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DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
RANCH PLACE
PARK CITY, UTAH

June 25, 1993

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**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
RANCH PLACE SUBDIVISION
SUMMIT COUNTY, UTAH**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR RANCH PLACE SUBDIVISION is made this 25th day of June, 1993, by RANCH PLACE ASSOCIATES, a Utah general partnership and RANCH PLACE ASSOCIATES III, LIMITED PARTNERSHIP, a Utah limited partnership, together referred to below as "Declarant."

RECITALS:

A. Declarant is the owner of the following described real property (the "Entire Property") located in Summit County, Utah:

See the Attached Exhibit A

B. Declarant intends to develop a residential subdivision on the Entire Property. Declarant will develop and convey all of the Lots within the Subdivision subject to a general plan of development, and subject to certain protective covenants, conditions and restrictions all as set forth in this Declaration, and which are deemed to be covenants running with the land mutually burdening and benefiting each of the Lots within the Subdivision.

C. Declarant intends to develop the subdivision on the Entire Property in phases, with the initial phase consisting of the following described real property (the "Property") located in Summit County, Utah:

See the Attached Exhibit B

DECLARATION:

DECLARANT HEREBY DECLARES that all of the Lots within the Subdivision shall be held, sold, conveyed, encumbered, leased, used, occupied and improved subject to the protective covenants, conditions, restrictions and equitable servitudes set forth in this Declaration, all of which are created for the mutual benefit of the Owners of the Lots. It is the intention of the Declarant in imposing these covenants, conditions and restrictions to create a generally uniform pattern of development, to protect and enhance the property values and aesthetic values of the Lots by eliminating inconsistent uses or improvements, all for the mutual protection and benefit of the Owners of the Lots. The covenants, conditions and restrictions are intended to, and shall in all cases run with the title

of the land, and be binding upon the successors, assigns, heirs, lien holders, and any other person holding any interest in the Lots, and shall inure to the benefit of all other Lots in the Subdivision to be located on the Entire Property. The covenants, conditions and restrictions shall be binding upon the Declarant as well as its successors in interest, and may be enforced by the Declarant or by any Owner, of a Lot within the Subdivision on the Entire Property. An instrument containing protective covenants, conditions and restrictions substantially similar to the covenants set forth in this Declaration, with such modifications or supplemental provisions as may be deemed appropriate by Declarant on a phase-by-phase basis to address differences in the circumstances affecting Lots or Reserved Open Space to be constructed after the initial phase, shall be recorded against Lots in subsequent phases of the Subdivision on the Entire Property.

Notwithstanding the foregoing, no provisions of this Declaration shall prevent the Declarant from doing any of the following, which shall be deemed to be among Declarant's reserved rights in addition to such rights as may be described elsewhere in this Declaration: (1) Installation and completion of the Subdivision Improvements; (2) use of any Lot owned by the Declarant as a model home, or for the placement of a temporary construction or sales office; (3) installation and maintenance of signs incidental to sales or construction which are in compliance with applicable County ordinances; (4) assignment of Declarant's rights under this Declaration in whole or in part to one or more builders intending to construct homes within the Subdivision; and (5) retention of Declarant's rights with respect to subsequent phases of the Subdivision.

COVENANTS, CONDITIONS AND RESTRICTIONS:

ARTICLE I

DEFINITIONS

1. Unless the context clearly requires the application of a more general meaning, the following terms, when used in this Declaration, shall have the following meanings:

"Additional Property" shall mean the balance of the Entire Property not included within recorded Plats.

"Architectural Committee" shall mean the committee created under Article IV of this Declaration.

"Association" shall mean the Ranch Place Subdivision Homeowners Association, whether incorporated or not, and as the context requires, the officers and directors of that Association.

"Conservation Areas" shall mean the Conservation Common Areas, the Scenic Reserve and those areas within Lots affected by Wetlands Conservation Restrictions.

"Conservation Common Areas" shall mean the areas designated as such on the Plats, which areas shall be covered by conservation easements to preserve the areas as wetlands open space. The Conservation Common Areas will be owned and maintained by the Association, Summit County or a qualified conservation entity.

"County" shall mean the Summit County, Utah, and its appropriate departments, officials, and boards.

"Declarant" shall mean and refer to Ranch Place Associates, a Utah general partnership and Ranch Place Associates III, Limited Partnership, a Utah limited partnership and any successor to Ranch Place Associates and Ranch Place Associates III, Limited Partnership, in the ownership of Lots where ownership is conveyed in connection with a total or limited assignment and assumption of Declarant's rights and obligations under this Declaration.

"Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions, together with any subsequent amendments or additions. The Subdivision Plats for Ranch Place Subdivision, and the easements and other matters shown on any such Plat, are also incorporated into this Declaration by reference.

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

"Entire Property" shall have the meaning set forth in the recitals.

"Family" shall mean one household of persons related to each other by blood, adoption or marriage, or one group of not more than five people not so related living together as a unit who maintain a common household.

"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 any building.

"Lot" shall mean any numbered building Lot shown on any official plat of all or a portion of the Subdivision.

"Owner" shall mean the person or persons having title to any Lot. Owner shall mean the person holding fee simple title, including the Declarant, and buyers under any contract for deed, but shall exclude any person or entity holding title for purposes of securing performance of an obligation.

"Person" shall mean a natural person or any legal entity with a right to hold title to real property in its own name in the State of Utah.

"Plat" shall mean an official ownership plat of any phase of the Ranch Place Subdivision as approved by Summit County and recorded in the office of the Summit County Recorder, as it may be amended from time to time.

"Property" shall have the meaning set forth in the recitals.

"Recreation Areas" shall mean the areas designated as such on the Plats, which areas shall be available to Owners for recreational purposes determined by the Association.

"Reserved Open Space" shall mean those areas within the Subdivision that are not part of any Lot and not dedicated as public streets, and which are designated as Recreation Areas, Conservation Common Areas, or Scenic Reserve on the Plat. Title to the Recreation Areas or Conservation Common Areas may be vested in the Association.

"Scenic Reserve" shall mean the areas designated as such on the Plats, which areas shall be covered by conservation easements to preserve the areas as wetlands open space. Declarant contemplates that the Scenic Reserve will be owned and maintained by Summit County or a qualified conservation entity.

"Subdivision" shall mean all phases of the Ranch Place Subdivision, and all Lots, Reserved Open Space, and other property within the Subdivision as shown on the Plats covering the Entire Property.

"Subdivision Improvements" shall mean all subdivision improvements to be installed outside of the boundaries of Lots or within easements as identified on the Plats that are necessary to provide public road access and utility service to the Lots, and including other construction work required to comply with any conditions of the County or other governmental agencies to the approval of the Subdivision or any Plat thereof.

"Trustees" shall mean the duly elected and acting Board of Trustees of the Ranch Place Subdivision Homeowners Association, whether incorporated or not.

"Wetlands Conservation Restriction" shall refer to the restrictions on the rear 30 feet of certain Lots designated on the Plats, which restrictions reflected on the Plat and in this Declaration are related to the preservation of adjacent Conservation Common Areas and the Scenic Reserve.

