

AFTER RECORDING MAIL TO:

Mark B. Durrant
Ballard Spahr Andrews & Ingersoll, LLP
201 South Main, Suite 600
Salt Lake City, UT 84111

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ALAN SPRIGGS, SUMMIT CO RECORDER
2006 MAY 03 13:55 PM FEE \$33.00 BY CW
REQUEST: COALITION TITLE AGENCY, INC.
Electronically Recorded by Simplifile

Tax Parcel I.D. Nos. CRC-A-101, CRC-A-102, CRC-A-103, CRC-A-104, CRC-A-105, CRC-A-106, CRC-A-107, CRC-A-201, CRC-A-202, CRC-A-203, CRC-A-204, CRC-A-205, CRC-A-301, CRC-A-302

DECLARATION OF RESTRICTIVE COVENANT

3 This Declaration of Restrictive Covenant ("Declaration") is made and entered as of this day of May, 2006, by Silver Baron Partners, L.C., a Utah limited liability company ("Owner").

RECITALS:

A. Owner is the owner of certain real property located in Summit County, State of Utah, consisting of fourteen (14) unbuilt platted units within the project known as The Courchevel Condominiums at Deer Valley ("Courchevel"), the legal description of which is attached hereto as Exhibit "A" and incorporated herein by this reference (the "Property").

B. Owner is also the owner of certain real property known as The Silver Baron Lodge at Deer Valley ("Silver Baron Lodge") located adjacent to Courchevel. As part of its development of the Silver Baron Lodge, Owner desires to transfer seven (7) unit equivalents of density (the "Density") from Courchevel to the Silver Baron Lodge (the "Density Transfer").

C. As part of the Density Transfer, Owner has agreed, for good and valuable consideration, to record this Declaration against the Property prohibiting Owner or any future owner of the Property from building upon the Property, thereby preserving the Property as open space and insuring that there would be no future use of the Density with respect to the Property.

D. Owner, in connection with the Density Transfer, desires to submit the Property to the covenants, restrictions, terms and provisions of this Declaration.

COVENANTS AND AGREEMENTS:

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner covenants and agrees as follows:

1. Development Restriction. Subject to Owner obtaining all governmental approvals for Phase 2 of The Silver Baron Lodge, from and after the date of this Declaration, there is hereby imposed a permanent restriction on the Property prohibiting any construction and

development activities upon the Property that would require the use of any of the Density. Owner acknowledges and agrees that the Density allocated to the Property by Park City, Utah ("City") has been transferred to the Silver Baron Lodge for good and valuable consideration and that it is no longer available for use by Owner or any future owner in the construction of any improvements at the Property.

2. Recognition of Rights. Owner and all parties who hereafter acquire any interest in any portion of the Property and their respective grantees, transferees, heirs, devisees, personal representatives, successors and assigns, shall take the Property, or such interest therein, subject to the restrictions outlined herein and acknowledge and agree that the Density allocated to the Property has been transferred to the Silver Baron Lodge.

3. Representations and Warranties of Owner. Owner represents and warrants the following as of the date of this Declaration and throughout the term hereof:

(a) Pursuant to the governing documents for Courchevel, no common expenses are payable with respect to ownership of the Property.

(b) Pursuant to the governing documents for Courchevel, the unbuilt units comprising the Property have not been assigned a par value and do not have any ownership in the common areas and facilities at Courchevel.

(c) Owner is in compliance with the governing documents for Courchevel and shall comply with the terms and conditions of any such documents throughout the term of this Declaration.

(d) Owner agrees to pay any costs or assessments that may be attributed to the Property in the future by the Courchevel Condominium Owners Association, Inc. (the "Courchevel HOA"), or otherwise.

(e) Owner warrants that it is the sole owner of the Property, and neither the Courchevel HOA nor any other unit owner has or claims rights to the Property.

4. Owner Indemnity. Owner hereby indemnifies and agrees to defend and hold City harmless from and against any and all loss, damage, claim, liability and expense (including reasonable attorneys' fees and other litigation expenses) City may suffer, sustain or incur as a result of any breach of the representations and warranties specifically set forth in Section 3 above.

