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DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
SOLITUDE RESORT VILLAGE

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NANCY WORKMAN
RECORDER, SALT LAKE COUNTY, UTAH
FIRST AMERICAN TITLE
REC BY:Z JOHANSON *DEPUTY - WI

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**DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR SOLITUDE RESORT VILLAGE**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SOLITUDE RESORT VILLAGE (this "Declaration") is made as of May 4th, 1999, by Solitude Ski Corporation, a Delaware corporation ("Declarant").

RECITALS

A. Declarant owns the real property located in Salt Lake County, Utah, that is described on Exhibit A attached hereto and made a part hereof ("Declarant's Property"). Declarant has previously conveyed other parcels of adjacent real property to third parties subject to the understanding and requirement that such parcels of property would also be subject to this Declaration upon recording of this Declaration. Such parcels are described on Exhibit A-1 hereto and for purposes of this Declaration are part of the Project, the Property and the Solitude Resort Village as those terms are defined below.

B. Declarant desires to develop a coordinated and compatible mixed use real estate development (the "Project") on the Property, portions of which Project shall consist of individual condominium projects which shall be subject to the Utah Condominium Ownership Act, Utah Code Sections 5781 through 57836, as the same may be amended from time to time (the "Act").

C. The Property and the Project shall be benefited by certain easements and rights of way provided by the owners of the adjacent Solitude Ski Resort (the "Resort") as defined below.

D. Declarant deems it necessary and desirable to subject Declarant's Property to the covenants, conditions, restrictions, reservations, easements, assessments, charges and liens set forth in this Declaration. The Property and this Declaration shall not be subject to the Act. Individual condominium projects have been and will be developed on the Property, and upon recording of appropriate declarations of condominium, such individual condominium projects will become subject to the Act.

DECLARATION

In consideration of the foregoing, Declarant hereby declares as follows:

**ARTICLE I
DECLARATION**

1.01 Declaration.

Declarant hereby creates a coordinated and compatible mixed use real estate development project named the "Solitude Resort Village" on the Property and declares that the Property shall

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be held, sold and conveyed subject to the covenants, conditions, restrictions, reservations, easements, assessments, charges, liens and other provisions of this Declaration.

1.02 Covenants Running With the Land.

All covenants, conditions, restrictions, reservations, easements, charges, liens and other provisions of this Declaration are covenants running with the land, or equitable servitudes, as the case may be. The obligations, burdens and benefits created by this Declaration shall bind and inure to the benefit of Declarant, the Owners (as such term is defined below), the Resort and all other parties having any right, title or interest in the Property or any portion thereof and their respective successors, assigns, heirs, devisees, executors, administrators and personal representatives.

1.03 Exemption from the Act.

The Declarant acknowledges that this Declaration is not subject to the Act, notwithstanding that the Project is or will be comprised of one or more individual condominium projects or developments which may independently be subject to the Act, developed on Sites within the Project.

ARTICLE II
DEFINITIONS

2.01 Basic Definitions.

As used in this Declaration, the following terms shall have the meanings given to them in this Section 2.01, unless the context expressly requires otherwise.

(a) "Act" means the Utah Condominium Ownership Act, Utah Code Sections 5781 through 57837, as the same may be amended from time to time.

(b) "Additional Property" means the real property described on Exhibit B attached hereto and made a part hereof.

(c) "Annual Real Estate Assessment" has the meaning given to that term in Section 6.03 below.

(d) "Articles" means the Articles of Incorporation of the Association, as the same may be amended from time to time.

(e) "Assessment" means an Annual Real Estate Assessment, a Sales Assessment, a Real Estate Transfer Assessment, a Rental Assessment, the Resort Assessment, a

Solitude Village Master Association Assessment, a Special Assessment or a Default Assessment levied pursuant to Article VI below.

(f) "Assessment Lien" means the lien of the Association on a Site described in Section 6.10 below.

(g) "Association" shall mean the Solitude Village Master Association, a Utah nonprofit corporation.

(h) "Bedroom" means a fully enclosed room whose primary use is for sleeping purposes.

(i) "Bylaws" means the Bylaws of the Association, as the same may be amended from time to time.

(j) "Commercial Director" has the meaning given to that term in Section 5.02 below.

