the development of 61 lots, equal to 6.1 ERUs dedicated to affordable housing per the Wasatch County Affordable Housing Ordinance.

Triple Crown Estates has committed to pay a fee-in-lieu, totaling \$170,800 (6.1 x \$28,000). They will pay \$10,000 at time of Plat recording, with the balance divided equally between the lots and paid at the time of lot closing (\$2,636.06). Triple Crown Estates has also agreed to record appropriate Liens on each lot to ensure the payment upon closing.

This arrangement is agreeable to the Wasatch County Housing Authority, with proof of recorded Liens and receipt of the initial payment.

If you require any additional information, please contact me at 435-654-3666. Thank you for your patience and cooperation in this matter.

Sincerely,

A handwritten signature in black ink that reads "Jennifer Kohler". The signature is written in a cursive style.

Jennifer Kohler
Acting Director

taos development

Wasatch County
Affordable Housing Director
Jennifer Kohler
475 N. Main
Heber City, Utah

Re: Triple Crown Estates

Dear Jennifer:

As per our conversation, we would propose the following to satisfy the Affordable Housing Requirements of Wasatch County:

1. An upfront payment of \$10,000 upon recording of the final plat. This will be applied to the anticipated fee of \$176,400. (6.3 x \$28,000).
2. The balance of \$166,400 to be paid at the rate of \$2,641.27 per lot as lots are sold. As the developer, we will file the appropriate "lien" with the Wasatch County Recorder that will be reflected in the Title Reports as lots are sold.

We are anxious to work with you to meet the needs of the county.

Sincerely,

Eric Mainord

Exhibit C



31 South 100 West
Heber City, Utah 84032
435.654.1581
435. 654.1682 (fax)

**Heber Light & Power Company
Intent To Serve Policy**

June 1, 2005

Taos Development
195 North 1300 East
Heber City, Utah 84032

To Whom It May Concern:

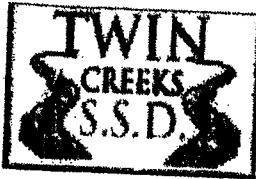
Heber Light & Power will provide electric services to a proposed 64-lot subdivision currently known as Triple Crown Subdivision, located at approximately 450 South and 1200 East, Wasatch County, Utah 84032. This provision policy has restrictions regarding power installation in relation to system designs and applicable infrastructure construction fees being paid in advance of power hookup.

No building permits should be issued until the power installation is complete.

Should you have any questions or require additional information, please contact Craig Broussard (801) 652-1996 or Troy Klungervik (435) 671-2251.

A handwritten signature in cursive script, appearing to read "Candy Mifflin".

Candy Mifflin
Office Manager



TWIN CREEKS SSD
55 SOUTH 500 EAST #118
HEBER CITY, UTAH 84032
(435) 657-3244 FAX: (435) 657-3315

May 5, 2005

Will Serve Letter concerning the Dan Wright property (Triple Crown Subdivision) located at 500 South and Mill Road (Frontage), Heber City, Wasatch County, Utah.

Serial No.: OWC-1484-0-004-045

Parcel No.: 00-0008-9917

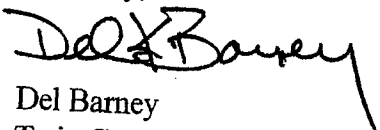
This letter serves as notice that the Twin Creeks Special Service District (the "District") has reviewed the plans for above-described project (the "Project") and that, upon your full compliance with the rules and regulations of the District, specifically including, but not limited to, those conditions set forth below, the District is willing to provide the following services for said Project:

- X Culinary water service for up to 70 ERU connections.
- X Sanitary sewer collection service for up to 70 ERU connections.

This approval is expressly conditioned upon the following:

1. No changes or modifications are made to the plans for the Project as submitted to, and reviewed by, the District, and upon which this approval is based.
2. All infrastructure shown on said plans is built in accordance with the District's specifications and are inspected and approved by the District and are properly dedicated to the District.
3. All required fees are paid.
4. All required water dedications are made.
5. If sewer service is being provided by the District, all necessary fees are paid to, and all necessary arrangements are made with, the Heber Valley Special Service District in order for that district to receive and treat the sewage associated with the Project.
6. Appropriate arrangements are made for secondary water service to the Project.

Sincerely,


Del Barney
Twin Creeks SSD Auditor



TWIN CREEKS SSD

55 SOUTH 500 EAST #118

HEBER CITY, UTAH 84032

(435) 657-3244 FAX: (435) 657-3315

March 9, 2005

Availability of Service Letter concerning the Dan Wright property (Triple Crown Subdivision) located at 500 South and Mill Road (Frontage), Heber City, Wasatch County, Utah.

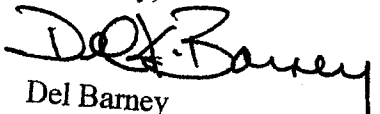
Serial No.: OWC-1484-0-004-045

Parcel No.: 00-0008-9917

The above-described project (the "Project") is located within the service area of the Twin Creeks Special Service District (the "District") and the District has culinary water and/or sanitary sewer collection services available for said Project upon full compliance with the rules and regulations of the District, specifically including, but not limited to: (1) design and installation of all required water and/or sewer infrastructure meeting the District's standards and specifications; (2) payment of all required fees (impact fees are due at final plat approval); and (3) dedication of all required water rights and system infrastructure.

Fees are subject to change without individual notice and can only be fixed by payment in full. Separate arrangements must be made for secondary water service and for sewage treatment with the Heber Valley Special Service District. This letter does not create any contractual rights to service.

Sincerely,


Del Barney
Twin Creeks SSD Auditor

Wasatch County Health Department Subdivision Preliminary Approval Checklist - Draft

Title of Project Triple Crown (Don Wright Property)Date Received 6/1/05Approximate Address 500 S. Mill Road***Culinary Water - Public System***

If using an existing public system, a will serve letter from the water system must be submitted. Existing public system must be rated "Approved" or "Corrective Action".

For a new public system the following must be submitted;

- Description of the type of entity to own and operate the system. If a body politic is to be formed or expanded, a statement of feasibility from Wasatch County must be included.
- Evidence of appropriate water rights through a statement from Wasatch County Water Resource Coordinator.
- Number and type of connections anticipated.
- A statement, including justification, from a qualified individual certifying the minimum yield of all proposed sources of water.
- A chemical analysis covering the source of water to include; Bacteriology, Inorganics and Metals, Nitrate, Sulfate, and Turbidity.
- Evidence that all proposed subsurface water sources can be adequately isolated from all present and/or potential sources of pollution, including mitigation if any.

Culinary Water - Non-Public System or Individual Wells

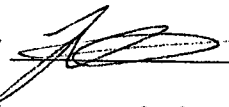
- Description of the culinary water service for each lot
- Evidence of appropriate water rights through a statement from Wasatch County Water Resource Coordinator.
- For projects using individual wells, at least one well must be drilled within the project unless verifiable information regarding quantity and quality of water is submitted from existing proximate wells (within 1000' of project).
- If a well is drilled, a chemical analysis covering the source of water to include; Bacteriology, Inorganics and Metals, Nitrate, Sulfate, and Turbidity.

Wastewater Treatment - Centralized System

- If using an existing centralized system, a will serve letter from the body politic must be submitted.
- For a new centralized system, a feasibility letter from the State Department of Environmental Quality specific to the proposed system.

Wastewater Treatment - Individual Wastewater Treatment Systems (Septic Systems)

- Approved percolation tests, soil exploration pits, and on-site assessments conducted for each lot.

Review Completed by Date 6/1/05

Preliminary approval does not imply that final approval will be given or that a building permit will be issued on all of the proposed lots.

WASATCH COUNTY SHERIFF'S OFFICE

Ken Van Wagoner
1361 South Hwy. 40
Heber City, Utah 84032
435-654-1098
(435) 657-3580 Fax

TO: Wasatch County Planning Office

FROM: Sheriff Ken Van Wagoner



REF: Will-Serve Letter

DATE: June 1, 2005

Please accept this correspondence as our official declaration that the Wasatch County Sheriff's Office will serve **The Triple Crown Subdivision** located at approximately 500 south Mill Road. This development, as with any in Wasatch County, will receive all of the services we have to offer to all who are in Wasatch County. The Wasatch County Sheriff's Office will provide the same standard of law enforcement as we do all the residents of Wasatch County.

Wasatch County School District

District School Board

Helen Robinson, President
Claudia Bradshaw
Alan Bluth
Ann Marie Horner
Robert Salazar

Superintendent of Schools

Terry E. Shoemaker
Business Administrator
Keith Johansen

June 1, 2005

Taos Development
Attn: Eric Mainord

Dear Mr. Mainord:

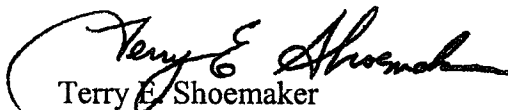
I am responding to your request for a "will serve" letter for the development "Triple Crown Subdivision", a future development located at approximately 450 South Mill Road, Heber City, Utah. At this time, we are able to indicate that we will serve future residents of this area through our existing public school system. Transportation to schools for students from that area will be provided by Wasatch County School District as required under state law and school district policy.