ARTICLE II

HOMEOWNER ASSOCIATION

2. To effectively enforce these Covenants, the Declarant has created, or will create, a Utah non-profit corporation called Ranch Place Subdivision Homeowner Association. The Association shall be comprised of the Owners of Lots within the Ranch Place Subdivision, and is established to perform the following functions and exercise the following rights and powers for the benefit of the Owners and the enforcement of these covenants. Membership in the Association is deemed an appurtenance to the Lot, and is transferrable only in conjunction with the transfer of the title to the Lot. The Association shall have and exercise, as necessary, the following powers:

2.1 Enforcement Powers. The Association shall have the power to enforce these covenants by actions in law or equity brought in its own name, the power to retain professional services needed for the enforcement of these covenants and to incur expenses for that purpose. The officers of the Association shall have the authority to compromise claims and litigation on behalf of the Association resulting from the enforcement of these Covenants. The Trustees of the Association shall have the exclusive right to initiate enforcement actions in the name of the Association, however this shall not limit the individual rights of Lot Owners to personally enforce these Covenants in their own name. The Association may appear and represent the interests of the Subdivision at all public meetings concerning zoning, variances, or other matters of general application and interest to the Owners. Owners may appear individually.

2.2 Use and Maintenance of Conservation Areas. The Conservation Areas shall remain as open space subject to the terms and conditions of conservation easements to be placed on these areas and the terms of this Declaration. No Improvements of any kind may be constructed or maintained in the Conservation Areas except for underground public utility facilities, fences and public or private trails. The Scenic Reserve shall be maintained by a separate entity. The Wetlands Conservation Restriction areas within Lots shall be maintained by the respective Lot Owners. The Association shall be responsible for the maintenance

of the Conservation Common Areas within the Subdivision, and shall maintain those areas generally in their existing condition after completion of Subdivision Improvements. The Association shall have the authority to assess its members for the cost of maintaining the Conservation Common Areas, restoring any damage to vegetation and fencing, removing of any debris or trash that might be deposited there, maintaining the ditches that run through the Conservation Areas, controlling noxious weeds and paying property taxes assessed against the Conservation Common Areas. The Association shall also maintain the trails shown on the Plat. In addition, the Association shall enforce the restrictions of the conservation easements and this Declaration applicable to Conservation Areas and shall assess Owners for the costs of such enforcement.

2.3 Use and Maintenance of Recreation Areas. The Association will be responsible for the maintenance of the Recreation Areas within the Subdivision. The Recreation Areas shall be used and improved as determined by the Association. The Association shall have the authority to assess its members for the cost of maintaining the Recreation Areas, restoring any damage to vegetation, fencing, removing of any debris or trash that might be deposited there, and paying property taxes assessed against the Recreation Areas. The Association is also responsible for the maintenance of the trails shown on the Plat as within the Recreation Areas.

2.4 Other Maintenance. Until such time as public maintenance of roads and other Subdivision Improvements has been assumed by the County, the Association shall be responsible for any such maintenance, and shall have the power to make assessments against the Owners, including the Owners of unimproved Lots, for purposes of providing this service.

2.5 Assessments. The Association has the power to levy assessments against each Lot as necessary to carry out these functions. All assessments will be equal on all Lots, whether vacant or improved. Assessments will be made annually to meet the anticipated and recurring costs, expenses and other expenditures of the Association including, but not limited to, the costs of Reserved Open Space maintenance, acquisition, repair and replacement of capital facilities, liability insurance, any water for irrigation of Reserved Open Space or other areas within the control of the Association, reimbursement of expenses incurred by the Trustees and Architectural Committee in performance of their obligations, the costs of complying with and enforcing rights under these covenants, and working capital, capital improvements and contingency reserves. Notice of the assessment and the proposed amount of the annual assessment will be given in advance along with the notice of the annual meeting of the Association, provided that the amount of the proposed assessment may be increased or decreased at the meeting in which it is approved by the Owners. The Association may also levy special assessments to cover unanticipated

expenses or shortfalls. No special assessment will be levied without approval of a majority of a quorum of the Owners in attendance in person or by proxy at a meeting called for that purpose.

2.6 Assessments Constitute Lien, Mortgagee Protection. Any validly imposed assessment by the Association shall constitute a lien against the Lots in the Subdivision. The Association shall have the right to foreclose on that lien under the procedures available for the foreclosure of mortgages in the state of Utah when any assessment remains unpaid for a period of more than 90 days from the date the assessment was levied. Alternatively, if the lien is not foreclosed upon, it may be renewed from year to year by recording a new notice of the lien, together with accumulated interest. The lien of the Association against any Lot shall have priority from the date that the first Notice of Lien on a specific Lot is recorded in the office of the Summit County Recorder, and is subordinate to any previously recorded liens or encumbrances filed against that Lot, specifically including any purchase money mortgage or trust deed. Notwithstanding the lien rights of the Association, the obligation to any assessments is a personal obligation of the Owner of each Lot, and the Association may proceed to collect against the Owner, or the prior Owner of any Lot (in the event of a sale) without any obligation to first take recourse against the Lot and Improvements to which the lien has attached. No Mortgagee or Beneficiary under a Trust Deed who takes title by foreclosure or non-judicial sale, or accepts in deed in lieu of foreclosure or non-judicial sale, shall be held liable for the unpaid assessments of the Owner whose Lot was acquired by the Mortgagee or Beneficiary under a Trust Deed.

2.7 Statement of Account. Any Owner may request the Association to provide a statement of his account to any lender or prospective buyer of that Lot showing the assessments to be paid in full, or the amount of any past due assessments. The buyer or lender for whom such a statement was prepared will be entitled to rely on its accuracy, and will not be held liable for any amounts not shown on the statement.

2.8 Indemnity of Association Trustees and Officers. The Association will indemnify the officers, agents and trustees of the Association against any and all claims arising against them personally which are a result of the good faith exercise of the powers, duties and responsibilities of their office under this Declaration.

2.9 Election. Unless otherwise provided in the By-Laws of the Association, the elections for members of the Board of Trustees, or any other matter which is presented to the Association, each Owner, including the Declarant, shall be entitled to cast one vote for each Lot he or she owns. In the case of a Lot with multiple Owners, the Owners will agree among themselves

how the vote applicable to that Lot will be cast, and if no agreement can be reached, no vote will be received from that Lot. Any of the multiple Owners appearing at the meeting in person or by proxy is deemed to be acting with proper authority for all of the other Owners of that Lot unless the other Owners are also present or have filed written objections to that Owner's representation of the other Owners of the Lot in question.

2.10 Notice of Election, Notice of Meeting. Unless otherwise provided in the By-Laws of the Association, notice of any meeting for the election of members to the Board of Trustees or for any other purpose shall be sent to the Owners at their last known address (which may be determined from the most recent property tax assessment if no other address is known). Notice will be mailed not less than 30 days, nor more than 60 days in advance of the meeting. Any notice will state the purpose of the meeting, and the time, date and place of meeting. At any such meeting, a quorum will exist if the Owners of 51% are present, and notice was properly given, those present at the meeting may vote to continue the meeting to any date within 30 days. Notice of the continued meeting will be given by mail, and at the subsequent continued meeting, a quorum will consist of those members present. The Chairman of the Board of Trustees will give notice of any meetings, and will chair meetings of the Owners.

2.11 Special Meeting. When circumstances warrant, a special meeting of the Owners may be called as provided in the Bylaws. No business may be conducted at a special meeting without a full quorum of the Owners of 51% of the Lots being present in person or by written proxy.

2.12 Number of Trustees, Term of Office. Unless otherwise provided in the By-Laws of the Association, there shall be three (3) members of the Board of Trustees, who will serve for terms of three years, or until their successors have been elected. At such time as the first Board of Trustees is named, whether by appointment by the Declarant or by election from among the Members, the Trustees will draw lots to divide themselves into terms of one, two and three years. Members of the Board of Trustees may serve consecutive terms.

ARTICLE III

ARCHITECTURAL COMMITTEE

3. It is the intention and purpose of these covenants, conditions and restrictions to impose architectural standards on the Improvements to any Lot of a type and nature that result in buildings which are architecturally compatible in terms of Lot coverage, proportion, materials, colors, and general appearance, while at the same time allowing for diversity in style and design appropriate for the mountain setting. To accomplish this goal, the Declarant hereby establishes the Architectural Committee, which is empowered to oversee and enforce the Architectural Design Standards set forth in this Declaration.