(k) "Commercial Space" means a Site or any portion of any Site in which:

- (i) a wholesale, retail or service business is operated;
- (ii) an office is operated or an administrative function is conducted;
- (iii) a maintenance or service facility is operated; or
- (iv) a Resort Support Facility is operated,

including, without limitation, any space within a Lodge, other than a Lodge Room, that is used for any of the foregoing purposes. Notwithstanding the foregoing, neither Lodge Rooms nor Community Facilities shall be deemed Commercial Spaces.

(l) "Common Elements" means any real estate within the Solitude Resort Village and any improvements or fixtures located on such real estate, that are:

- (i) owned by the Association; or
- (ii) owned by a Person other than the Association, but in which the Association has rights of use or possession pursuant to (A) this Declaration, or (B) a lease, license, easement or other agreement, including the easements provided by the Resort.

(m) "Common Expenses" means:

(i) any and all costs, expenses and liabilities incurred by or on behalf of the Association, including, without limitation, costs, expenses and liabilities for (A) acquiring, owning, leasing, selling, encumbering, managing, operating, insuring, improving, repairing, replacing and maintaining the Common Elements or any other property of the Association; (B) carrying out any of the purposes of, and exercising any of the powers of, the Association as described in any Solitude Village Master Association Documents, including, without limitation, those purposes and powers described in Section 3.02 below; (C) administering and enforcing the covenants, conditions, restrictions, reservations and easements created hereby; (D) levying, collecting and enforcing the assessments, charges and liens imposed pursuant hereto; (E) promoting Solitude Resort Village as part of the Resort; (F) maintaining and enhancing property values within Solitude Resort Village; (G) taking any action it deems necessary or appropriate to protect the general welfare of Owners, Guests and the general public; (H) regulating and managing Solitude Resort Village, (I) complying with the terms of all easements provided by the Resort, and (J) operating the Association; and

(ii) reserves for any such costs, expenses and liabilities.

(n) "Community Facility" means any facility that is operated by a nonprofit, not-for-profit, governmental or quasi-governmental entity and that provides athletic, cultural, recreational, entertainment or other services to Owners, Guests or the general public. "Community Facilities" include, without limitation, all:

- (i) theaters;
- (ii) libraries;
- (iii) conference and meeting facilities;
- (iv) chapels;
- (v) schools;
- (vi) community centers;
- (vii) recreational facilities, athletic facilities, parks, playing fields, nature centers, trails, open spaces and wetlands;
- (viii) child care facilities and teen centers; and
- (ix) medical and emergency service facilities,

that are operated by a nonprofit, not-for-profit, governmental or quasi-governmental entity. The term "Community Facility" does not include any of the foregoing facilities that are provided by the Resort or any other for-profit venture.

- (o) "Condominium" has the meaning given to that term in the Act.
- (p) "Condominium Unit" means a Unit within a Condominium.
- (q) "Consideration" means any combination of:
 - (i) the money paid or to be paid;
 - (ii) the value of property delivered or to be delivered;
 - (iii) the value of any services delivered or to be delivered; and
 - (iv) the amount of any debt assumed or to be assumed, by a Transferee in exchange for the Transfer of a Site.
- (r) "Declarant" means Solitude Ski Corporation, a Delaware corporation, and its successors and assigns.
- (s) "Declarant Control Period" has the meaning given to that term in Section 5.04 below.
- (t) "Declarant Rights" means any rights reserved to Declarant under this Declaration or any other Solitude Village Master Association Document, including, without limitation, all Special Declarant Rights.
- (u) "Declarant's Property" means the real property located in Salt Lake County, Utah, that is described on Exhibit A attached hereto and made a part hereof.
- (v) "Declaration" means this Declaration of Covenants, Conditions and Restrictions for Solitude Resort Village, as the same may be amended or supplemented from time to time, together with all Plats for Solitude Resort Village.
- (w) "Default Assessment" has the meaning given to that term in Section 6.07 below.
- (x) "Design Review Board" has the meaning given to that term in Section 8.01 below.

Board. (y) "Director" means a duly elected or appointed member of the Executive

(z) "Executive Board" means the Board of Directors of the Association.

(aa) "Fair Market Value," means the greater of:

(i) the Consideration given by the Transferee to the Transferor in exchange for the Transfer of a Site; or

(ii) the price that a Transferee would pay to a Transferor for a Site in a bona fide arm's length Transfer between unrelated Persons, as determined by the Association pursuant to the provisions of Section 6.05 below, as applicable.

(bb) "First Mortgage" means any Mortgage which is not subordinate to any other lien or encumbrance, except liens for taxes or other liens which are given priority by statute.