We are aware that space for school sites is being considered by Wasatch County. If the sites come to fulfillment, we will be able to serve the needs of students in that area as growth requires.

We are attaching "Requirements for Bus Route Approval" for your information.

Thank you for your notification on this project.

Sincerely,



Terry E. Shoemaker
Superintendent of Schools

Attachment

- C Helen Robinson, School Board President
- Kris Allen, School Transportation Supervisor

WASATCH COUNTY SCHOOL DISTRICT

101 East 200 North, Heber City, UT 84032 www.wasatch.edu 435-654-0280 Fax: 435-654-4714

- **REQUIREMENTS FOR BUS ROUTE APPROVAL**

Transportation will be over routes proposed by the local boards of education and approved by the State Office of Education. These routes shall traverse the most direct public route. Utah Department of Transportation approves all railroad crossings. The following is some criteria used in approving bus routes.

1. The minimum number of regular students that is necessary before a route can be established is 10. This is a guaranteed 10 riders each day.
2. Buses will be routed the most efficient way, the minimum distance between stops should be .3 of a mile in safe areas assigned by the school district.
3. Students will be expected to walk to bus stops up to one and one-half mile from their home.
4. Whenever a bus route is extended to pick up additional children, the extra cost and time will be analyzed. Routes generally will not be approved if payment of equitable transportation allowances or subsistence allowances will accomplish the needed transportation at lower cost. The route shall be reasonably cost-effective to other feasible alternatives.
5. A bus route may follow only public roads that are constructed and maintained at such standards that the condition of the road will not subject the passengers or the bus to undue hazards and will not subject the school district or any of its employees to liability for injury or property damage.
6. It is the practice of the school district to follow the Standards for Utah School Buses and Operations as established by the State Office of Education.

1425 West 3100 South
West Valley, Utah 84119



June 3, 2005

To whom it may concern:

RE: Availability of Qwest Facilities.

This letter concerns the provision of telephone facilities for.
Development: TRIPLE CROWN SUBDIVISION (64 Lots)
Location: 600 N. Mill Rd.
Heber City, Utah

Represented by: Taos Development
Eric Mainord
195 N. 1300 East
Heber City, Utah 84032

Site plans for the above development have been presented to Qwest for review. Qwest Communications is a regulated public utility. If the developer elects to establish Qwest facilities within said development then service will be provided to the proposed development in accordance with the applicable tariffs on file with the Utah Public Service Commission.

If you have any questions regarding this matter, please contact me at (801) 974-8165.

Yours Truly,

DeAnne Powell

Design Engineer

Qwest

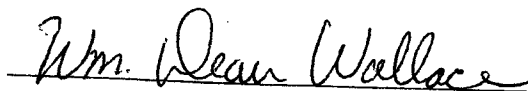
Exhibit D

NOTICE

To whom it may concern:

This document is designed to give notice to Wasatch County and other interested parties that the undersigned landowners, who own certain real property in that county that is adjacent to the Triple Crown Subdivision are aware of and approve the open space and trail system design as presented to Wasatch County as part of the Triple Crown subdivision. We understand that we cannot currently allow any easements across the necessary property due to restrictions on the property by the United States Bureau of Reclamation and that efforts are being made to remove those restrictions. We agree, once we are legally allowed, to sign any necessary easements or other documents required to allow the open space and/or trail system to be implemented. This notice only effects that ground which is currently being used by the Bureau of Reclamation as a maintenance road on the eastern side of the Humbug for which we have already given an easement to the Bureau of Reclamation for such maintenance. Exhibit A, which is attached, shows the placement of the trail/open space easement and will be recorded with this document.

Sincerely,



Wallace Investment Limited Partnership

EXHIBIT E

TRAIL PLAN

The trail plan is included on the plat. It is located along the north side of the Lake Creek Channel and also on the eastern side of the Humbug Canal. Letters from adjacent landowners have been attached showing intent to record an easement along the east side of the Humbug Canal once the Bureau of Reclamation has given permission to do so. A copy of the legal description of this easement is attached hereto.

Exhibit F

BYLAWS

OF

TRIPLE CROWN HOMEOWNERS ASSOCIATION

Article I

NAME AND LOCATION

The name of the association is the "Triple Crown Homeowner's Association" hereinafter referred to as the "Association", a Utah non-profit corporation. The principal office of the Association shall be located in Wasatch County, Utah.

Article II

DEFINITIONS

- Section 1. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for the Triple Crown Homeowner's Association recorded in Entry _____ in the Wasatch County Recorder's Office at Heber City, Utah as the same may be supplemented or amended from time to time.
- Section 2. "Member" shall mean and refer to every person or entity holding membership in the Association. All owners of lots are members, Although for voting purposes there shall only be one vote per lot as set forth in the Declaration described above.
- Section 3. All other capitalized terms shall have the same meaning as set forth in the Declaration, unless otherwise defined herein.

Article III

MEMBERSHIP

- Section 1. Membership. As more fully provided in the Declaration, every person or entity who is a record owner of a Lot which is subject to the Declaration shall be a member of the Association. For voting purposes there shall be one vote per Lot.
- Section 2. Suspension of Membership. The voting and other rights of Members shall be subject to suspension in accordance with the provisions of the Declaration.

Article IV

BOARD OF TRUSTEES-SELECTION-TERM OF OFFICE

- Section 1. Number. The affairs of the Association shall be managed by a Board of Seven (7) Trustees, who are Members of the Association.
- Section 2. Term. At the first annual meeting and each subsequent annual meeting, the Members shall elect Trustees for staggered two year terms.
- Section 3. Procedures for Nomination, Election and Removal. The procedures for nominating, electing and removing Trustees shall be as follows:
- (a) Nomination to the Board may be public or by secret written ballot.
 - (b) Trustees shall be elected by secret ballot, with the nominee receiving the most votes for a given seat being elected as trustee.
 - (c) Trustees may be removed at a special meeting called for that purpose by vote of 66 percent of all Members of the Association voting in person or by proxy.
 - (d) In any election ballots having unclear, inconsistent, or improper markings shall be discarded.
 - (e) Members who are not within 60 days of being current on any assessments shall not be entitled to vote.
- Section 4. Vacancies. In the event of death or resignation of a Trustee, his successor shall be elected by the remaining directors. In the event of the removal of any Trustee, his successor shall be selected by the Members of the Association. Any election of a successor Trustee (whether by the other Trustees or by the members) shall be subject to Sections 3 and 4 of this Article. Such Trustee shall serve for the unexpired term of his successor.
- Section 5. Compensation. No Trustee shall receive compensation for any service he may render to the Association, unless prior permission in writing is received from a majority of the Trustees. However, any Trustee may be reimbursed for his actual expenses incurred in the performance of his duties.

Article V

MEETING OF TRUSTEES

- Section 1. Regular Meetings. Regular meetings of the Board of trustees shall be held at least quarterly at such place within the Subdivision, or at such other place, and at such times as may be fixed from time to time by resolution of the Board. Notice of meetings may be communicated by email, (confirmation required), U.S. mail, or prominent posting at a location within the Subdivision designated by the board for posting of such notices.
- Section 2. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President of the Association, or by any Trustee other than the President. Notice of special meetings may be communicated by email, (confirmation required), U.S. mail, or prominent posting at a location within the Subdivision designated by the board for posting of such notices. The notice shall specify the time and place of such meeting and the nature of any special business to be conducted. The notice shall be sent or delivered to all Trustees at least 24 hours prior to the meeting.
- Section 3. Quorum. A majority of the number of Trustees shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Trustees present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.
- Section 4. Open Meetings. Regular and special meetings of the Board shall be open to all Members. However, the Board is expressly authorized , when approved by a vote of a majority of a quorum of its members, to adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved and other business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session. The governing body may take actions without a meeting if all Members consent in writing to the actions to be taken.

Article VI

POWERS AND DUTIES OF THE BOARD OF TRUSTEES

- Section 1. Powers and Duties. Except as hereinafter provided, the Association shall be managed by the Board of Trustees as agent for the members. The Board of Trustees shall, in connection with its exercise of any of the powers hereinafter

provided, constitute a legal entity capable of dealing in the Association's name. The Board of Trustees shall have, and is hereby granted, the following authority and powers:

- (1) The authority to act in the name of the Triple Crown Homeowner's Association.
- (2) The power to sue and be sued.
- (3) The authority to enter into contracts, including contracts for purchase, construction and maintenance of improvements.
- (4) The power and authority to convey or transfer any interest in real property, so long as the vote or consent necessary under the circumstances has been obtained.
- (5) The power and authority to purchase, or otherwise acquire and accept title to any interest in real property, so long as such action has been authorized by any vote or consent which is necessary under the circumstances.
- (6) The authority to promulgate such reasonable rules, regulations and procedures as may be necessary or desirable to aid the Board of Trustees in carrying out its duties in a manner consistent with the interests of the Members.
- (7) The power and authority to perform any other acts and to enter into any other transactions, subject to the rights of the Association, which may be reasonably necessary for the Management Committee to perform its functions as agent for the Members.
- (8) The power and authority to make and authorize assessments of Members, and to collect those assessments pursuant to the powers granted in the Declaration.

