

WHEN RECORDED, RETURN TO:

Snyderville Basin Water Reclamation District
2800 Homestead Road
Park City, Utah 84098

ENTRY NO. 00909481

10/23/2010 12:14:41 PM B: 2053 P: 1064

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ALAN SPRIGGS, SUMMIT COUNTY RECORDER

T FEE 0.00 BY SNYDERVILLE BASIN WATER RECLAMATION DIST



Space above for County Recorder's Use

PP-75-C

**EASEMENT AGREEMENT
(Wastewater Collection and Transportation Pipelines)**

THIS EASEMENT AGREEMENT (Wastewater Collection and Transportation Pipelines) (this "Agreement") is executed as of October 20, 2010, by and between ASC UTAH LLC, a Delaware limited liability company, d/b/a The Canyons, as "Grantor", and SNYDERVILLE BASIN WATER RECLAMATION DISTRICT, a special district of the State of Utah, as "Grantee", with reference to the following:

A. Grantor holds a leasehold interest in that certain real property located in Summit County, Utah, more particularly described on Exhibit "A" attached hereto and incorporated herein (the "Grantor Parcel"), and is permitted under its lease to grant the easements contemplated by this Agreement.

B. Grantor is a party to that certain Amended and Restated Development Agreement for The Canyons Specially Planned Area, dated November 15, 1999, and recorded on November 24, 1999, as Entry No. 553911, in Book 1297, beginning at Page 405, in the official records of the Summit County, Utah Recorder ("Official Records"), together with amendments thereto (as amended, the "SPA Development Agreement"). As provided in Section 4.9(b) of Exhibit E to the SPA Development Agreement, the parties to that certain The Canyons Resort Village Management Agreement, dated November 15, 1999, and recorded on December 15, 1999, as Entry No. 555285, in Book 1300, beginning at Page 1, in the Official Records, together with amendments thereto (as amended, the "Management Agreement"), agree and recognize that Grantor or its affiliates or subsidiaries have the right to establish fees and charges for utilization of all utility infrastructure owned by such parties, including without limitation sewer, water, electricity, gas, and cable, on a user pay basis ("Utility Fees").

C. Grantor desires to grant to Grantee access to and easements on, over, across, and through the Grantor Parcel at the locations described and depicted on Exhibit "A" and upon the terms and conditions set forth herein with such grant and use of the easements being subject to the SPA Development Agreement, the Management Agreement, and the collection of Utility Fees as provided for therein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Grant of Wastewater Easement.** Grantor hereby conveys, assigns, transfers, and grants to Grantee a non-exclusive easement (the “Wastewater Easement”) on, over, across, and through the portion of the area described and depicted on Exhibit “A” (the “Wastewater Easement Area”) located on the Grantor Parcel, for the purpose of transportation and collection of wastewater, together with the right to install, construct, reasonably access, maintain, operate, repair, and replace thereon all necessary underground wastewater pipes and other manner of improvements or appurtenances that may be used or required for the transportation and collection of wastewater (collectively, the “Wastewater Improvements”). It being specifically understood that the grant of the non-exclusive easement by Grantor and the use of the Wastewater Easement and the Wastewater Easement Area by Grantee shall be subject to the terms and conditions set forth in the SPA Development Agreement and the Management Agreement concerning the rights and obligations of the parties thereto, and that Grantee, and only Grantee and no other person claiming the right to use the Wastewater Easement by, through, or as a successor-in-interest to Grantee, shall not be subject to the Utility Fees. It being further understood that the use of the Wastewater Easement shall not unreasonably interfere with the use and operation of The Canyons “Resort” (as this term is defined in the SPA Development Agreement) (“The Canyons Resort”) and that all such installation, construction, maintenance, operation, repairs, and replacements shall be done so as to minimize, to the greatest extent possible, any interference with the use and operation of The Canyons Resort. Nothing herein, however, shall prevent Grantor from pursuing reimbursement from parties (other than Grantee) with respect to the collection of Utility Fees.