5. Covenants Run With the Land. This Declaration, and all of the terms and provisions hereof, shall constitute covenants running with the land, as a burden on the Property, and shall be binding upon Owner and all parties who hereafter acquire any interest in any portion of the Property and their respective grantees, transferees, heirs, devisees, personal representatives, successors and assigns. By acquiring any interest in any portion of the Property, the party acquiring such interest consents to, and agrees to be bound by, each and every other provision of this Declaration.

6. Perpetual Covenant. This Declaration and the covenants set forth herein shall be perpetual. In no event shall this Declaration be amended or terminated without the express written approval of City.

7. Remedies. In the event that there shall occur a breach of any of the covenants, restrictions, obligations and duties set forth in this Declaration, in addition to any other remedies available at law or in equity, City shall be entitled to petition for and obtain injunctive relief, or an order of specific performance, which shall either prohibit the action constituting such breach or require such action as shall be required to cure such breach, as applicable.

8. Effect of Waiver or Breach or Failure to Enforce. No waiver of a breach of any of the covenants, conditions, or restrictions herein shall be construed to be a waiver of any other breach of the same or other covenants, conditions or restrictions; nor shall failure to enforce any one of such restrictions, either by forfeiture or otherwise, be construed as a waiver of any other restriction or condition.

9. Severability of Unenforceable Provisions. If any provision or provisions of this Declaration, or the application thereof to any party or other person or to any certain circumstances, shall be held to be unenforceable, void or illegal, the remaining provisions hereof and/or the application of such provisions to any party or other person or to any circumstances other than as to those to which it is held to be unenforceable, void or illegal, shall, nevertheless, remain in full force and effect and not be affected thereby; and the Owner agrees that it would have entered into this Declaration independently of any provision or provisions of this Declaration which are held to be unenforceable, void or illegal.

10. Attorney Fees. If any action is brought or counsel otherwise employed to enforce this Declaration or any provision thereof, to collect damages for an alleged breach thereof, or for a declaratory judgment hereunder, the prevailing party in such action or the party forced to take action that does not involve litigation shall be entitled to an allowance for reasonable attorneys' fees in addition to costs of suit.

11. Further Assurances. If any additional document, action or further assurance is reasonably required by City in order to evidence the Density Transfer or to carry out the agreement as set forth in this Declaration, Owner will cooperate in connection therewith.

12. Interpretation. The captions of the Sections of this Declaration are for convenience only and shall not be considered or referred to in resolving questions of interpretation and construction. The use of the singular in this Declaration shall include the plural, where the context is otherwise appropriate.

13. Governing Law. This Declaration shall be construed, interpreted and applied in accordance with the laws of the State of Utah.

14. Authorization. Each individual executing this Declaration does thereby represent and warrant that he or she had been duly authorized to sign this Declaration in the capacity and for the entity set forth where he or she signs.

15. Recitals Incorporated. The Recitals set forth above are true and correct and are incorporated herein by this reference.

IN WITNESS WHEREOF, Owner has executed this Declaration as of the day and year first above written.

OWNER:

SILVER BARON PARTNERS, L.C.,
a Utah limited liability company

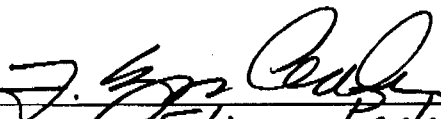
By: 
Name: F. Lynn Patten
Title: manager

EXHIBIT A

Description of Property

The real property located in Summit County, State of Utah, and more particularly described as follows:

ALL OF UNITS A-101, A-102, A-103, A-104, A-105, A-106, A-107, A-201, A-202, A-203, A-204, A-205, A-301, A-302 as shown in the Record of Survey Map for the Courchevel Condominiums, a Project appearing in the Records of the County Recorder of Summit County, Utah, filed for record on December 31, 1984, as Entry No. 229039, and as defined and described in the Declaration of Condominium of the Courchevel Condominiums at Deer Valley, as amended, filed for record on December 31, 1984, as Entry No. 229040 in Book No. 326 at Page No. 680 of such Records.