Section 2. Limitation of Powers. The Board shall not do any act in violation of the Declaration, the Ordinances of Wasatch County, or of State Law.

Article VII

COMMITTEES

Section 1. Appointment. The Board may appoint any committees as deemed appropriate in carrying out its purposes. Members, or Trustees may serve on committees as determined by the Board of Trustees.

Section 2. Complaints. It shall be the duty of each committee to receive complaints from Members on any matter involving Association functions, duties, and

activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, Trustee or officer of the Association as is further concerned with the matter presented.

Article VIII

Meetings of Members

- Section 1. **Annual Meetings.** Annual meeting of the Members shall be held at the hour of 7:00 p.m. as noticed, within 30 days of the anniversary date of the first annual meeting.
- Section 2. **Special Meetings.** Special meetings of the Members shall be promptly called by the Board upon:
- (a) The vote for such a meeting by a majority of a quorum of the Board; or
 - (b) Receipt of a written request there for signed by Members representing not less than 10% of the total voting power of the Association.
- Section 3. **Notice of Meetings.** Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice postage prepaid, or email, (confirmation required), at least ten (10) days, but not more than ninety (90) days before such meeting, to each Member entitled to vote, addressed to the Member's address last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting; and, in the case of a special meeting, the purpose of the meeting and the nature of the business to be undertaken; and such other matters as are required by law.
- Section 4. **Quorum.** The presence at a meeting of Members entitled to cast, or of proxies entitled to cast, at least fifty percent (50%) of the votes of the entire Membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present in person or proxy at any such meeting, the Members entitled to vote thereat shall have power to adjourn the meeting without notice other than announcement at the meeting, to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called, at which meeting the quorum requirement shall be thirty-three and one-third (33 1/3) percent of the votes of the entire membership. If a time and place is not fixed by those in attendance at the original meeting or, if for any reason a new date is fixed for place of the adjourned meeting, notice shall be given as provided in Section 3 above.
- Section 5. **Proxies and Voting.** At the meeting of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his real property. Except as otherwise provided in the Articles of Incorporation, By-Laws or Declaration, a majority of the voting power present, in person or by proxy, shall prevail at such meeting.

- Section 6. Voting Rights. The voting rights of Members are set forth in the Declaration, and are limited to one vote per Lot.
- Section 7. Place of Meetings. Meetings of Members shall be held within the Triple Crown Subdivision, or at a convenient meeting place designated by the Board.

Article IX

OFFICERS AND THEIR DUTIES

- Section 1. Enumeration of Officers. The officers of the Association shall be a President, and Vice President, who shall be members of the Board, a secretary, a treasurer, and such other officers as the Board may from time to time by resolution create.
- Section 2. Election of Officers. The election of officers shall take place at a meeting of the Board Members, and shall be elected by simple majority vote of the Board Members.
- Section 3. Term. The officers of the Association shall be Members elected annually by the Board Members, and each shall hold office for two (2) years unless he shall sooner resign, or shall be removed, or otherwise become disqualified to serve.
- Section 4. Special Appointments. The Board may select such other officers as the Association may require, each of whom shall hold office for such period, and have such authority and perform such duties as the Board may from time to time determine.
- Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board Members. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect as of the date of receipt of such notice or at any later time specified therein, the acceptance of such resignation shall not be necessary to make it effective. Removal by Board Members would need to occur at a special meeting called for that purpose, and would require a majority vote of Board Members voting in person or by proxy.
- Section 6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.
- Section 7. Multiple Offices. Only the offices of Vice President and Secretary may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.
- Section 8. Duties. The duties of the officers are as follows:
- (a) The President shall preside at all meeting of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all written instruments and shall co-sign all checks and promissory notes.
 - (b) The Vice President shall act in the place and stead of the President in the

event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Members.

- (c) The Secretary shall record the vote and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it to all papers requiring said seal; serve notice of meetings, maintain a list of names of the Members of the Association, together with their addresses; and shall perform such other duties as required by the Board. The Secretary shall also accompany the President in the meetings at The Triple Crown Homeowner's Association for the purpose of keeping minutes of the meetings, but shall be a non-voting representative.
- (d) The Treasurer shall maintain the books and shall be responsible for the finances of the Association. The Treasurer shall make and track annual and special assessments, and shall maintain the checkbook of the Association. The Treasurer shall prepare an annual financial report to be filed with the Board 15 days prior to the annual meeting. The Treasurer shall perform such other duties as required by the Board. A bond shall be required for the Treasurer, funded by the Association.

Article X

BOOKS AND RECORDS

Section 1. Inspection. The right of inspection shall never be limited by a vote of the membership. The Members and Trustees shall have the following rights of inspection:

- (a) The membership register, all books, records and documents related to operation of the Association including, but not limited to: bank records, loan or credit applications, signature authorizations, deposits, bank statements, canceled checks, prepaid billings, documents related to property owned or controlled by the Association, purchase orders, Trustee or other authorizations, invoices, billings, insurance documents, accounting records, financial statements, audit records and summaries, and correspondence files of the Association. Minutes of meetings of the Members, of the Board and of committees of the Board shall be made available for inspection and copying by any Member of the Association, or its duly appointed representative, at any time and for any purpose reasonably related to his interest as a Member, at the office of the Association or at such other place as the Board shall prescribe.
- (b) The Board shall establish reasonable rules with respect to:
 - (1) Notice to be given to the custodian of the records by the Member desiring to make the inspection;
 - (2) Hours and days of the week when such an inspection may be made; and;
 - (3) Payment of the cost of reproducing copies of documents requested by a Member.
- (c) Every Trustee shall have the absolute right at any reasonable time to inspect,

make extracts and copies of documents.

Section 2. Fiscal Year. The fiscal year of the Association shall be the calendar year.

Article XI

AMENDMENTS

These By-Laws may be amended, at a regular meeting or special meeting of the Members, by the vote or written assent of Members representing both (1) a majority of a quorum as herein defined, and (2) a majority of Members present in person or by proxy; provided, however, that in those matters where the Declaration, or these By-Laws specify a greater percentage for action, such greater percentage shall be required for amendment.

Article XII

CONFLICTS BETWEEN MANAGEMENT DOCUMENTS

In the event of any conflict between the Declaration and these By-Laws the Declaration shall control. In the event of any conflict between these By-Laws and the Articles of Incorporation, the Articles shall control.

Dated this 28 day of Aug., 2006.

Tom Wallace
PRESIDENT

SECRETARY'S CERTIFICATE

I, the undersigned and duly elected Secretary of the Triple Crown Homeowners Association, a Utah non-profit corporation, do hereby certify that the foregoing Bylaws were adopted at the Bylaws of the corporation on the ___ day of _____, 2005, and that the same do now constitute the Bylaws of the corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the corporation this ___ day of _____, 2006.

SECRETARY

Exhibit G

**DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND
RESTRICTIONS FOR THE TRIPLE CROWN SUBDIVISION.**

WHEREAS, Wallace Investment Limited Partnership, a Utah limited liability company, is the record owner of real property situated in Wasatch County, Utah, commonly known as the Triple Crown Subdivision, located at approximately 600 South Mill Road near Heber City, consisting of approximately 95 acres which is more particularly described in Exhibit "A" attached hereto and by this reference incorporated herein (the "Property").

WHEREAS, Wallace Investment Limited Partnership desires that the Property be developed generally in accordance with a master plan and general scheme of development into a residential community to be known as the "Triple Crown Subdivision;"

WHEREAS, the Triple Crown Homeowners Association (the "Association"), has been or will be incorporated as a Utah non-profit corporation to act as a homeowner's association with the powers of operating, managing and maintaining designated common areas within the Property, administering and enforcing the covenants, conditions and restrictions, administering and performing such other acts as are provided for or set forth in this Declaration of Protective Covenants, Conditions, and Restrictions for the Triple Crown Subdivision (this "Declaration") or which generally benefit its members or the Property;

THEREFORE, to further the general purposes herein expressed, Wallace Investment Limited Partnership, for itself, its successors and assigns, hereby declares that all of the Property shall at all times, be owned, held, used and occupied subject to the provisions of this Declaration and to the covenants, conditions and restrictions herein contained. The following covenants, conditions and restrictions shall run with the land and be binding on all parties having the right, title, or interest in the property described on exhibit "A", or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof.

I. DEFINITIONS

The following words, phrases or terms used in this Declaration shall have the following meanings:

(a) "Association" shall mean the Triple Crown Homeowners Association, a Utah nonprofit corporation, organized or to be organized to administer and enforce the covenants and to exercise the rights, powers and duties set forth in this Declaration.

(b) "Board" shall mean the Board of Directors of the Association.

(c) "Member" shall mean any person holding a membership in the Association. Wallace Investment Limited Partnership or its assigns shall also be considered a member of the Association holding one vote for each lot it holds within the Triple Crown Subdivision.

(d) "Owner" shall mean (when so capitalized) the record holder of legal title to the fee simple interest in any Lot. If there is more than one record holder of legal title to a Lot, each record holder shall be an "Owner." Notwithstanding the fact that a single Lot may have multiple Owners, for voting purposes there shall only be one vote per lot.

(e) "Lot" shall mean any area of real property within Triple Crown Subdivision designated as a Lot on any subdivision plat recorded and approved by Wallace Investment Limited Partnership.