2. **Grant of Access Easement.** Grantor hereby conveys, assigns, transfers, and grants to Grantee a non-exclusive easement (the “Access Easement”) on, over, across, and through the portion of the area described and depicted on Exhibit “A” (the “Access Easement Area”) located on the Grantor Parcel, for the purpose of ingress and egress to the Wastewater Easement Area. It being specifically understood that the grant of the non-exclusive easement by Grantor and the use of the Access Easement and the Access Easement Area by Grantee shall be subject to the terms and conditions set forth in the SPA Development Agreement and the Management Agreement; provided, however, that Grantee, and only Grantee and no other person claiming the right to use Access Easement by, through, or as the successor-in-interest to Grantee, shall not be subject to the Utility Fees.

3. **Repair and Restoration.** Grantee acknowledges that the continued and uninterrupted use and operation of The Canyons Resort is of paramount concern to the Grantor. Grantee agrees that except for the obligations of Grantor set forth in Paragraph 5 below, it shall immediately repair and restore any damage caused by Grantee’s use of the easements granted herein to the Grantor Parcel and any adjacent parcels so as to minimize any such interference or interruption. In the event that Grantee fails to do so, Grantor shall have the right to make such repairs and restoration and to charge the same to Grantee, who shall immediately reimburse such Grantor.

4. **Relocation of Easement Areas.** Grantor may, at its sole cost and expense, and in reasonable coordination with Grantee, move the Access Easement Area and/or the Wastewater Easement Area, as the case may be, to another location, provided that (i) Grantor constructs and installs comparable Wastewater Improvements to replace the Wastewater Improvements located in the Wastewater Easement Area to be relocated, (ii) Grantor conveys an easement to Grantee

for the relocated easement in a form reasonably acceptable to Grantee, (iii) the easement, as relocated, still connects with the Wastewater Improvements on adjacent parcels, and (iv) such relocation of the Access Easement Area provides reasonable access for ingress and egress to the Wastewater Easement Area.

5. **Grantor Improvements.** Grantor, at its sole cost and expense, may use, construct, install, maintain, and repair improvements on, over, across, and through the Access Easement Area and the Wastewater Easement Area (“Grantor Improvements”), including without limitation underground utilities, curbs, gutters, sidewalks, and/or roadways, landscaping, fences, walls, temporary structures, and other similar improvements, provided that such improvements shall not unreasonably interfere with the use, operation, maintenance, and repair of Wastewater Improvements, the Wastewater Easement Area, or the use of the Access Easement, and the Access Easement Area. If any Grantor Improvements unreasonably interfere with the use, operation, maintenance, and repair of Wastewater Improvements, the Wastewater Easement Area, or the use of the Access Easement, and the Access Easement Area, Grantee may provide written notice of such interference to Grantor. Within thirty (30) days after such notice, or within such other period of time as may be reasonably necessary under the circumstances, of Grantor’s receipt of such written notice, Grantor, at its sole cost and expense, shall remove those portions of the Grantor Improvements reasonably necessary to allow Grantee to use, operate, maintain, and repair the Wastewater Improvements, the Wastewater Easement Area, or the use of the Access Easement, and the Access Easement Area. If Grantor fails to timely remove the Grantor Improvements, Grantee may, at Grantor’s cost and expense, remove such Grantor Improvements.

6. **Ownership of Wastewater Improvements.** Other than the rights set forth in the grant of the Wastewater Easement, nothing contained in this Agreement shall be deemed to vest Grantee with any ownership rights or interest in and to the Access Easement Area, Grantor Improvements, and any other utility infrastructure and improvements currently constructed on or located in the Wastewater Easement Area and the Access Easement Area, including, without limitation, water, electricity, gas, and cable lines and related infrastructure. All such ownership rights and interest shall remain vested as currently owned as of the date of this Agreement.

7. **No Public Dedication.** Nothing contained in this Agreement shall be deemed to be a gift or dedication of any portion of the Grantor Parcel, to or for the general public or for any public purposes whatsoever, it being the intention of Grantor and Grantee that this Agreement be strictly limited to and for the purposes expressed herein.