3.1 Architectural Committee Created. The Architectural Committee will consist of three members, at least two of whom shall be members of the Board of Trustees of the Homeowners Association. The initial committee will consist of three people appointed by the Declarant, who do not need to be Owners. At the time 50% of the Lots (including Lots anticipated on the Additional Property) are sold to persons other than the Declarant, one member of the Committee will be elected from the Board of Trustees, other than a representative of the Declarant. At the time that 75% of the Lots (including Lots anticipated on the Additional Property) are sold to persons other than the Declarant, two members of the Committee will be elected by the Owners from the Board of Trustees. At the time that 90% of the Lots (including Lots anticipated on the Additional Property) are sold to persons other than the Declarant, all of the members of the Architectural Committee will be elected by the Owners.

3.2 Approval by Committee Required. No Improvements of any kind, including without limitation the construction of any Dwelling, garage, out-building, parking area, driveway, tennis court, walkway, or other hard surfaced area in excess of 100 square feet, swimming pools, outdoor hot tubs or spas, fences, walls, curbs, poles, trampolines, satellite dishes or antenna, solar panels, or any other permanent structure may be constructed, erected, or installed in the Subdivision without the prior consent of the Architectural Committee. No excavation, grading, filling, draining, landscaping, or installation or removal of existing vegetation shall be made without the advance written consent of the Architectural Committee. Approval of the Committee will be sought in the following manner:

(a) Plans Submitted. Plans for the construction of any new Dwelling must be submitted to the Committee for review. It is recommended that a preliminary plan be submitted before the expense of final construction drawings is incurred. The plan must be in sufficient detail to show the location on the Lot of the exterior walls of the Dwelling and all other structures to be built with it; detailed

drawings of all elevations of all buildings showing locations of windows, doors, roof pitches, decks and other exterior elements; a list of exterior siding and roofing materials and/or a sample, including color samples; and a landscape plan showing the location of landscaped areas, fences (including fence design), driveways, walkways, patios, decks and other hard surfaced or irrigated areas and the areas to be disturbed by construction and the means of restoring those areas. In the case of an addition or modification of an existing Dwelling, the Committee may waive any of the foregoing it feels are unnecessary to its review of the remodel or addition.

(b) Review Fee. The applicant will pay a review fee to the Committee in an amount necessary to cover the costs of review and the administration of the program in an amount to be established from time to time by the Architectural Committee. The initial review fee shall be \$300 for each new Dwelling, \$50 for each addition or remodel, or, in the case of Improvements the cost less than \$1,000, or \$25 for construction that makes no structural changes. In addition, the Architectural Committee may assess a fee for the professional review of the plans in accordance with the provisions of section 3.4 below. The primary purpose of the fee is to document the date of submission, but the Committee may also use the proceeds to pay for its expenses in reviewing the plans and giving notice of meetings. No fee will be accepted until the President of the Architectural Committee considers the submission complete.

(c) Review. Within 15 days from receipt of a complete submission, the Committee will review plans and make an initial determination whether or not the plans comply with the conditions imposed by the Declaration. If they do not, the plans will be rejected. If they are in compliance, the Committee will approve the plans. The Committee may also approve the plans subject to specific modifications or conditions. Owners may desire to submit preliminary plans for review. The Committee will review preliminary plans, without fee, and make its comments known to the Owner, provided, however, that no preliminary approval is to be considered a final approval, and no final approval will be granted on less than a complete submission. Upon approval, the Committee and the Owner will each sign a copy of the plans, which shall be left with the Committee. No construction that is not in strict compliance with the plans approved will be permitted.

(d) Written Record. The Committee will maintain a written record of its actions, and maintain in its files a copy of all plans approved or rejected for a period of five years. The Committee will also provide evidence of this approval for the County if requested by the Owner.

(e) Failure to Act. If the Committee has not approved or rejected any submission within 45 days after payment of the review fee and submission of complete plans, the submission is deemed to have been disapproved.

3.3 Variances. Variances to the design standards contained in this Declaration may be granted when strict application would create an unforeseen or unreasonable hardship to the Owner of any Lot. No variance, of any kind, may be granted without the consent of at least 50% of the Owners in the Subdivision at a meeting called for that purpose. The Architectural Committee, or the Owners as a whole, cannot grant any variance that has the effect of modifying applicable County zoning or building code regulations. The burden of obtaining a variance is entirely on the applicant, including the costs of notice.

3.4 Costs of Professional Review. The Committee may engage the services of an architect, or civil or structural engineer to assist in its review of any proposed Improvements on a case-by-case basis or may elect to require the review of a design professional for every application. All costs of such additional review will be paid by the Applicant, provided, however, that no architect or engineer will be hired without advance notice to the Applicant of the intention to hire a review architect or engineer and the estimated cost of that review. The costs of such review must be paid by the applicant prior to the commencement of any review. If the applicant does not withdraw the proposal within five days after receipt of that notice, he is deemed to have consented to the Committee retaining such professional assistance. Whenever the Committee retains outside professional services in its review, the reviewing architect or engineer is acting only in an advisory capacity, and the applicant, for himself and his successors and assigns, waives any and all claims against the Committee in the event that advice from, or conditions imposed by, the reviewing professional prove ineffective, unnecessary, or inappropriate to the circumstances.

3.5 General Design Review. The Committee will use its best efforts to provide a consistent pattern of development, and consistent application of the 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.

3.6 Declarant, Trustees and Committee not Liable. The Declarant, the Trustees, and the Committee and its members shall not be liable to the applicant for any damages, or to the Owners of any Lots within the Subdivision for their actions, inactions, or approval or disapproval of any set of plans submitted to the Committee for review. In the absence of bad faith or malicious actions, the Owners shall have no claim against the Declarant or Committee as a result of the performance or failure to perform the duties created by this Declaration. Each

Owner has the right to enforce these covenants against every other Owner, and may seek independent redress if it believes the Committee has acted improperly.

3.7 Limitations on Review. The Committee's review is limited to those matters expressly granted in this Declaration. The Committee shall have no authority over the enforcement of 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.

3.8 Summit County Approval. Summit County has indicated its intention to review and approve building colors at the time of building permit application. The powers and approvals of the Architectural Committee shall be subject to the powers and approvals of Summit County.

ARTICLE IV

RESTRICTIONS ON ALL LOTS

4. The following restrictions on use apply to all Lots within the Subdivision:

4.1 Zoning Regulations. The lawfully enacted zoning regulations of Summit County, and any building, fire, and health codes are in full force and effect in the Subdivision, and no Lot may be occupied in a manner that is in violation of any such statute, law, or ordinance.

4.2 No Mining Uses. The property within the Subdivision shall be used for residential purposes only, and no mining, drilling, prospecting, mineral exploration or quarrying activity will be permitted at any time.

4.3 No Business or Commercial Uses. No portion of the Subdivision may be used for any commercial business use, provided, however, that nothing in this provision is intended to prevent (a) the Declarant from using one or more Lots for purposes of a construction office or sales office during the actual period of construction of the Subdivision Improvements or until 75% of the Lots are sold, or (b) the use by any Owner of his Lot for a home occupation. No home occupation will be permitted, however, which requires or encourages the Owner's clients, customers, patients or others to come to the Lot to conduct business, or which requires any employees outside of the Owner's immediate family or household. No retail sales of any kind may be made in the Subdivision.