(f) "Design Review Committee," "DRC," or "Committee" shall mean the Design Review Committee. The Design Review Committee consists of three persons and shall initially be the Company or its assigns, but shall transition to membership of persons elected by the Association. After the initial 10 lots are sold, the Owners shall have the right to elect one person to the committee. After the last lot is sold, or at such time as the Company or its assigns cease to act as a Design Review Committee there shall be a three person committee made up of Members of the Association elected in a meeting of Owners called for that purpose. Election to the committee shall be for staggered two year terms and shall be by a majority of Owners present at a duly called meeting after Notice. For voting purposes the owner or owners of each lot shall be entitled to one vote for each Lot.

(g) "Notice" shall mean notification by means of mailing to the address of each Owner by United States Mail, postage prepaid. Notice shall be mailed at least seven days prior to any meeting as determined by postmark. Notice is presumed received upon mailing. Notice is not valid unless mailed to each owner. Proof of mailing shall be by affidavit, or certified mail receipt.

(h) "Company" shall mean Wallace Investment Limited Partnership or its assigns.

(i) "Declarant" shall mean Wallace Investment Limited Partnership or its assigns.

(j) "Improvement" shall mean all structures and appurtenances of every type and kind, including but not limited to buildings, dwellings, garages, storage buildings, walkways, retaining walls, sprinklers, pipes, driveways, fences, landscaping,

pools, decks, stairs, poles, lighting, signs, satellite dishes or other antennas, and any mechanical equipment located on the exterior of a building.

(k) "Plat" shall mean an official ownership plat of any portion of the property described in exhibit "A" as approved by Wasatch County and recorded in the office of the Wasatch County Recorder, as such plat may be amended from time to time.

(l) "Subdivision Improvements" shall mean all improvements and facilities to be included outside of the boundaries of Lots, as identified on the Plat, including those items that are necessary to provide access and utility service to the Lots and items required by the City as a condition of its approval of subdivision of the covered Property.

(m) "Dwelling" shall mean the single family residence built or to be built on any Lot, including the attached garage.

II. MEMBERSHIP AND VOTING

2.1 Members. Every Owner of a Lot shall be a Member of the Association and, when more than one person is the Owner of any Lot, all such persons shall be Members. The rights and obligations of a Member shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon transfer of ownership to an Owner's lot and any such transfer shall automatically transfer the membership appurtenant to said lot to the new Owner thereof.

2.2 Voting. Each Member shall be entitled to one vote for each Lot owned, subject to the authority of the Board to suspend the voting rights of the member for violations of this Declaration in accordance with the provisions hereof. When any Lot is owned by more than one Member, the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. The Association shall hold common areas, but not lots, and shall not be entitled to vote.

2.3 No Cumulative Voting. In any election of the members of the Board, the Owner or Owners of a given Lot shall collectively have one vote for each Director position to be elected. The candidate receiving the highest number of votes for a given director position shall be deemed elected. Cumulative voting shall not be allowed in the election of members of the Board or for any other purpose.

III. ASSOCIATION

3.1 Formation of Association. The Association shall be a nonprofit Utah corporation charged with the duties and invested with the powers prescribed by law and

set forth in its articles and bylaws and this Declaration. Neither the articles nor bylaws of the Association shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

3.2 Board of Trustees and Officers. The affairs of the Association shall be conducted by the Board and such officers as the Board may elect or appoint in accordance with the articles and bylaws of the Association as the same may be amended from time to time. The initial Board, which is to serve until their resignation or replacement by a vote of 2/3 of by Members of the Association, shall be composed of three directors: _____, _____, and _____, or any other assigns of the Declarant. The Declarant or its assigns shall retain the power to appoint two of the three members of the Board of Trustees until 75 % of the Lots held by Declarant or its assigns have been sold. The Board may also appoint various committees and appoint a President and other officers, who shall, subject to the direction of the Board, be responsible for the day-to-day operations of the Association.

3.3 Personal Liability. Neither Wallace Investment Limited Partnership nor any director of the Board or Committee member of the Association shall be personally liable to any Owner, Member, or to any other person, including the Association, for any damage, loss, claim or prejudice suffered or claimed on account of any act, omission to act, negligence, or other matter, of any kind or nature except for acts performed intentionally and with malice.

IV. RIGHTS AND POWERS OF ASSOCIATION

4.1 Association's Rights. In addition to the rights and powers of the Association set forth in this Declaration, the Association shall have such rights and powers as are set forth in its articles and bylaws.

4.2 Maintain Common Areas. The Association shall manage, maintain, repair, and operate the Common Area facilities and open space in an attractive, safe condition.

4.3 Enter Contracts. The Association shall have the right to enter into contracts for the care and maintenance of common area facilities and to purchase goods and services.

4.4 Establish and Enforce Rules and Regulations. The Association shall have the right to establish Rules and Regulations relating to the use by Association Members, their guests, and assigns of the common areas and facilities. The right to establish rules regarding the conduct of Members, Member's guests, renters, and others using the common area facilities, including the right to charge fees for the use of the

facilities and limit the number of guests of an owner using the common area or the manner in which the common area may be used. The Association, as the agent and representative of the members, shall have the right to enforce the covenants set forth in the Declaration. The Association, Wallace Investment Limited Partnership, or any Owner shall have the right to enforce by any proceeding at law or in equity, all restrictions, condition, covenants, or reservations now or hereafter imposed by the provisions of this Declaration. If the Association, Wallace Investment Limited Partnership or any Owner prevails in any proceeding at law or in equity to enforce the provisions of this Declaration, or any adopted rules and regulations, the Association, Wallace Investment Limited Partnership, or such Owner, as applicable, is entitled to judgment against the breaching Owner or Member for costs and reasonable attorneys fees associated with the action. Failure by the Association or by Wallace Investment Limited Partnership to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so hereafter. Owners shall have rights of enforcement of this declaration only after the Association has had notice of the claimed violation and has had an opportunity to act.

4.5 Borrow Money. The Association shall, upon two-thirds majority vote of the Members, have the right to borrow money, mortgage, or pledge its real or personal property as security for money borrowed.

4.6 Dedicate Property and Grant Easements. The Association shall have the right, upon approval by two-thirds majority vote of the Members, to grant utility or other easements, to dedicate or transfer part or all of the Common Area to Wasatch County, or to any public agency or authority for purposes as may be agreed upon by the Association.

4.7 Utility and Other Services. The Association shall enter into agreements or to acquire and pay for water, electricity, sewer, or other utility services necessary for the Common Areas. To obtain legal and accounting services necessary to conduct the business operations of the Association, and enforce the project documents.

4.8 Levy and Collect Assessments. In behalf of the Association, the Board shall have the power to determine, issue and collect Assessments for operation of the Association, and for maintenance of any common areas held by the Association. All sums assessed to an Owner pursuant to this Declaration, together with interest thereon at the legal rate of interest from the date of assessment until paid, before or after judgment, shall be secured by a lien on such Lot and the improvements thereon, in favor of the Association. To evidence a lien for sums assessed pursuant to this Declaration, the Association shall prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Lot, and a description of the Lot. Such notice shall be signed by a duly authorized representative of the Association and shall be recorded in the office of the County

Recorder of Wasatch County, State of Utah. Such lien may be enforced by sale or foreclosure of the Lot encumbered by the lien at a foreclosure sale conducted by the Association and generally in accordance with the provisions of Utah law applicable to the exercise of powers of sale or foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding, including but not limited to a reasonable attorneys fee and court costs, and such costs and expenses shall be secured by the lien herein provided whether or not the same shall be specifically set forth herein. The Association shall expressly have the power to adopt and enforce rules for determining delinquency of assessments, and for their collection, and for enforcement of liens for failure to pay assessments.

4.9 Pay Taxes and Assessments. The Association shall pay real and personal property taxes and assessments levied against the projects Common Areas, facilities, and personal property.

4.10 Bank Accounts. The Association shall maintain bank accounts and deposit funds collected from Members, only in federal insured financial institutions. Provided, however, that funds collected for reserves for capital expenditures and other contingencies may be deposited in a federally insured financial institution or invested in Treasury Bills or Certificates of Deposit "General Account" and "Reserve Account." Funds shall be held separately and used only for the purposes for which they have been collected.

4.11 Annual Reports. The Association shall prepare annual financial statements and reports including an annual balance sheet and operating (income) statement for the financial year, which shall be prepared and distributed within ninety (90) days of the close of each financial year, a proforma operating statement (budget) at least thirty (30) days prior to the beginning of each financial year, and reports required by the Utah non-profit Corporation and Cooperative Association Act which shall be filed in a timely manner.

4.12 Design Review Committee. The Association acting through the Board of Trustees shall appoint Members of the Design Review Committee.

4.13 Books and Records. The Association shall keep accurate minutes of Board of Trustee and Member meetings, of all corporate acts, of all financial accounts, an up to date Membership register including names, addresses, and voting rights of Members. Said records shall be made available to any Owner or its duly appointed representative at any reasonable time and at the appointed place as determined by the Board. The Association shall also provide, upon written request of any Owner or Mortgagee, a written statement setting forth any unpaid assessments against any Owner.