8. **Covenants to Run with the Land.** Each of the easements and rights contained in this Agreement (whether affirmative or negative in nature) shall (i) constitute covenants running with the land, (ii) bind every person having a fee, leasehold, or other interest in any portion of any parcel at any time or from time-to-time to the extent such portion is affected or bound by the easement or right in question, or to the extent such easement or right is to be performed on such portion, and (iii) shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

9. **Notices.** Any and all notices required or permitted hereunder shall be given in writing and personally delivered, delivered by certified mail, return receipt requested, postage

prepaid, or delivered by generally recognized overnight courier providing proof of delivery, addressed as follows:

To Grantee: Snyderville Basin Water Reclamation District
2800 Homestead Road
Park City, Utah 84098

To Grantor: ASC Utah LLC
4000 The Canyons Drive
Park City, Utah 84098
Attention: Timothy Vetter

With a copy to: Shawn C. Ferrin
Parsons Behle & Latimer
201 S. Main Street , Suite 1800
Salt Lake City, Utah 84111

10. **Indemnification.** The easements and rights granted herein are subject to the condition that the Grantee shall indemnify and hold harmless the Grantor, and its successors and assigns against any and all liability caused by the acts of the Grantee, its contractors or agents, during the installation, construction, maintenance, operation, repair, and replacement of the Wastewater Improvements or other components or improvements related thereto provided for in the Wastewater Easement, and the use of the Access Easement. Grantor’s right to indemnification or to be held harmless by the Grantee under the terms of this Paragraph 10 is expressly conditioned upon prompt and immediate notice by Grantor, to the Grantee of any claim or demand of which it has actual knowledge which would cause a claim for indemnification against the Grantee and upon the Grantees right to defend any claim against Grantor which would cause a claim of indemnification against the Grantee. This provision shall not be interpreted or construed to waive the rights of the Grantee to the affirmative defenses to claims provided under the Utah Governmental Immunity Act. To the extent that it is determined by a competent court with proper jurisdiction over Grantor that Grantor does not have legal authority pursuant to its lease of the Grantor Parcel to grant the Wastewater Easement and the Access Easement to Grantee, Grantor hereby agrees to indemnify and hold the Grantee harmless against any and all liability caused by such determination, including, without limitation, reasonable attorneys’ fees and costs.

11. **Miscellaneous.**

(a) This Agreement and the easements, rights, and undertakings contained herein shall be perpetual.

(b) This Agreement contains the entire agreement between the parties hereto with respect to the matters addressed herein. This Agreement cannot be altered or otherwise amended, except pursuant to an instrument in writing signed by each of the parties.

(c) The parties hereto do not by this Agreement, in any way or for any purpose, become partners or joint venturers of each other in the conduct of their respective businesses or otherwise.

(d) The parties hereto shall execute and deliver all documents, provide all information, take or forbear from all such action as may be necessary or appropriate to achieve the purposes of this Agreement.

(e) This Agreement shall be construed in accordance with and governed by the laws of the State of Utah.

(f) This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument.

[INTENTIONALLY BLANK - SIGNATURES FOLLOW]

**SIGNATURE PAGE FOR SNYDERVILLE
BASIN WATER RECLAMATION DISTRICT**

SNYDERVILLE BASIN WATER
RECLAMATION DISTRICT,
a special district of the State of Utah

By: *Michael D. Luers*
Print Name: Michael D. Luers
Title: General Manager

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

The foregoing instrument was acknowledged before me this 25 day of October, 2010,
by Michael D. Luers, General Manager of Snyderville Basin Water
Reclamation District, a special district of the State of Utah.

Kathleen J. Nelson
NOTARY PUBLIC
Residing at: Summit County

My Commission Expires:
12/28/2012



SIGNATURE PAGE FOR ASC UTAH LLC

ASC UTAH LLC,
a Delaware limited liability company

By: Timothy C. Vetter
Print Name: Timothy C. Vetter
Title: Vice President

STATE OF UTAH)
 Salt Lake : SS.
COUNTY OF ~~SUMMIT~~)

The foregoing instrument was acknowledged before me this 20 day of October, 2010, by Timothy C. Vetter, the Vice President of ASC Utah LLC, a Delaware limited liability company.