(cc) "First Mortgagee" means a Mortgagee with respect to a First Mortgage.

(dd) "Guest" means any family member, employee, agent, independent contractor, lessee, customer or invitee of an Owner.

(ee) "Intrawest" means Intrawest Resorts, Inc., a Delaware corporation, and its permitted successors and assigns as developer, but does not include purchasers of individual Units or Commercial Spaces from Intrawest.

(ff) "Intrawest Development Period" means the time period commencing on the date of recording of this Declaration, and ending on the last to occur of either: (i) the first to occur of twenty-four (24) months after Intrawest's "Substantial Completion" of the building(s) on a Residential Site acquired by Intrawest, or upon Intrawest's sale or transfer of ninety percent (90%) of the Units in the Residential Site; or, (ii) thirty (30) days after Intrawest ceases to have any options to acquire any Sites on the Property. The Intrawest Development Period may be terminated prior to the end of such period by mutual written agreement of Intrawest and Declarant. "Substantial Completion" or "Substantially Complete" as used in this Declaration means with respect to buildings the earlier of (i) the issuance of an occupancy permit; or (ii) the completion in all material respects of (A) the structural components of such building and the building facade and (B) all hard and soft landscaping, to the extent such improvements would be visible from an external inspection of such building and in accordance with any required approvals from governmental authorities, if any.

(gg) "Local Sales" has the meaning given to that term in Section 6.04 below.

(hh) "Lodge" means:

(i) any Site or any portion of a Site that is used as a hotel, motel, inn or lodge; or

(ii) any Site, other than a Residential Site, in which short-term overnight accommodations are provided.

(ii) "Lodge Director" has the meaning given to that term in Section 5.02 below.

(jj) "Lodge Room" means a room or suite in a Lodge designated for separate overnight occupancy by one or more Guests.

(kk) "Majority," whether or not capitalized, means any percentage greater than 50 percent.

(ll) "Mortgage" means any mortgage, deed of trust or other document encumbering or pledging any Site or any interest in a Site as security for payment of a debt or obligation.

(mm) "Mortgagee" means any Person named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such person under a Mortgage.

(nn) "Officer" means a duly elected or appointed officer of the Association.

(oo) "Owner" means the record holder of legal title to the fee simple interest in any Site or portion thereof. If there is more than one record holder of legal title to a Site, each record holder shall be an Owner. The term "Owner" includes Declarant to the extent that Declarant is the record holder of legal title to the fee simple interest in any Site.

(pp) "Person" means any natural person, corporation, partnership, limited liability company, association, trust, trustee, governmental or quasi-governmental entity or any other person or entity recognized as being capable of owning real property under the laws of the State of Utah.

(qq) "Plat" means the plat of Solitude Resort Village attached hereto and made a part hereof as Exhibit C, as the same may be amended and supplemented from time to time.

(rr) "Project" has the meaning set forth in the Recitals.

(ss) "Property" means:

(i) Declarant's Property as defined in Exhibit "A" to this Declaration;
(ii) the additional real property described on Exhibit "A-1" attached hereto and incorporated herein; and

(iii) any other real property that is later made subject to this Declaration.

(tt) "Purchaser" means a Person, other than Declarant or a Successor Declarant, who acquires legal title to the fee simple interest in any Site or portion thereof.

(uu) "Real Estate Transfer Assessment" has the meaning given to that term in Section 6.05 below.

(vv) "Real Estate Transfer Assessment Rate" has the meaning given to such term in Section 6.05 below.

(ww) "Rental Assessment" has the meaning given that term in Section 6.14 below.

(xx) "Rental Income" shall have the meaning given that term in Section 6.14 below.

(yy) "Residential Director" has the meaning given to that term in Section 5.02 below.

(zz) "Residential Site" means any Site that contains:

(i) one single-family dwelling for which a final certificate of occupancy has been issued by the appropriate governmental authority; or

(ii) a multi-family dwelling, that is not a condominium project for which a final certificate of occupancy has been issued by the appropriate governmental authority.

The term "Residential Site" includes, without limitation, a residential Condominium Unit.

(aaa) "Resort" and "Resort Owner" mean, respectively, the Solitude Ski Resort, and the Solitude Ski Corporation, a Delaware corporation, its successors and assigns.

(bbb) "Resort Assessment" has the meaning given to that term in Section 6.15 below.

(ccc) "Resort Director" has the meaning given to that term in Section 5.02 below.