4.14 Insurance. The Association shall obtain liability and hazard insurance on property owned by the Association and other insurance and bonds as deemed necessary.

4.15 Reserve Fund. The Association may establish and maintain a reserve fund adequate to provide for the periodic maintenance, replacement, and repair of common area improvements and equipment. The reserve fund must be maintained in a segregated account. Contributions to the reserve fund shall be included in each years operating budget.

4.16 Legal and Accounting. The Association shall obtain legal and accounting services as necessary to conduct the business operations of the Association and enforce the Project Documents.

4.17 Improper Maintenance and Liens. In the event any portion of a Lot is so maintained as to present a public or private nuisance, or as to substantially detract from the appearance or quality of the surrounding Lots; or in the event any portion of a Lot is being used in a manner which violates this Declaration; or in the event any Owner is failing to perform any of its obligations under this Declaration or the architectural guidelines and standards of the Design Review Committee, the Board may by resolution make a finding to such effect, specifying the particular condition or conditions which exist, and give notice thereof to the offending Owner that unless corrective action is taken within fourteen days, the Board may cause such action to be taken at said Owner's cost. If at the expiration of said fourteen-day period of time the required corrective action has not been taken the Board shall be authorized and empowered to cause such action to be taken, and the cost thereof shall be assessed against such Owner. The Association, the Design Review Committee and the Board shall be immune from any action by any member for actions taken in enforcing this declaration, or in seeking to prevent or eliminate a public or private nuisance.

If the assessed cost of taking a corrective action is not paid by such Owner within thirty days, the amount of the cost plus interest, collection costs and reasonable attorney's fees, constitutes a lien upon the Owner's Lot and upon the recording of notice of the lien by the Board, it is a lien upon the Owner's Lot prior to all other liens and encumbrances, recorded and unrecorded, except: (1) tax and special assessment liens on the Owner's Lot in favor of any assessing unit or special improvement district, and (2) encumbrances on the Owner's Lot recorded prior to the date such notice is recorded.

The above lien may be enforced by sale or foreclosure of the Owner's Lot by the Board. The sale shall be conducted in the same manner as foreclosures in deeds of trust or mortgages or in any manner permitted by law. The owner shall pay the costs, expenses, and reasonable attorney's fees of any foreclosure or sale. The Board may, in its

sole discretion, release any such lien if it receives other security for the payment of the delinquent costs that it deems sufficient to protect the interests of the Association.

4.18 Right to Require Initial Assessment Held at Closing. The Board shall have the right to have an initial assessment for operation of the Association held for use of the Association at the closing of the sale of any lot from Wallace Investment Limited Partnership to any builder or owner. This initial assessment shall be in an amount determined by the Board, but shall not exceed \$250.00. This assessment shall not eliminate the duty to pay ongoing assessments on a monthly, quarterly or annual basis as determined by the board. At its discretion Declarant shall not be required to pay monthly assessments.

4.19 Protection of Encumbrances. No violation or breach of any provision, restriction, covenant or condition contained in this Declaration or any Supplemental or Amended Declaration and no action to enforce the same shall defeat or render invalid the lien of any mortgage or deed of trust taken in good faith, for value and recorded prior to the time of recording of an instrument giving notice of such violation or breach, or the title or interest of the holder thereof or the title acquired by any purchaser upon foreclosure of any such mortgage or deed of trust. Any such purchaser shall, however, take subject to this Declaration and any Supplemental or Amended Declaration except only that non-continuing violations or breaches which occur prior to such foreclosure shall not be deemed breaches or violations hereof with respect to such purchaser, his heirs, personal representatives, successors and assigns.

V. DESIGN REVIEW COMMITTEE

5.1 Creation. There shall be established as a part of the Association a Design Review Committee (the "Committee").

5.2 Purpose. The purposes of the Committee shall be to create, maintain and improve Triple Crown Subdivision as a pleasant and desirable environment, to establish and preserve a harmonious design for the community and to protect and promote the value of the Property. Exterior design, landscaping and changes or alterations to existing use of property shall be subject to review and approval by the Committee.

5.3 Committee Composition. The Design Review Committee (the "Committee"), will consist of three members who may or may not be Owners. The initial Committee shall be appointed by the Declarant or its successor. On the date two years after all of the Lots have been sold by Declarant or its assigns, or at such earlier date as is selected by Declarant in its sole discretion, the Owners (the Owners of each Lot having one vote) shall elect membership of the Committee, Prior to the date on which the

Owners shall elect the membership of the Committee, Declarant shall have the right to elect the membership. The right to elect the membership of the Committee also includes the right to remove one or more members of the Committee and to fill vacancies. The Committee shall act by a majority vote of those present in any meeting duly called for conducting official business.

5.4 General Design Review. The Committee will use its best efforts to provide a consistent pattern of development, and consistent application of standards of this Declaration. These standards are, of necessity, general in nature, and it is the Committee's responsibility to apply them in a manner that results in a high quality, attractive, and well designed community. There shall be no liability imposed directly or indirectly on any member of the Committee for any loss, damage, or injury arising out of or in any way connected with the performance of the duties of the Committee unless due to the willful misconduct or bad faith of such member. In reviewing any matter, the Committee shall not be responsible for reviewing, nor shall its approval of any building, structure, or other item be deemed approval of, the building, structure, or other item from the standpoint of safety, whether structural or otherwise, or conformance with building codes or other governmental laws or regulations.

5.5 Limitations on Review. The Committee's review is limited to those matters expressly granted in this declaration. The Committee shall have no responsibility to enforce building codes, zoning ordinances, or other statutes, laws, or ordinances affecting the development or improvement of real property and shall have no liability to any Owner whose plans were approved in a manner that included any such violation. Corrections or changes in plans to bring them into conformity with applicable codes must be approved by the Committee prior to construction.

VI. ARCHITECTURAL RESTRICTIONS

All improvements on any Lot shall be subject to the following restrictions and architectural design standards.

6.1 Number of Dwellings. Only one single family residence may be constructed on any Lot. All Dwellings shall have an attached garage for at least three cars.

6.2 Guest House, Barns, and Out Buildings. Guest Houses, barns out buildings and all other storage buildings must conform to all architectural restrictions in style and materials including roofing materials.

6.3 Dwelling Size. Wasatch County requires that the maximum square footage of all floor area of a dwelling not exceed 30% of the Lot area. Garage area shall be included in the County's calculation of total floor area.

6.4 Minimum Home Size. A rambler one story home shall be not less than 3200 square feet on the main floor. A Two Story home shall have not less than 3000 square feet on the main floor, and not less than 4000 square feet of finished living area.

6.5 Exterior Requirements. No structure shall be built less than 100 % of all the faces of the structure of either brick, stone or stucco. The color of all masonry used shall be disclosed to the Committee and the Owners are encouraged to submit samples. The use of metal soffit or fascia is permitted and encouraged. Exposed concrete foundation height shall not average more than 18" above finished grade on all sides. Wainscoat is acceptable. Wood exteriors are not permitted unless approved by the Home Owners Association on a case by case basis.

6.6 Roof Design. Roof Pitches must be within a range of 6/12 to a 12/12 slope. All roofs shall be pitched. All roofing materials must be of architectural grade asphalt shingles or better, i.e. shake, tile, etc., as approved by the Committee. All roof metal such as flashing, vent stacks, gutters, and chimney caps shall be made of anodized aluminum or galvanized metal painted to match the adjoining roof color.

6.7 No Used or Temporary Structure. No previously erected, used, or temporary structure, mobile home, trailer house, or any other non-permanent structure may be installed or maintained on any Lot. No metal building or metal storage sheds are allowed.

6.8 Balconies and Decks. Any balcony or deck that is more than twenty four inches above the natural grade must be constructed with the following: All railings must have at least four horizontal members. All posts or pillar support any deck must be between eight and sixteen inches in width. The area under any deck must be either landscaped or screened from view so that the view from the adjoining Lots or streets is not of the unfinished underside of the deck. The area under any deck shall not be used for storage of equipment, firewood, building material, or similar material. The underside of any deck more than three feet above grade must either be completely screened with vertical lattice or siding, or if exposed as in the case of a second story deck or balcony, finished and painted or stained.

6.9 Yard Light, Mail Box, Address Enclosure. An enclosure containing a mail box and newspaper receptacle and lighted street address shall be provided and installed by builder at the time of occupancy to match Dwelling masonry exterior material. After the initial installation, individual lot owners will be responsible for replacing any damaged or missing parts of the enclosure, Said restored enclosures shall be reconstructed to duplicate the original design and construction. Each Dwelling shall have at least one exterior front yard light, which may be installed on top of the mail box

and newspaper enclosure. The front yard light shall be wired with a photo electric cell so that it will be on during all night hours and must be maintained in good working order.

VII. COVENANTS, CONDITIONS, AND RESTRICTIONS REGARDING LAND USE.

7.1 Use of Lots. Each Lot within the Triple Crown Subdivision shall be used only for the construction and occupancy of one single family dwelling, not to exceed two stories in height, as approved or required by the Committee. Lots may also be used for the construction of typical residential amenities. Each Lot shall be used, improved and devoted exclusively for such single family residential use.