[Signature]
NOTARY PUBLIC
Residing at: Salt Lake County, UT

My Commission Expires:

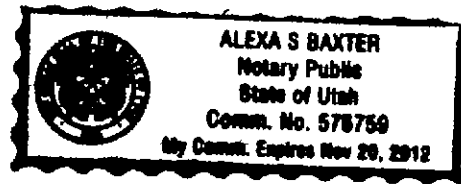


EXHIBIT "A"
TO
EASEMENT AGREEMENT
(Wastewater Collection and Transportation Pipelines)

**LEGAL DESCRIPTION OF GRANTOR PARCEL, WASTEWATER EASEMENT AREA, AND
ACCESS EASEMENT AREA**

That certain real property situated in Summit County, Utah and more particularly described as follows:

Beginning at the southeast corner of Section 36, Township 1 South, Range 3 East, Salt Lake Base and Meridian, Summit County, Utah, a found brass cap; thence North 89°59'43" West, a distance of 1819.67 feet along the south line of said Section 36, (basis of bearing being North 89°59'43" West along the south line of said Section 36 between the southeast corner and south quarter corner of said Section 36); thence leaving said section line North a distance of 924.49 feet to the TRUE POINT OF BEGINNING; thence South 67°25'40" West a distance of 10.00 feet; thence South 63°30'08" West a distance of 15.31 feet to a point on a 89.00 foot radius curve to the left, center bears South 24°27'42" East; thence along the arc of said curve through a central angle of 9°08'29", a distance of 14.20 feet; thence South 56°23'49" West a distance of 34.33 feet to a point on a 141.00 foot radius curve to the right, center bears North 41°46'07" West; thence along the arc of said curve through a central angle of 17°07'32", a distance of 42.14 feet to a point on a 100.00 foot radius curve to the right, center bears North 17°56'55" West; thence along the arc of said curve through a central angle of 16°04'57", a distance of 28.07 feet to a point on a 110.00 foot radius curve to the right, center bears North 08°19'23" West; thence along the arc of said curve through a central angle of 2°01'42", a distance of 3.89 feet; thence South 83°42'19" West a distance of 16.40 feet; thence South 75°09'08" West a distance of 25.28 feet; thence South 83°42'54" West a distance of 60.00 feet; thence North 87°45'15" West a distance of 25.28 feet; thence South 83°43'00" West a distance of 130.31 feet; thence South 83°00'39" West a distance of 85.01 feet; thence North 06°18'54" West a distance of 22.00 feet; thence North 84°21'33" East a distance of 85.01 feet; thence North 83°43'00" East a distance of 130.32 feet; thence North 75°11'03" East a distance of 25.28 feet; thence North 83°42'40" East a distance of 60.00 feet; thence South 87°46'39" East a distance of 25.28 feet; thence North 83°42'19" East a distance of 16.39 feet to a point on a 90.00 foot radius curve to the left, center bears North 06°17'41" West; thence along the arc of said curve through a central angle of 2°01'42", a distance of 3.19 feet to a point on a 100.00 foot radius curve to the left, center bears North 16°06'56" West; thence along the arc of said curve through a central angle of 12°49'02", a distance of 22.37 feet to a point on a 168.00 foot radius curve to the left, center bears North 22°06'29" West; thence along the arc of said curve through a central angle of 12°44'57", a distance of 37.38 feet; thence North 56°23'49" East a distance of 13.61 feet to a point on the southerly boundary of the Grand Summit Resort Hotel Plat, on file and of record in the Office of the Summit County Recorder; thence along said boundary North 75°09'34" East a distance of 64.51 feet; thence leaving said boundary South 22°34'20" East a distance of 6.31 feet to said point of beginning.