(ddd) "Resort Parcel" means that parcel of real property that is described on Exhibit E attached hereto and made a part hereof.

(eee) "Resort Support Facility" means any amenity or facility that is located on a Site, operated by the Resort Owner, and used in connection with the operation of the Resort, but which does not otherwise qualify as Commercial Space. "Resort Support Facilities" include, without limitation:

- (i) office and administrative facilities;
- (ii) maintenance and repair facilities;
- (iii) information facilities;
- (iv) operational facilities;
- (v) employee child care facilities; and

(vi) facilities that provide services to Guests of the Solitude Resort Village, such as ski facilities, conference facilities, child care facilities, cultural facilities, recreational facilities, athletic facilities and other entertainment facilities, that meet the criteria described in the preceding sentence.

(fff) "Rules and Regulations" means any instrument adopted by the Association or the Design Review Board for the regulation and management of Solitude Resort Village, as the same may be amended from time to time.

(ggg) "Sales Assessment" has the meaning given to that term in Section 6.04 below.

(hhh) "Sales Assessment Rate" has the meaning given to that term in Section 6.04 below.

(iii) "Salt Lake County Records" means the Office of the Recorder for Salt Lake County, Utah.

(jjj) "Site" means any one of the following parcels of real property:

- (i) a Condominium Unit;

(ii) a platted lot; or

(iii) an unplatted parcel of real property, the fee simple interest of which may be conveyed in its entirety to another Person without violating the subdivision regulations of Salt Lake County, Utah, as in effect from time to time, that is located within Solitude Resort Village, including without limitation a Lodge, and any commercial pads which may be developed on the Project. Notwithstanding the foregoing, any such parcel of real property owned, held or used in its entirety (A) by the Association, (B) as common elements for any individual condominium association, (C) by any governmental or quasi-governmental entity, (D) solely for or in connection with the distribution of electricity, gas, water, sewer, telephone, cable television or any other utility service, or (E) solely for access to or through any property within Solitude Resort Village, including the property owned by and subject to the easements provided by the Resort, shall not be considered a Site.

(kkk) "Solitude Resort Master Plan" means the conditional use permit regarding the amended Solitude Master Plan dated November 28, 1995, as amended July 7, 1998, as the same may be amended from time to time.

(lll) "Solitude Resort Village" means the coordinated, mixed-use real estate development project to be developed on the Property in accordance with this Declaration.

(mmm) "Solitude Ski Resort" means the four-season destination resort located in the Big Cottonwood Canyon in Salt Lake County, Utah, as the same may be expanded or contracted from time to time, and has the same meaning as "Resort."

(nnn) "Solitude Village Master Association Assessment" has the meaning given to that term in Section 6.08(a) below.

(ooo) "Solitude Village Master Association Documents" means this Declaration, the Articles, the Bylaws and the Rules and Regulations, as the same may be amended from time to time.

(ppp) "Special Assessment" has the meaning given to that term in Section 6.06 below.

(qqq) "Special Declarant Rights" means the rights reserved by Declarant in Article XIV below.

(rrr) "Successor Declarant" means any Person who succeeds to any rights of Declarant hereunder.

(sss) "Supplemental Declaration" means additional covenants, conditions and restrictions which may be placed on the Property or any portion thereof by one or more

instruments recorded in the Salt Lake County Records prior to the time Declarant transfers or conveys said property to the Association which further restrict the use, density or design of the applicable property, and which shall have been approved in writing by the Resort. During the Intrawest Development Period, a Supplemental Declaration must be approved by Intrawest.

(ttt) "Transfer," when capitalized and used in connection with the Real Estate Transfer Assessment, means any sale, conveyance, assignment, lease or other transfer of legal or beneficial ownership of all or any portion of a Site whether in one transaction or in a series related of transactions. The term "Transfer" includes, without limitation:

- (i) the conveyance of any fee simple interest in a Site;
- (ii) the transfer of more than 50 percent of the outstanding shares of the voting stock of a corporation that owns a Site, directly or indirectly; and
- (iii) the transfer of more than 50 percent of the interest in net profits or net losses of any limited liability company, partnership, joint venture or other entity that owns a Site, directly or indirectly.

(uuu) "Transferee," when capitalized and used in connection with the Real Estate Transfer Assessment, means all Persons to whom an interest passes by a Transfer.

(vvv) "Transferor," when capitalized and used in connection with the Real Estate Transfer Assessment, means all Persons from whom an interest passes by a Transfer.