4.4 Restrictions on Signs. The Subdivision may be identified on one sign to be permanently maintained at the Project entrance. No signs will be permitted on any Lot or within the Subdivision, except for traffic control signs placed by the County, temporary signs warning of some immediate danger, or signs not in excess of six square feet identifying the contractor and/or architect of any Dwelling unit while it is under construction. Signs indicating the Lot is for sale may be placed in accordance with County sign regulations, and no such sign may exceed three square feet. The Declarant may erect a sign of not more than thirty-two square feet at the entrance to the Subdivision for a period of no more than two years after the recordation of the last Plat within the Subdivision announcing the availability of Lots and giving sales information. No permanent signs stating the address or the name of the owner of the Lot may be installed without the advance consent of the Architectural Committee.

4.5 Completion Required Before Occupancy. No Dwelling may be occupied prior to its completion and the issuance of a certificate of occupancy by Summit County.

4.6 Dwelling to be Constructed First. No garage, storage unit, or other out building may be constructed prior to the construction of the Dwelling on the Lot.

4.7 Animals. No animals other than (not to exceed three) ordinary household pets may be kept on any Lot. This restriction specifically excludes keeping horses on any Lot. Each Owner shall be responsible for preventing pets from entering the Conservation Common Areas and the Scenic Reserve.

4.8 Underground Utilities. All gas, electrical, telephone, television, and any other utility lines in the Subdivision are to be underground, including lines within any Lot which service installations entirely within that Lot. No propane tanks or oil tanks may be installed on any Lot except for temporary heat during construction.

4.9 Service Yards. There shall be no clothes lines, service yards, or storage yards. Exterior mechanical equipment must be screened in a manner approved by the Architectural Committee so that they are not visible from adjoining Lots.

4.10 Maintenance of Property. All Lots, and the Improvements on them, shall be maintained in a clean, sanitary, attractive and marketable condition at all times. No Owner shall permit his Lot or the Improvements on it to fall into disrepair.

4.11 No Noxious or Offensive Activity. No noxious or offensive activity shall be carried out on any Lot, including the creation of loud or offensive noises or odors that detract from the reasonable enjoyment of nearby Lots.

4.12 No Hazardous Activity. No activity may be conducted on any Lot that is, or would be considered by a reasonable person to be unreasonably dangerous or hazardous, or which would cause the cancellation of conventional homeowners insurance policy. This includes, without limitation, the storage of caustic, toxic, flammable, explosive or hazardous materials in excess of those reasonable and customary for household uses, the discharge of firearms or fireworks, and setting open fires (other than properly supervised and contained barbecues).

4.13 No Unsightliness. No unsightliness is permitted on any Lot. This shall include, without limitation, the open storage of any building materials (except during the construction of any Dwelling unit or addition); open storage or parking of farm or construction equipment, boats, campers, camper shells, trailers, trucks larger than pick-up 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 garage; 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 it is visible from any other Lot or any public street.

4.14 No Annoying Lights. Any outdoor lighting shall be subject to approval by the Architectural Committee, and no outdoor lighting shall be permitted except for lighting that is designed to aim downward and limit the field of light to the confines of the Lot on which it is installed. This shall not apply to street lighting maintained by the County. Lighted tennis courts are prohibited.

4.15 No Annoying Sounds. No speakers, or other noise making devices may be used or maintained on any Lot which create noise that might reasonably be expected to be unreasonably or annoyingly loud from adjoining Lots, except for security or fire alarms.

4.16 Sewer Connection Required. All Lots are served by sanitary sewer service, and no cesspools, septic tanks, or other types of waste disposal systems are permitted on any Lot. All Dwelling units must be connected to the sanitary sewer system.

4.17 No Fuel Storage. No fuel oil, gasoline, propane, or other fuel storage tanks may be installed or maintained on the property. Dwellings shall be heated with natural gas, solar, or electric heat. Propane or other such containerized fuels

may be used only during construction of the Dwelling until the permanent heating system is installed and operational.

4.18 Drainage. No Owner shall alter the direction of natural drainage from his Lot, nor shall any Owner permit accelerated storm run-off to leave his Lot without first using reasonable means to dissipate the flow energy.

4.19 Vehicles Restricted to Roadways. No motor vehicle will be operated on the Subdivision except on improved roads and driveways. No snowmobiles or motorcycles will be operated on any Lot except for ingress and egress or while loading the equipment for lawful transport on public streets. The operation of any vehicle on the Reserved Open Space is strictly prohibited, even during periods of construction, provided that the Association and public agencies may use vehicles and equipment in conducting authorized maintenance activities on the Reserved Open Space.

4.20 Kennels. No kennel or dog run may be placed closer than 50 feet to any Dwelling other than that of the Owner of the kennel. No wire fencing shall be allowed which is unscreened from the view of adjoining Lots.

4.21 No Transient Lodging Uses. The Lots are to be used for residential housing purposes only, and shall not be rented in whole or in part for transient lodging purposes, boarding house, "bed and breakfast," or other uses for providing accommodations to travelers. No lease of any Dwelling on a Lot shall be for a period of less than 30 days. No Dwelling on a Lot shall be subjected to time interval ownership.

4.22 No Re-Subdivision. No Lot may be re-subdivided without the consent of the Architectural Committee, and no re-subdivision of any Lot may result in the construction of any additional Dwelling units within the Subdivision.

4.23 Combination of Lots.

(a) Authority to Combine Lots. Subject to the provisions of this Declaration and the limitations set forth in this Section, any Owner may combine two or more adjoining Lots within the Subdivision.

(b) Dwelling Placement. The square footage of the living area in the Dwelling on the combined Lots should be concentrated at the center of the combined Lots, and should not be placed entirely, or predominately on one of the Lots.

(c) Combination Deemed Permanent. The combination of Lots is deemed to be permanent and the Lots may not be independently sold once construction

has commenced on the Improvements for the combined Lot. The Owner of any Lots that have been combined will execute and deliver to the Committee a notice in recordable form, containing the name of the Owner and the legal description of the Lots combined, which Notice will state that the two Lots have been combined and cannot subsequently be subdivided. The Committee shall record this Notice with the Summit County Recorder upon the commencement of construction of the Dwelling on the combined Lots.

ARTICLE V

ARCHITECTURAL RESTRICTIONS ON IMPROVEMENTS

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

5.1 Number of Dwellings. Only one Dwelling may be constructed on any Lot. All Dwellings shall have an attached garage for at least two cars. No other storage building, outbuilding or habitable structure may be permitted on any Lot.

5.2 Dwelling Size. The minimum allowable Dwelling size for each Lot in the Subdivision, stated as allowable Floor Area including all horizontal floor areas on all levels of the Dwelling that are under roof, and including porches, balconies and decks that are enclosed by walls on three or more sides, is as follows:

(a) Single level structures shall contain a minimum of 1800 square feet.

(b) Two level structures shall contain a minimum of 2400 square feet, and the main floor shall contain a minimum 1400 square feet.

(c) Horizontal wall elevations and vertical wall elevations on two level structures shall be required to be broken up with architectural elements and physical breaks in the facade.

(d) All roof heights and designs shall minimize view blockage to the extent possible, from adjacent properties and properties on the opposite side of the street.

(e) In no case shall a vertical wall extend without setback or variation more than the height of two stories above existing grade plus the height of a clear story space.

5.3 Dwelling Setback and Placement. All portions of the Dwelling unit are to be within the minimum front, rear and side yard setbacks as shown on the Plat or as required by Summit County.

5.4 Dwelling Height. No structure on any Lot may exceed 28 feet in height as measured at the natural grade on the Lot prior to construction, to a point half way between the eaves and the ridge line of the roof.