7.2 Business or Commercial Uses. No portion of the property described in Exhibit "A" may be used for any commercial, mining, or business use. Nothing in this provision is intended to prevent (a) the Declarant or its assigns from using one or more Lots for purposes of a construction office or sales office during construction of the Subdivision Improvements or until the Lots are sold, whichever occurs later, or (b) the conduct of a home occupation entirely within a Dwelling.

7.3 Completion Required Before Occupancy. No dwelling may be occupied prior to its completion and the issuance of a certificate of occupancy by the City.

7.4 Dwelling to be Constructed First. No Garage, storage unit, or other out building, other than those approved by Wasatch County, may be constructed prior to the construction of the Dwelling on a lot.

7.5 Design Review. No improvements of any kind, including but not limited to dwelling houses, barns, swimming pools, ponds, parking areas, fences, corrals, sheds, Walls, tennis courts, garages, drives, bridges, antennae, flag poles, curbs and walks shall ever be erected, altered or permitted to remain on any lands included in the Property, nor shall any excavating, alteration of any stream or canal, clearing, removal of trees or shrubs, or landscaping be done on any lands included in the property, unless the complete plans and specifications therefore are approved by the Design Review Committee prior to the commencement of such work.

A fee of \$50.00 shall be paid to the Design Review Committee to cover costs and expenses of review. Improvements costing less than \$500.00 shall be submitted to the Design Review Committee for approval but the fee of \$50.00 shall not be required.

The Design Review Committee shall consider the materials to be used on the external features of all buildings or structures, including exterior colors, harmony of external design with existing structures of other Lots, location with respect to topography,

finished grade elevations, and harmony of landscaping with the natural setting. The complete architectural plans and specifications must be submitted in duplicate and must include at least four different elevation views. One complete copy of plans and specifications shall be signed for identification by the owner and left with the Design Review Committee. In the event the Design Review Committee fails to take any action within 45 days after complete plans for such work have been submitted to it, then all of such submitted plans shall be deemed to be approved. In the event the Design Review Committee shall disapprove any plans, the person submitting such plans may appeal the matter at the next annual or special meeting of the members of the Association where an affirmative vote of at least two-thirds of the membership shall be required to change the decision of the architectural committee. Subsequent to receiving approval of the Committee and prior to the commencement of construction, each Owner will be responsible for obtaining a building permit and any other required licenses and permits from Wasatch County.

7.6 Variations: Where circumstances, such as topography, hardship, location of property lines, location of streams or other matters require the Design Review Committee may, by an affirmative vote of its members, allow reasonable variations as to any of the architectural covenants and restrictions contained in this instrument, on such terms and conditions as it shall require.

7.7 Construction Quality: The Committee will base its approval of construction plans, specifications, landscaping plans and other alterations on the acceptability and harmony with other structures in the Subdivision of the external design of the proposed structures with respect to topography and grade, quality of materials, size, height, color, etc. The Committee shall have final control for approval of all color and material plans. The Committee is prohibited from approving any design or plan that expressly violates the provisions of this declaration.

All structures constructed on the Property shall be of new materials, except pre-approved used brick, and shall be of good quality workmanship and materials. Only those exterior materials that will blend harmoniously to the natural environment, with special emphasis on earth toned colors, shall be permitted. All roof materials and colors must be pre-approved by the Committee. All stacks and chimneys from fireplaces in which combustibles, other than natural gas, are burned shall be fitted with spark arresters. All Owners shall strictly comply with all state laws and county ordinances pertaining to fire hazard control. Prefabricated homes and mobile homes are not permitted.

7.8 Construction Time. The construction time for the exterior portion of any structure shall not exceed 12 months from start to finish, including landscaping. "Start" shall be the time of closing wherein ownership of the lot is transferred from Wallace Investment Limited Partnership or its assigns to an owner or builder. All building debris, excavation, dirt, etc. associated with the building process shall be

removed within the 12 month period. Such debris and excavation dirt shall not be permitted on any of the streets or sidewalks.

7.9 Building Location. No improvement shall be located on any Lot nearer than 50 feet to any front Lot line. No improvement shall be located nearer than 20 feet from a rear or side Lot line. All buildings shall be placed and built in accordance with slope, setback, height and all other requirements of Wasatch County's ordinance.

7.10 Landscaping. No fence, wall, or screen shall be erected without prior written approval of the Committee. Owners shall plant trees and shrubs to enhance the natural beauty of the lots, provide windbreaks and improve erosion control. The planting of trees that will have a high profile and obstruct views from neighboring Lots is prohibited. Such trees may be pruned or removed at the discretion of the Committee. No plantings or structures shall be placed or permitted which may damage or interfere with established slope ratios, create erosion or change the direction of drainage channels. All materials used to retain and contour the slope of any Lot or improvement must conform with the natural beauty and color of the Property and must be approved by the Committee.

7.11 Temporary Occupancy and Temporary Buildings. No trailer, basement of any incomplete building, tent, shack, garage or barn, and no temporary buildings or structures of any kind, shall be used at any time for a residence, either temporary or permanent. Temporary buildings or structures used during the construction of a dwelling on any property shall be removed immediately after the completion of construction.

7.12 Out Buildings. Out buildings such as storage sheds may be constructed on any Lot as long as they are in conformity with the requirements of this Declaration, are approved by the Committee, and meet the requirements of Wasatch County.

7.13 Exterior Antennas, Lights and Power Lines. Exterior antennas are prohibited unless hidden. Exposed metal flues, vents, ventilator or other metallic rooftop protrusions shall be coated or painted with a neutral color that will blend harmoniously with the surrounding property. Satellite dishes will be allowed provided they are placed or screened so they are not visible to neighboring properties and streets. The location of satellite dishes must be approved by the Committee. Exterior lighting that is detached from the dwelling will not be allowed unless approved by the Committee. All power lines and similar utility cables shall be buried underground.

7.14 Nuisances; Construction Activities. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot, and no odors or loud noises shall be permitted to arise or emit therefrom, so as to render any such

property or any portion thereof, or activity thereon, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to the occupants of such other property. No other nuisance shall be permitted to exist or be operated upon any Lot so as to be offensive or detrimental to any other property in the vicinity thereof or to its occupants. Normal construction activities and parking in connection with the building of improvements on a Lot shall not be considered a nuisance or otherwise prohibited by this Declaration, but Lots shall be kept in a neat and tidy condition during construction periods, trash and debris shall not be permitted to accumulate, and supplies of brick block, lumber and other building materials will be piled only in such areas as may be approved by the Committee. In addition, any construction equipment and building materials stored or kept on any Lot during construction of improvements may be kept only in areas approved by the Committee, which may also require screening of the storage areas.

Unlicensed vehicles or vehicles that are not in running condition must be stored in garages or at locations off the Property. The burning of rubbish, leaves or trash on the Property is prohibited. Trash containers shall be covered and kept screened from view from the street in suitable enclosed areas, except during collection. No owner shall permit any thing or condition to exist upon any Lot that shall induce, breed or harbor disease carrying insects or noxious plants or weeds. The Committee in its sole discretion shall have the right to determine the existence of any nuisance.

7.15 Signs. No signs of any kind shall be displayed to public view on any Lot except one sign of not more than five square feet advertising the property for sale or rent. Signs used by a builder or developer, up to twelve square feet, may be displayed to advertise the improvement or Lot during the construction period. The placement of signs, graphics, or advertisements for small businesses conducted in the home is prohibited.

7.16 Livestock, Poultry and Pets. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot smaller than 2 (two) acres, except that dogs, cats or other household pets may be kept; provided that they are not kept, bred or maintained for any commercial purpose and are restricted to the owner's control. No kennel or dog run may be placed or maintained closer than 50 feet to any Dwelling other than the Dwelling on the Lot where the kennel or dog run is maintained.

7.17 Underground Utilities. All gas, electrical, telephone, television, and any other utility lines in the property described in Exhibit "A" are to be underground, including lines within any Lot which service improvements within that lot.

7.18 Service Yards. No clothes lines, service yards, or storage yards shall be permitted. Exterior mechanical equipment must be screened in a manner approved by the Committee so that it is not visible from adjoining Lots, except as provided herein.

7.19 Repair of Building. No building or structure on any Lot shall be permitted to fall into disrepair and each such building and structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished. In the event any building or structure is damaged or destroyed, then, subject to the approvals required by Subsection 6.1 above, such building or structure shall be immediately repaired or rebuilt or shall be demolished. All lots and the Improvements on them shall be maintained in a clean, sanitary, and attractive condition at all times. No unsightliness is permitted on any Lot. This shall include, without limitation, the open storage of any building materials (except during construction of improvements) open storage or parking of farm or construction equipment, boats, campers, camper shells, trailers, trucks larger than pickup trucks, (except during periods of actual loading and unloading), or inoperable motor vehicles; accumulations of lawn or tree clippings or trimmings; accumulations of construction debris or waste; household refuse or garbage except as stored in tight containers in an enclosure such as a garbage can; lawn or garden furniture except during the season of use' and the storage or accumulation of any other material, vehicle, or equipment on the Lot in a manner that is visible from any other Lot or public street.