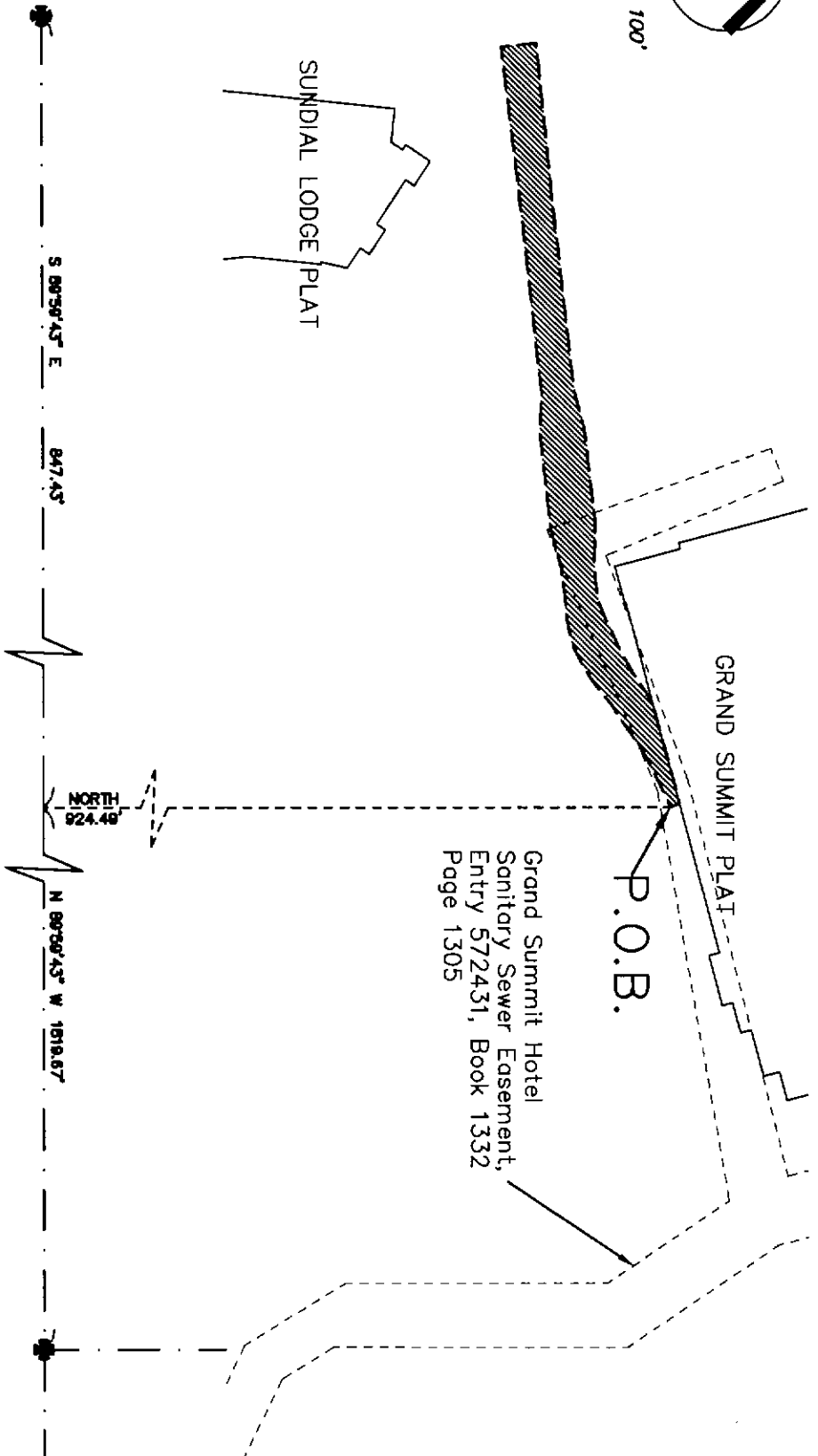
DEPICTION OF WASTEWATER EASEMENT AREA AND ACCESS EASEMENT AREA

[See Attached Drawing Titled "Sanitary Sewer Mainline Easement"]

SANITARY SEWER MAINLINE EASEMENT



SCALE 1" = 100'



Grand Summit Hotel
Sanitary Sewer Easement,
Entry 572431, Book 1332
Page 1305

SOUTH QUARTER CORNER OF
SECTION 36, TOWNSHIP 1 SOUTH,
RANGE 3 EAST, SALT LAKE BASE & MERIDIAN
FOUND BRASS CAP.

SOUTHEAST CORNER OF
SECTION 36, TOWNSHIP 1 SOUTH,
RANGE 3 EAST, SALT LAKE BASE & MERIDIAN
FOUND BRASS CAP.

**Park City
Surveying**

P.O. Box 682993
Park City, UT 84068
(435)689-2918
(435)649-1637 fax