5.5 Roof Design. Roof pitches must be within a range of a 5/12 to a 7/12 slope. No more than 1 roof pitch may be used on any structure. Eaves and roofs must overhang by at least twenty four inches. All roofing shall be fire retardant medium or heavy shake shingles. No other roofing of any kind shall be permitted. Mansard, fake mansard, A-frame, gambrel, flat, curvilinear, and domed roof designs are prohibited. All fascia boards must be at least twelve inches in width. Special attention will be paid to the south facing roof overhang to allow for adequate sun protection. All roof metal such as flashing, vent stacks, gutters and chimney caps will be made of anodized aluminum or galvanized metal painted to match the adjoining roof color.

5.6 Siding Materials. Unless specifically approved by the Architectural Committee, only the following exterior wall surface materials are allowed: cedar siding, redwood siding, stone, wood shingles, and stucco without "tudor" wood breaks. Textured plywood, metal, vinyl, masonite or similar manufactured siding materials are prohibited. There shall be no more than two separate exterior wall materials on any wall surface, and no more than three on any Dwelling. Exterior wall colors must harmonize with the site and surrounding buildings. The predominant tone should be earth tone, whether in the natural color or patina of the weathered color of the wall surface itself or the color of the stain or other coating. Bright or dramatic colors can be used for accent of exterior wall areas hidden from general view. Fascia and trim shall also remain in the earth tone spectrum.

5.7 Windows. Windows must be either wood, bronze-tone aluminum clad wood, vinyl clad wood or all vinyl. All windows must be at least double glazed. Any trapezoidal windows must follow the shape of the walls or roofs surrounding them, with the top parallel to the above roof, and the bottom horizontal or parallel to a roof structure below it. No mirrored or reflective glass may be used.

5.8 Chimneys, Vents. Chimneys must be enclosed in an approved siding material. No exposed metal flues are permitted. All chimney tops on any Dwelling must be of identical design. Vent stacks must be combined to the extent possible to minimize the number of roof penetrations, and should generally not be visible from the street.

5.9 Antennas. All antennas must be enclosed within the Dwelling. Any satellite dishes must be located and screened in a manner approved in advance by the Architectural Committee so that they are not directly visible from adjoining Lots. Solar panels will be permitted only with the consent of the Architectural Committee, and if permitted at all, must lie flat against the roof and may not differ in pitch or color from the roof surface on which they are mounted.

5.10 No Used or Temporary Structures. 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.

5.11 Balconies and Decks. Any balcony or deck that is more than twenty-four inches above the natural grade must be constructed in compliance with the following: All railings must have at least four horizontal members. All posts or pillars supporting any deck must be between eight and sixteen inches in width, including vertical members in railings. The area under any deck must either be landscaped or screened from view so that the view from 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 to match the house.

5.12 Fire Sprinklers. Dwellings may be equipped with an automatic fire sprinkler system in accordance with the ordinances of Summit County or, in the absence of an ordinance, not provided.

5.13 Fireplaces. Each Dwelling may contain no more than one wood burning stove or fireplace, which must be an EPA approved model.

5.14 Flood Plain Design Requirements. Any lot identified on any plat as located within a 100 year flood plain shall employ special construction techniques as required by Summit County and may be required to use slab-on-grade construction.

5.15 Special Design Restrictions on Certain Lots. The following design restrictions shall apply to the following Lots, not located in Phase I, that are numbered as shown on the plan for the entire Ranch Place Project a copy of which is attached in Exhibit C: Lots 68 through 82, 102 through 117, 144 through 148, 193, 194, 196 through 198, 222, 223, and 228 as shown on Exhibit C:

(a) The design of the homes located on the above-referenced Lots shall reflect enhanced architectural style, form and materials on the back of

houses so that the rear of the houses appear as front house facades and typical front landscapes as seen from the Scenic Reserve. Without limiting the generality of the foregoing, the design of houses on these Lots shall avoid the appearance of a single wall and a single roof line, both unbroken in the horizontal or vertical plane across the back of the house, and shall reflect features that tend to provide visual interest and relief from expansive wall and roof surfaces including vertical and/or horizontal shifts in the roof elevation, dormer windows, covered porches, use of multiple materials, extended main floor space or recessed second floor space, and the design of 90 degree turns in the rear wall of the house.

(b) A minimum of ten trees will be planted along the back lot lines of the above-referenced Lots to screen houses from distant view corridors. The trees shall be planted in 3 clusters in a natural arrangement and shall include a total of (6) 8-10 feet high deciduous and (4) 6-8 high conifer trees. The trees shall be planted within 1 year of occupancy.

ARTICLE VI

CONSTRUCTION COVENANTS

6. In order to minimize the inconvenience to adjoining Owners during periods of construction within the Subdivision, the following construction regulations shall be enforced. These regulations shall be made a part of the construction contract between the Owner and the Builder of each Dwelling or other Improvements on a Lot. The Owner shall be bound by these regulations, and violations committed by the Builder or its employees, sub-contractors or others shall be deemed a violation by the Owner for which Owner is liable.

6.1 Pre-Construction Conference. Prior to the commencement of construction, the Owner and Builder will meet with the Committee to review these regulations and coordinate the construction activities within the Subdivision. At the conference, or prior to the Committee granting its approval, the Owner or Builder must supply a construction site plan showing the location of material storage areas, the portable toilet, any construction office or trailer, and the trash dumpster. This plan must be approved by the Committee prior to the commencement of construction.

6.2 Portable Office or Trailer. Any Builder who desires to bring a portable office or trailer on to a Lot shall first apply for and receive written approval from the Committee. The Committee will work closely with the Builder and Owner to determine the best possible location for the portable office. The portable office will be located in a location approved by the Committee and within the Owner's Lot. The temporary office may not be installed prior to the commencement of

construction, and must be removed upon the first to occur of (1) the issuance of a Certificate of Occupancy, (2) the termination, expiration, or cancellation of the Building Permit, (3) the suspension of construction activities for a period of 60 days, or (4) one year after the commencement of construction.

6.3 Construction Debris Removal. The Builder must comply with County ordinances requiring the placement and maintenance of a trash container or dumpster on the Lot. The Builder shall collect trash at the end of each work day and depositing construction trash, packing material, unusable scraps, and other debris in a suitable container, protected from the wind, and regularly serviced. No trash may be burned, buried, or otherwise disposed of within the Subdivision. No concrete trucks may be cleaned out on the Lot or elsewhere within the Subdivision.

6.4 Construction Area Appearance. The Lot must be maintained in a reasonably organized and neat condition at all times during the construction of a Dwelling or other Improvements. Once the Dwelling is enclosed, materials shall be stored inside, and out of sight, whenever practical and possible.

6.5 Sanitary Facilities. The Builder is responsible for the installation and maintenance of an approved portable toilet facility during construction. The portable toilet must be located on the Lot at a location approved by the Committee, and removed from the site at such time as the permanent plumbing system is operational.

6.6 Construction Parking and Vehicles. Construction crews must park their vehicles on the Lot on which they are working, and shall not use or park on any other Lot or Open Spaces within the subdivision. All vehicles must be parked to allow the free flow of traffic within the Subdivision.

6.7 Construction Sign. During periods of actual construction on the Dwelling, the Owner or Builder may install a sign not to exceed six square feet in area identifying the Lot and the Builder. The sign must be removed upon completion or abandonment of construction.

6.8 Hours of Work. Daily working hours on the site shall be limited to the period beginning one half hour after sunrise and ending one half hour before sunset, unless otherwise restricted by Summit County ordinances. The Builder is responsible for controlling noise emanating from the site.

6.9 Soil Conservation, Dust. At all times when the surface of the Lot is disturbed by construction activity, and re-vegetation has not been completed, the Builder shall practice reasonable dust, sedimentation and erosion control measures as described in the USDA Soil Conservation Service Guidelines.