7.20 Trash and Rubbish. All lots (improved or unimproved) shall be kept free of rubbish, weeds, and other unsightly items, and shall be maintained in such a manner as not to detract from the residential quality of the property described in Exhibit "A".

7.21 Overnight Parking and Storage of Vehicles. The storage of any automobiles, trucks, buses, tractors trailers, camping vehicles, boats, boat trailers, snowmobiles, mobile homes, two and three wheeled motor vehicles, or other wheeled motor vehicles shall be prohibited unless such vehicles are kept from the view of the general public.

7.22 Vehicles Restricted to Roadways. No motor vehicle will be operated on the property described in exhibit "A" except on improved roads and driveways. No snowmobiles or motorcycles will be operated on any Lot except for ingress or egress or while loading the equipment for lawful transport on public streets. No vehicle parking shall be permitted in front or visible side yards other than on designated driveways.

7.23 Restriction on Further Subdivision, Property Restrictions and Rezoning. No Lot shall be further subdivided or separated into smaller lots by any Owner, and no portion less than all of any such Lot, nor any easement or other interest therein, shall be conveyed or transferred by any Owner, without the prior written approval of the Board, which approval must be evidenced on a document recorded with the county recorder. No further covenants, conditions, restrictions or easements shall be recorded by any Owner or other person against any Lot without the provisions thereof having been first approved in writing by the Board, and any covenants, conditions, restrictions or assessments recorded without such approval being evidenced thereon shall

be null and void. No application for rezoning of any Lot, and no applications for variances or use permits, shall be filed with any governmental authority unless the proposed use of the Lot has been approved by the Board and the proposed use otherwise complies with this Declaration.

7.24 Fences. Fences, walls or hedges may be erected, started or maintained to a height of 72" above adjacent grade when used as a property line or boundary separation, except that no fence, wall, or hedge may be used for this purpose in the front setback area of a lot in excess of 60" above the adjacent grade. All fences must be pre-approved by then Design Review Committee. All fencing materials shall consist of one or more of the following: stone, brick, block, concrete pre-cast, or rod iron. Other materials must be pre-approved by the committee. No wood fences shall be allowed. Fencing shall be consistent with the fencing proposed and accepted as part of the preliminary approvals. See attached fencing exhibit. Lots larger than 2 acres will be allowed to have vinyl field fencing or other fencing approved by the design review committee of the Triple Crown Home Owners association.

7.25 Easements. An easement for installation and maintenance of utilities (including, but not limited to, phone lines, electricity wires, gas lines, etc.) is hereby reserved as shown on the Plats. Said easements shall be 10 feet wide, 5 feet on each of the side yard and back yard lots, and shall be for the benefit of each Lot owner, the Association and their Agents.

VIII. AMENDMENTS

8.1 Term; Method of Termination. This Declaration shall be effective upon the date of recordation hereof and, as amended from time to time, shall continue in full force and effect for a term of twenty years from the date of recordation. From and after said dated, this Declaration, as amended, shall be automatically extended for successive periods of ten years each, unless there is an affirmative vote to terminate this Declaration by the then Members casting seventy-five percent of the total votes entitled to be cast at an initial effective period hereof or any ten year extension. This Declaration may be terminated at any time if at least ninety percent of the votes cast by all Members shall be cast in favor of termination at an election held for such purpose. No vote to terminate this Declaration shall be effective unless and until the written consent to such termination has been obtained, within a period from six months prior to such vote to six months after such vote, from the holders of recorded first mortgages or deeds of trust not less than on seventy-five percent of the Lots upon which there are such recorded first mortgages and deeds of trust. If the necessary votes and consents are obtained, the Board shall cause to be recorded in the Wasatch County Recorder's Office a "Certificate of Termination", duly signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association, with their signatures acknowledged. Thereupon the

covenants herein contained shall have no further force and effect, and the Association shall be dissolved pursuant to the terms set forth in its articles.

8.2 Amendments. This Declaration may be amended by recording in the Wasatch County real property records a "Certificate of Amendment", duly signed and acknowledged as required for a Certificate of Termination. The Certificates of Amendment shall set forth in full the amendment adopted, and shall certify that an election duly called and held pursuant to the provisions of the articles and bylaws of the Association the Members casting seventy-five percent of the votes at the election, voted affirmatively for the adoption of the amendment. Any amendment shall be effective only if the written consent from the holders of recorded first mortgages or deeds of trust on seventy-five percent of the Lots upon which there are such recorded first mortgages or deeds of trust is obtained. Wallace Investment Limited Partnership shall have the right, until the time all lots are sold in the above-designed real property, to amend this document in any way it deems reasonable, including, but not limited to, adding other real property to that described above, altering the above real property description, or other amendments consistent with the intent of this Declaration.

IX. COVENANT FOR ASSESSMENTS.

9.1 Creation of the Lien and Personal Obligation of Assessments. Each Owner, by acceptance of a real estate contract or deed for a Lot, whether or not it shall be so expressed in any such contract or deed, is deemed to covenant and agree to pay to the Association: (1) regular assessments or charges; (2) special assessments for capital improvements and other purposes, such assessments to be fixed established and collected from time to time as hereinafter provided and (3) other expenses incurred by the Association. The regular and special assessments and expenses together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each such assessment or charge is made. Each such assessment or charge together with such interest, costs and reasonable attorney's fees, shall be the joint personal obligations of the person who was the owner of such property at the time when the assessment or charge fell due, as well as the personal obligation of any subsequent Lot owner(s).

9.2 Purpose of Assessments: The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, security and welfare of the members of the Association and, in particular, for the improvement and maintenance of the roads, properties, services and facilities devoted to this purpose and related to the use and enjoyment of the owners.

9.3 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 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.

9.4 Special Assessments for Capital Improvements: In addition to the regular assessments, the Association may levy in any fiscal year special assessments applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon any common area, or other purpose beneficial to the Owners, provided that any such assessment shall have been approved by the vote or written assent of a majority of the voting power of the Association. The provisions hereof with respect to special assessments do not apply in the case where the special assessment against an Owner is a remedy utilized by the Board of Trustees of the Association to reimburse the Association for costs incurred in bringing an Owner or his Lot into compliance with the provisions of this Declaration.

9.5 Uniform Rate of Assessment: Except as otherwise provided herein, both regular and special assessments shall be fixed at a uniform rate for each Lot, and may be collected on a monthly, quarterly or annual basis as determined by the Board of Trustees of the Association. Each Owner's assessment shall be calculated by multiplying the assessment rate by the number of Lots owned by such Owner. Declarant or its successor in interest, is an owner, but is not subject to the payment of regular and special assessments.

X. MISCELLANEOUS

10.1 Interpretation of the Covenants. Except for judicial construction, the Association, by its Board, shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and property benefited or bound by the Covenants and provisions hereof.

10.2 Severability. Any determination by any court of competent jurisdiction that any provisions of this Declaration are invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions hereof.

10.3 Rule Against Perpetuities. Each provision contained in this Declaration which is subject to the laws or rules sometime referred to as the rule against perpetuities or the rule prohibiting unreasonable restraints on alienation shall continue and remain in full force and effect for the period of 21 years following the death of the last survivor of the issue of Utah Governor John Huntsman, and the now living children

of said issue, or until this Declaration is terminated as hereinafter provided, whichever first occurs.

10.4 Rules and Regulations. In addition to the right to adopt rules and regulations on the matters expressly mentioned elsewhere in this Declaration, the Association shall have the right to adopt rules and regulations with respect to all other aspects of the Association's rights, activities and duties, provided said rules and regulations are not inconsistent with the provisions of this Declaration. All such rules and regulations are enforceable by injunction and any other necessary action at law.

10.5 Attorney's Fees. In any action to enforce any provision of this declaration, the prevailing party shall be entitled to an award of its costs of court and a reasonable attorney's fee.

10.6 Registration of Mailing Address. Each Owner shall register his current mailing address with the Association so that all notices or demands may be sent to the owner by either Registered or Certified Mail unless another method for providing notice is adopted by the Board.

10.7 Owner's Obligation to Continue. All obligations of the Owner under and by virtue of this Declaration shall continue, notwithstanding that he may have leased or rented said lot, but the Owner shall have no obligations occurring after the sale or conveyance of said lot. Obligations incurred prior to transfer shall remain the obligation of Owner.

10.8 Non Waiver. Failure to enforce any provisions or restrictions or covenants by the Declarant shall not operate as a waiver of any such provisions, restrictions or covenants.

10.9 Covenants Run with the Land. These covenants shall run with the land and shall be enforceable until they expire of their own terms, or are amended or eliminated in accordance with the provisions of this document set forth above.

IN WITNESS THEREOF, Wallace Investment Limited Partnership has hereunto caused its name to be signed by the signature of its duly authorized officials as of the date and year written.

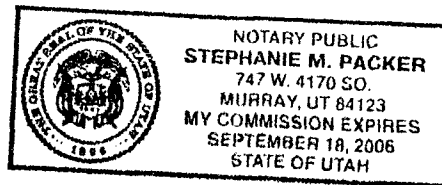
Wallace Investment Limited Partnership, L.C.