6.10 Removal of Mud. The Builder is responsible for cleaning up and removing mud from the construction site that is deposited on the roadways of the Subdivision.

6.11 Conservation Areas. All construction adjacent to Conservation Areas shall be undertaken in a manner so as to not impact those areas. Where necessary, Builders shall use special precautions to avoid the potential impacts of trash, loose construction materials, and construction-related runoff that may impact such areas.

6.12 Duration of Construction. No construction shall be undertaken without a Building Permit and all other necessary permits from Summit County, Snyderville Basin Sewer Improvement District and any other governmental entity having jurisdiction over construction on the site. No materials, tools, temporary offices or portable toilets, excavation or construction equipment, or similar materials or equipment may be delivered to this site prior to the issuance of the Permit. It is the obligation of the Owner to proceed with construction with all reasonable speed once construction has commenced, and in any event, all exterior surfaces of the building shall be substantially complete within a period of either months from commencement. All landscaping and soil stabilization work must be completed as soon as possible after completion of the exterior of the Dwelling, but in no event later than the summer following completion of the exterior of the Dwelling.

ARTICLE VII

LANDSCAPE STANDARDS

7. Water is a precious resource in the alpine desert environment, and careful planning should be given to the water demands created by landscaping of Lots. Water needs will vary substantially for different kinds of plantings, and fees for water connections are based in part on the anticipated water demand. It is the intent of this Declaration to require appropriate landscaping of Lots following construction of any Improvements, and to encourage the use of appropriate drought tolerant plant materials. The use and Improvement of each Lot is subject to the following Landscape Standards:

7.1 Landscaping Required. As soon as practical following completion of the construction of the Dwelling, but in no event later than the summer immediately following completion of construction, each Owner is required to fully landscape his or her Lot. The Owner may plant lawns and gardens, plant shrubbery, trees or other ornamental plantings or replace natural species.

7.2 Drought Tolerant Plants Recommended. The use of drought tolerant species of grasses, shrubs, and trees is strongly recommended. The Association shall obtain from the County or prepare a list of drought tolerant species suitable for different exposures within the Summit County area. The majority of the landscaped area of each Lot is to be planted with species from the list maintained by the Association for this purpose.

7.3 Placement of Trees. Planting of a minimum of 6 trees within Lots is required, provided that the location of trees will be subject to review by the Architectural Committee so that view corridors from adjoining Lots are preserved. At least one third of the trees shall be conifers of a height of at least 6 feet. Two thirds of the trees may be deciduous trees of at least 2 inch caliper. The planting shall occur on at least three sides of the house, wrapping the home in trees. This section is subject to the standards of Section 5.15 for any Lots affected by that Section.

7.4 Sprinkler Systems. Permanent underground sprinkler systems are required within any lawn area to provide irrigation during revegetation and beyond. Outside of any lawn areas, sprinkler systems may be used as necessary to establish healthy growth of plants which may not require long term irrigation.

7.5 Fences. Fencing of Lots along the Lot line shall be permitted in the Subdivision only as allowed by the Association. The area that may be fenced shall be limited to the side yards and rear yards of the Lots, subject to the exceptions that no fencing shall occur in the front yard of any Lot, the side yard of any lot from the front yard to a point that is half the depth of the Dwelling on the Lot and within any area affected by the Wetlands Conservation Restriction as shown on the Plat. Perimeter fencing shall be limited in style and color either to (i) a four foot high, uniform, natural earth tone colored post and rail wood fence with 2 or 3 rail (as determined by the Architectural Committee), which may be supplemented with a light wire mesh or (ii) a five foot high natural earth tone colored solid wood fence with a uniform design determined by the Architectural Committee. The precise area to be fenced on any Lot shall be subject to advance approval by the Architectural Committee. No chain link or other wire fencing is permitted. The Architectural Committee shall maintain approved fence designs and elevations for use by Owners. No fencing shall occur in the front yard area of any home. Where two or more lot lines are shared with adjacent Owners, permission for the fencing shall be obtained from the adjacent Owner prior to installation.

7.6 Driveway Access. Individual driveway accesses to each Lot must be approved by the Architectural Committee as part of the site plan of the Lot. Driveways shall be wide enough to permit two cars to be parked side by side in front of the garage entrance.

7.7 Wetlands Conservation Restriction. The areas of certain Lots affected by the Wetlands Conservation Restriction shown on the Plat have been designated for restricted use in order to protect and enhance the natural wetlands values found in the Conservation Common Areas and the Scenic Reserve adjacent or in close proximity to the Wetlands Conservation Restriction areas. In order to further these purposes, these areas shall not be used for the installation of any Improvements, including fences, and shall not be disturbed in connection with the construction of Improvements on the Lots. These areas may only be landscaped by planting seeds of native species; the use of sod, fill or inorganic materials shall be prohibited. Wetlands Conservation Restriction areas shall be maintained by the Lot Owner, including the removal of trash and weeds and the mowing of natural grasses where that vegetation exists within the areas. Pesticides and other chemicals placed within these areas shall meet any applicable standards of the Army Corps of Engineers or any agency with enforcement authority over the Scenic Reserve or the Conservation Common Areas. The covenants, conditions and restrictions of these Wetlands Conservation Restrictions shall be enforced in the first instance by the Association, but these covenants are intended for the benefit of the holders of enforcement rights under the conservation easements placed on the Conservation Common Areas and the Scenic Reserve, and these covenants may also be directly enforced by such holders.

ARTICLE VIII

TRAIL SYSTEM

8. The Declarant has designated trail corridors through the Subdivision as shown on the Plats. The trails are for the use and benefit of Owners of the Subdivision, but may also connect with trails in adjacent areas and therefore may be used by the general public. Further, the trails may be dedicated as public trails at any time in the future in the discretion of the Association. The use of the trails within the Subdivision is subject to the following:

8.1 Open Corridor, No Cross Fencing. The trail system is to have free passage through the Subdivision, and no Owner shall block the trail with gates or cross fencing, or otherwise impede the use of the trail.

8.2 No Motorized Uses. The trail system is intended for pedestrian, equestrian and bicycle use only. No motorized vehicles of any kind, including snowmobiles and motorcycles, shall be used or operated in the trail easement at any time. The only motorized vehicles permitted are authorized construction or

maintenance vehicles or equipment engaged in the construction or maintenance of the trail itself.

8.3 Other Improvements. No structures of any kind are permitted within the trail corridors with the exception of directional signs approved by the Architectural Committee. The trail corridors may parallel a public utility corridor, and within the trail, underground utility facilities may be constructed, operated, and maintained.

ARTICLE IX

OWNERS' MAINTENANCE OBLIGATIONS

9. It is the obligation of each Owner to maintain his Lot at all times in order to preserve and enhance the enjoyment of the Subdivision:

9.1 Duty to Maintain. It is the obligation of the Owner of each Lot to maintain his Lot and the Improvements to the Lot in a good state of repair and an attractive, safe, and healthy condition.

9.2 Repair by Association. In the event that an Owner permits his Lot or Improvements to fall into a state of disrepair that is dangerous, unsafe, unsanitary, or unsightly condition or fails to comply with any other covenant or restriction in violation of this Declaration, the Association may give written notice to the Owner describing the condition complained of and demanding that the Owner correct the condition within 30 days. If the Owner fails to take corrective action, the Association shall have the right, but not the obligation, to enter upon the offending Owner's Lot and take corrective action to abate the condition. All costs of abatement shall be charged to the Owner, who agrees to promptly pay the reasonable costs of any work performed under this provision. In addition, each Owner hereby grants to the Association a lien on the Lot and any Improvements to secure repayment of any sums advanced pursuant to this section, which lien may be foreclosed at any time by the Association in the manner prescribed in Utah for the foreclosure of mortgages. Alternatively, without requiring foreclosure, the Association may seek collection of sums advanced directly from the Owner of the Lot in question. Unpaid amounts will bear interest from the date advanced at the lawful judgment rate under applicable state law.

9.3 Alterations of Exterior Appearance. The Owners will maintain their Lots and improvements in substantially the same condition and appearance as that approved by the Architectural Committee. No subsequent exterior alterations, improvements or remodeling, whether structural or changes in

landscaping, paint color or siding or trim materials will be made without the advance consent of the Committee.

9.4 Repair Following Damage. In the event of casualty loss or damage to the Improvements, the Owner will be entitled to reconstruct the Improvements as they existed prior to the damage or loss without review by the Committee, provided however that alterations or deviations from the originally approved plans will require review. Nothing in this Declaration is intended to prevent an Owner who has suffered property damage or loss from taking temporary measures to secure the property and prevent further damage, or to prevent injury or dangerous conditions following loss or damage, before re-construction begins. Such temporary measures may be taken without the consent or approval of the Architectural Committee, provided that any such measures must be of a temporary nature, and repair or reconstruction must begin as soon as circumstances will permit. No damaged structure will be permitted to remain on any Lot for more than 90 days without repairs commencing, and any damaged structure which does remain un-repaired after 90 days following the occurrence of damage is deemed a nuisance which may be abated by the Association.

ARTICLE X

GENERAL PROVISIONS

10. The covenants, conditions, and restrictions contained in this Declaration may be enforced as follows:

10.1 Violation Deemed a Nuisance. Any violation of these Covenants which is permitted to remain on the property is deemed a nuisance, and is subject to abatement by the Association or by any other Owner.

10.2 Remedies.

(a) Any single or continuing violation of the covenants contained in this Declaration may be enjoined in an action brought by the Declarant (for so long as the Declarant is the Owner of any Lot), by any other Owner, or by the Association in its own name. In any action brought to enforce these covenants, the prevailing party shall be entitled to recover as part of its judgment the reasonable costs of enforcement, including attorneys fees and costs of court.

(b) Nothing in this Declaration shall be construed as limiting the rights and remedies that may exist at common law or under applicable federal, state or local laws and ordinances for the abatement of nuisances, health and safety, or

other matters. these covenants are to be construed as being in addition to those remedies available at law.

(c) The remedies available under this Declaration and at law or equity generally are not to be considered as exclusive, but rather as cumulative.

(d) The failure to take enforcement action shall not be construed as a waiver of the covenants contained in this Declaration in the future or against other similar violations.

10.3 Severability Each of the covenants contained in this Declaration shall be independent of the others, and in the event that any one is found to be invalid, unenforceable, or illegal by a court of competent jurisdiction, the remaining covenants shall remain in full force and effect.

10.4 Limited Liability. Neither the Declarant, the Trustees, or the Architectural Committee or its individual members, nor any other Owner shall have personal liability to any other Owner for actions or inactions taken under these covenants, provided that any such actions or inactions are the result of the good faith exercise of their judgment or authority, under these covenants, and without malice.

10.5 Amendment. At any time while this Declaration is in effect, the Owners of 80% of the Lots may amend the provisions of this Declaration. Any amendment must be in writing and be approved by 80% of the Owners at the time of the amendment and the consent of the Owner of the Additional Land, if any portion of the Additional Land has not been subdivided at the time. No such amendment will be binding upon the holder of any mortgage or trust deed holder joins in the amendment. No amendment which limits the rights of the Declarant or its successors in interest to expand the Subdivision or otherwise affects the Additional Land shall be effective without the written consent of the Declarant or other owner of the Additional Land.

10.7 Constructive Notice. Every person who owns, occupies, or acquires any right, title or interest in any Lot in the Subdivision is conclusively deemed to have notice of this Declaration and its contents, and to have consented to the application and enforcement of each of the covenants, conditions and restrictions against his Lot, whether or not there is any reference to this Declaration in the instrument by which he acquires his interest in any Lot.

10.8 Notices. All notices under this Declaration are deemed effective 72 hours after mailing, whether delivery is proved or not, provided that any mailed notice must have postage pre-paid and be sent to the last known address of the party to receive notice. Notices delivered by hand are effective upon delivery.

10.9 Liberal Interpretation. The provisions of this Declaration shall be interpreted liberally to further the goal of creating a uniform plan for the development of the Subdivision. Paragraph headings are inserted for convenience only and shall not be considered in interpretation of the provisions. Singular will include plural, and gender is intended to include masculine, feminine and neuter as well.

Executed on the date stated above.

RANCH PLACE ASSOCIATES,
a Utah General Partnership

By: Leon H. Saunders, Pres.
By: General Partner

RANCH PLACE ASSOCIATES III, LIMITED
PARTNERSHIP, a Utah
Limited Partnership

By: Michael J. Mihai Gen. Partner

State of Utah)
County of Salt Lake) :ss

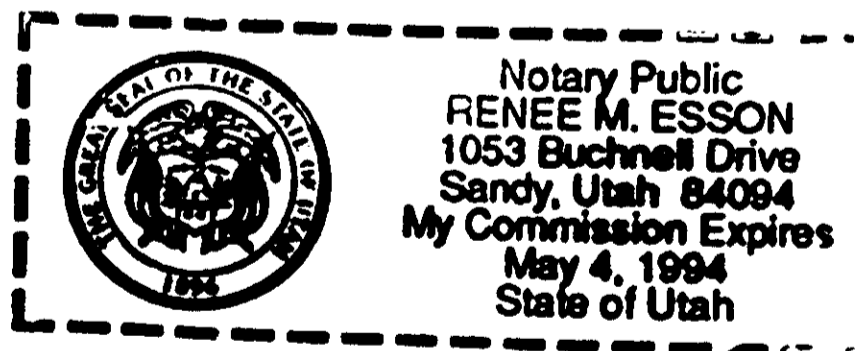
The foregoing instrument was acknowledged before me on the 25 day of June, 1993, by Leon H. Saunders, a general partner of Ranch Place Associates.

President of Saunders Land Investment Corp

Renee M. Esson

Notary Public
Residing at: _____

My Commission Expires:

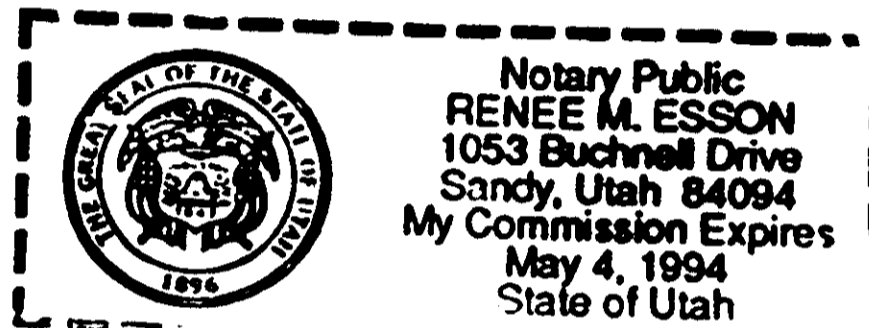


State of Utah)
County of Salt Lake)
:SS

The foregoing instrument was acknowledged before me on the 25 day of June, 1993, by Michael J. Milner, a limited partner of Ranch Place Associates III, Limited Partnership.