Wm. Dean Wallace
By: Wm. Dean Wallace
Its: General manager

State of Utah)
 §
County of Salt Lake

On this 28th day of ~~June~~^{Aug}, 200~~7~~⁶, before me personally appeared Wm. Dean Wallace, personally known or satisfactorily proved to me on the basis of satisfactory evidence, and who by me duly sworn or affirmed, did say that s/he is the Managing Member of Wallace Investment Limited Partnership, and that said document was signed by him/her on behalf of said entity by authority of its Operating Agreement, and acknowledged to me that said entity executed the same.

Stephanie M. Packer
Notary Public



**TRIPLE CROWN SUBDIVISION
COMMON AREA MAINTENANCE, AND SERVICE AGREEMENT**

-0000-

This MAINTENANCE AGREEMENT (the "Agreement") is entered into as of this 28 day of August, 2000, by and between Wallace Investment Limited Partnership Utah limited liability company (hereinafter called "Developer"), and Wasatch County, a political subdivision of the State of Utah (hereinafter called the "County"). Developer and the County are hereinafter referred to individually as a "Party" and collectively as the "Parties." This Agreement supersedes and replaces any previous agreements entered into or representations made by and between Developer and the County involving the Property (defined below).

RECITALS

- A. The County, acting pursuant to its authority under Utah Code Ann. Section 17-27-101, et seq., and Section 17-53-223, and Section 17-53-302(13), as amended, and in furtherance of its land use policies, goals, objectives, ordinances, and regulations, desires to insure that common areas are maintained, and that services are provided to County Residents residing in the Triple Crown Subdivision.
- B. The Developer desires approval of its project, and desires to insure that common areas are maintained, and that services are provided to its purchasers.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and provisions set forth herein, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

Section 1. EFFECTIVE DATE AND TERM

1.1 Effective Date.

This Agreement shall become effective on the date it is executed by Developer and the County (the "Effective Date").

1.2 Term.

The term of this Agreement (the "Term") shall commence upon the Effective Date and continue for a period of twenty-five (25) years. Unless otherwise agreed between the

County and Developer, Developer's vested interest(s) and right(s) contained in this Agreement expire at the end of the Term, or upon termination of this Agreement.

1.3 Maintenance.

Pursuant to the Covenants, Conditions and Restrictions for the Triple Crown Development that have been filed, or will be filed in the Wasatch County Recorder's Office, and pursuant to incorporation of the Triple Crown Homeowner's Association, powers have been granted to the Association to operate a Homeowner's Association, and to care for and maintain the common areas. Pursuant to this agreement, Developer agrees to maintain the common areas as set forth in the plat for the Triple Crown Subdivision. Developer further agrees to assign those duties for maintenance to the Homeowner's Association during the period when Developer has control of the Association. The assignment shall be for the term of this agreement.

1.4 Provision of Services.

Services for the Triple Crown Subdivision are to be provided as set forth in the Development agreement. As indicated in that agreement, all services are to be provided by special service districts and there is no need for Developer to provide services.

1.5 Incorporation of Recitals and Introductory Paragraph. The Recitals contained in this Agreement, and the introductory paragraph preceding the Recitals, are hereby incorporated into this Agreement as if fully set forth herein.

1.6 Severability. If any term or provision of this Agreement, or the application of any term or provision of this Agreement to a particular situation, is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining terms and provisions of this Agreement, or the application of this Agreement to other situations, shall continue in full force and effect unless amended or modified by mutual consent of the Parties.

1.7 Other Necessary Acts. Each Party shall execute and deliver to the other any further instruments and documents as may be reasonably necessary to carry out the objectives and intent of this Agreement.

1.8 Construction. This Agreement has been reviewed and revised by legal counsel for both the County and Developer, and no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Agreement.

1.9 Other Miscellaneous Terms. The singular shall include the plural; the masculine gender shall include the feminine; "shall" is mandatory; "may" is permissive. The County may look to Developer, the Home Owners' Association, or collectively to each lot or unit owners in the Project for performance of the provisions of this Agreement relative to the portions of the Project owned or controlled by such party. Any cost

incurred by the County to secure performance of the provisions of this Agreement shall constitute a valid lien on the Project, including prorated portions to individual lots or units in the Project, on a parity with and collected at the same time and in the same manner as general County taxes and assessments that are a lien on the Project. The County may pursue any remedies available at law or in equity, including the withholding of building permits or certificates of occupancy, to ensure compliance with this Agreement.

1.10 Waiver. No action taken by any Party shall be deemed to constitute a waiver of compliance by such Party with respect to any representation, warranty, or condition contained in this Agreement. Any waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a waiver by such Party of any subsequent breach.

1.11 Remedies. Either Party may, in addition to any other rights or remedies, institute an equitable action to cure, correct, or remedy any default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation thereof, enforce by specific performance the obligations and rights of the Parties hereto, or to obtain any remedies consistent with the foregoing and the purpose of this Agreement.

1.12 Utah Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Utah.

1.13 Covenant of Good Faith and Fair Dealing. Each Party shall use its best efforts and take and employ all necessary actions in good faith consistent with this Agreement and Applicable Law to ensure that the rights secured by the other Party through this Agreement can be enjoyed.

IN WITNESS WHEREOF, this Agreement has been entered into by and between Developer and the County as of the date and year first above written.

WASATCH COUNTY:

Attest:

Wasatch County Manager

BRENT TITCOMB,
Wasatch County Clerk
Auditor

STATE OF UTAH)

ss:

COUNTY OF WASATCH)

The foregoing instrument was acknowledged before me this _____ day of _____, 2003, by _____, who executed the foregoing instrument in his capacity as the Wasatch County Manager and by Brent Titcomb, who executed the foregoing instrument in his capacity as the Wasatch County Clerk Auditor.

NOTARY PUBLIC

Residing at: _____

My Commission Expires:

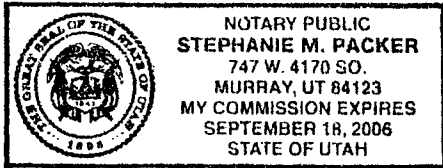
Wallace Investment Limited Partnership

By: W.D. Dean Wallace

Wm. Dean Wallace
Wm. Dean Wallace, General Partner

STATE OF UTAH)
 :SS
COUNTY OF Salt Lake)

The foregoing instrument was acknowledged before me this 28th day of August, 2006 by Wm. Dean Wallace who executed the foregoing instrument in his capacity as the General Partner of Developer, Wallace Investment Ltd. Partnership. smp 8/28/06



Stephanie M Packer
NOTARY PUBLIC
Residing at: 747 W 4170 S, Murray, UT 84123

My Commission Expires:

September 18, 2006

EXHIBIT I
LEGAL DESCRIPTION OF EXTENSION OF 600 SOUTH

The extension of 600 South is shown on the plats for the Triple Crown Subdivision.

TRIPLE CROWN SUBDIVISION ESCROW AGREEMENT
FOR THE FUTURE IMPROVEMENT OF 600 SOUTH ROAD

This agreement is between Wasatch County (hereinafter "the County") Wallace Investments, Inc., (hereinafter "Developer") the developer of the Triple Crown Subdivision located in Wasatch County.

Recitals

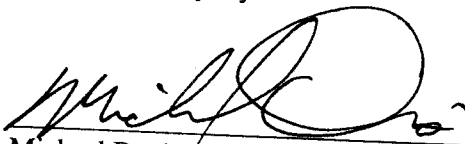
1. Developer has received approval to develop certain property known as Triple Crown Subdivision ("the Development").
2. As part of the approval process, Developer has agreed to provide to the County \$158,000.00 to be used for the future improvement of a portion of 600 South Road, which is located on the southern edge of the Development. In exchange, the County has agreed to absolve the Developer of the responsibility to improve 600 South Road to meet County ordinances and regulations.
3. This agreement is between the County and Developer and is not intended to benefit any other person or entity or create any third party beneficiary or right.
4. This agreement memorializes one of the promises and conditions made in the development process and it is not intended to amend or modify any condition or promise previously made.

Agreement

Therefore, Developer and the County hereby agree as follows:

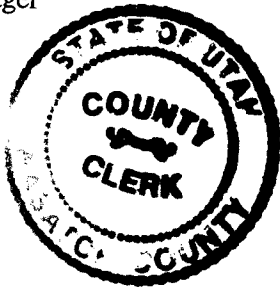
1. Developer will tender to the County \$158,000.00 ("the funds") upon the execution of this agreement.
2. Upon receipt of the funds, the Developer will be deemed relieved of the obligation to improve 600 South Road to meet County ordinances and regulations.
3. The County will place the funds in an interest bearing account as allowed by State law.
4. When improvement of 600 South Road has begun, the funds, both principle and interest, shall become the property of Wasatch County and may be used to expand said road or for any other County purpose.
5. If 600 South Road is not improved in any manner within 30 years from the date of this agreement, the funds, both principle and interest, will be returned to Developer.

Wasatch County, by

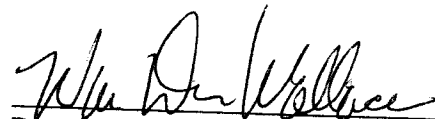

Michael Davis, Wasatch County Manager

Date: Aug. 30, 2007


Brent R. Tittem
wasatch county clerk



Wallace Investments, Inc., by


Dean Wallace, Owner

Date: 8/29/07