Renee M. Esson
Notary Public
Residing at: _____

My Commission Expires:



00381893 Bk0734 Pg0252

EXHIBIT A

RANCH PLACE DEVELOPMENT

Legal Description
March 27, 1992

Beginning at a point 1350.83 feet South and 1068.90 feet East from the Northwest Corner of Section 30, Township 1 South, Range 4 East, Salt Lake Base and Meridian, said point being a point on the Northwest Boundary of Northshore Silver Springs Subdivision No. 1-G Plat B as recorded, said point also being on the Eastern right-of-way of Utah State Highway U-224;

Thence along said right-of-way North $16^{\circ}45'35''$ East 54.14 feet; thence North $09^{\circ}38'05''$ East 201.55 feet; thence North $16^{\circ}45'35''$ East 400.00 feet; thence North $06^{\circ}04'58''$ East 53.97 feet to a point of a 2949.79 foot radius curve to the left, radius point bears North $73^{\circ}14'25''$ West; thence along the arc of said curve thru a central angle of $11^{\circ}02'33''$ 568.51 feet; thence South $89^{\circ}42'32''$ East 2607.87 feet; thence due South 561.82 feet; thence South $89^{\circ}52'37''$ East 2700.88 feet; thence South $00^{\circ}06'41''$ East 997.45 feet; thence South $00^{\circ}15'58''$ East 990.71 feet; thence North $89^{\circ}32'15''$ West 1312.30 feet; thence South $89^{\circ}51'20''$ West 1075.38 feet; thence South $39^{\circ}40'40''$ West 777.20 feet to a point on the Easterly Boundary of Silver Springs Subdivision Phase 1B as recorded; thence along said subdivision boundary North $89^{\circ}53'00''$ West 99.11 feet; thence North $03^{\circ}05'00''$ West 1289.24 feet; thence North $89^{\circ}03'24''$ West along said 1B Subdivision and along the North boundary of Northshore Silver Springs Subdivision No. 1-G Plat B as recorded 2263.27 feet to a point on the easterly right-of-way of Highway U-224 to the point of beginning.

Contains 219.8 acres more or less.

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00381893 Bk0734 Pg0253



Innovators in Project Direction . . .

EXHIBIT B

**RANCH PLACE PHASE I
Legal Description**

December 15, 1992

A parcel of land lying within the North half of Section 30,
Township 1 South, Range 4 East, Salt Lake Base and Meridian
described as follows:

Beginning at a point located South $89^{\circ}42'32''$ East 1,349.96 feet
and South 100.00 feet from the Northwest Corner of Section 30,
said point also being on the Easterly right-of-way of Utah State
Highway U-224, (basis of bearing being South $89^{\circ}42'32''$ East from
said Northwest Corner of Section 30 to the Northeast Corner of
said Section 30), thence South $89^{\circ}42'32''$ East 1982.00 feet;
thence South 1267.87 feet to the northerly boundary of the Silver
Springs Phase 1B Subdivision; thence North $89^{\circ}08'24''$ West along
said Northerly Boundary 880.45 feet to the Northeast Corner of
the Northshore Silver Springs No. 1-G Plat B Subdivision; thence
North $89^{\circ}08'24''$ West along the Northerly Boundary of said
Northshore Subdivision 1382.82 feet to a point on the Easterly
right-of-way of State Highway U-224; thence along said right-of-
way the following five calls: 1) North $16^{\circ}45'35''$ East 54.14
feet; 2) North $09^{\circ}38'05''$ East 201.55 feet; 3) North $16^{\circ}45'35''$
East 400.00 feet; 4) North $06^{\circ}04'58''$ East 53.97 feet to the
beginning of a non-tangent curve concave Westerly having a radius
of 2949.79 feet and a central angle of $11^{\circ}02'33''$; thence
Northerly along the arc of said curve to the left from which the
radial line bears North $73^{\circ}14'22''$ West, a distance of 568.51 feet
to the POINT OF BEGINNING.

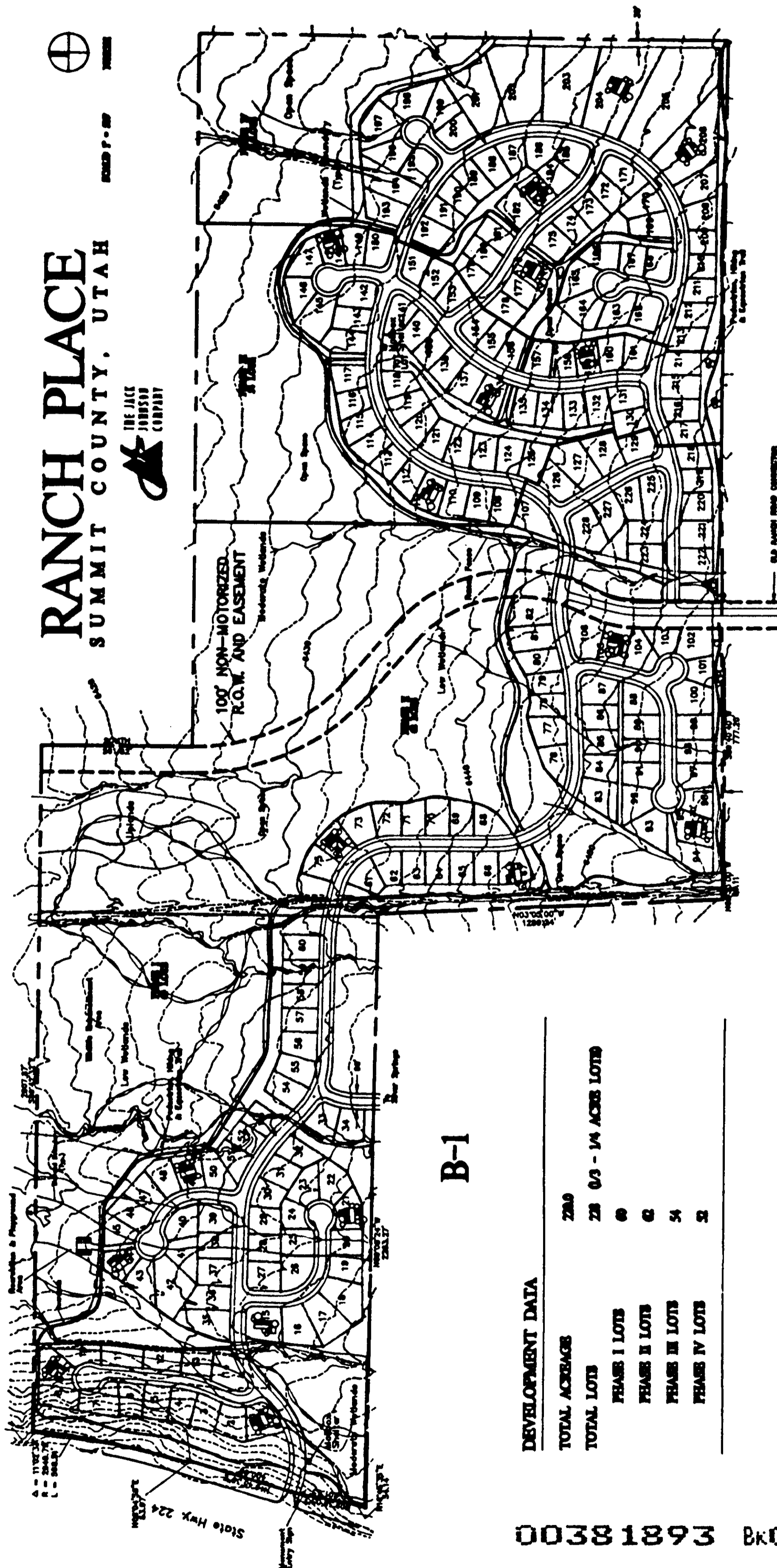
Contains: 2,655,880.21 square feet or 60.97 acres.

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Governmental Approvals • Land Planning • Architecture • Civil Engineering
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**THE JACK
JOHNSON
COMPANY**

EXHIBIT C



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