(www) "Unit" has the meaning given to that term in the Act.

(xxx) "Utah Sales Tax Act" has the meaning given to that term in paragraph 6.04(a).

2.02 Gender and Number.

Whenever the context of this Declaration so requires:

- (a) words used in the masculine gender shall include the feminine and neuter genders;
- (b) words used in the neuter gender shall include the masculine and feminine genders;
- (c) words used in the singular shall include the plural; and
- (d) words used in the plural shall include the singular.

2.03 Definitions that Reference Statutes.

If a capitalized term used in this Declaration is defined as having the meaning given to that term in a particular Utah statute, the meaning given to that term in this Declaration shall be the meaning given to that term in the particular Utah statute as of the date, of this Declaration, regardless of any later amendments to that particular Utah statute.

ARTICLE III
THE SOLITUDE VILLAGE MASTER ASSOCIATION

3.01 Formation of the Solitude Village Master Association.

Prior to, or concurrently with, the recording of this Declaration, Declarant shall form the Association.

3.02 Purposes and Powers.

(a) The Association's purposes are:

(i) to acquire, own, lease, sell, transfer, grant easements over, encumber, manage, operate, insure, improve, repair, replace and maintain the Common Elements and all other property of the Association;

(ii) to provide certain facilities and services to Owners, Guests and the general public;

(iii) to administer and enforce the covenants, conditions, restrictions, reservations and easements created hereby;

(iv) to levy, collect and enforce the Assessments, charges and liens imposed pursuant hereto;

(v) to promote the Solitude Resort Village as a four-season destination resort community;

(vi) to maintain and enhance property values within Solitude Resort Village;

(vii) to take any action it deems necessary or appropriate to protect the general welfare of Owners, Guests and the general public;

(viii) to enter into agreements with other Persons, including, without limitation, easements, licenses, leases and other agreements with individual condominium

associations and with governmental and quasi-governmental entities, which provide for the sharing of expenses among the Association and such other Persons for improvements, facilities and services that serve the Association and such other Persons; and

(ix) to regulate and manage the Solitude Resort Village.

(b) Unless expressly prohibited by law or any of the Solitude Village Master Association Documents, the Association may:

(i) take any and all actions that it deems necessary or advisable to fulfill its purposes, including, without limitation, the hiring and termination of employees, agents and independent contractors;

(ii) exercise any powers conferred by any Solitude Village Master Association Document; and

(iii) exercise all powers that may be exercised in Utah by nonprofit corporations including, without limitation, the power to borrow money.

(c) Without in any way limiting the powers of the Association as described in this paragraph 3.02, the Association may, but is not obligated to, provide the following facilities and services to Owners, Guests and the general public:

(i) safety facilities and services, such as security, fire protection, traffic control, waste control and disposal and rodent, pest, mosquito and other animal control facilities and services;

(ii) roads, paths and road and path maintenance and construction services including without limitation snow removal;

(iii) transportation facilities and services;

(iv) parking facilities and services;

(v) lighting and signage facilities and services;

(vi) to the extent not otherwise provided by the Resort or one or more special service districts serving the Solitude Resort Village, utility facilities and services, such as electric, propane, water, sewer, telephone, and cable and satellite television facilities and services;

(vii) environmental management facilities and services, including those related to forest management, wildlife management, water management, air quality management, wetland management, flood plain management and environmental cleanup and remediation;

(viii) special events facilities and services;

(ix) to the extent not otherwise provided by the Resort or one or more special service districts serving the Solitude Resort Village, athletic facilities and services, such as pool and changing facilities, spa, exercise, walking, hiking, biking, and skiing services;

(x) other recreational facilities and services, such as nature centers, parks, open spaces, picnic grounds, public fountains and squares and botanical gardens;

(xi) to the extent not otherwise provided by the Resort or one or more special service districts serving the Solitude Resort Village, conference and meeting facilities and services;

(xii) village marketing facilities and services; and

(xiii) information facilities and services.

(d) Without in any way limiting the powers of the Association as described in this paragraph 3.02, the Association may, but is not obligated to, charge use fees for the use of any Common Elements and for the use of any facilities or services provided by the Association.

(e) Without in any way limiting the powers of the Association as described in this paragraph 3.02, the Association may, but is not obligated to, make capital improvements to the Common Elements.

(f) The Association may provide facilities and services itself or it may contract with private, governmental and quasi-governmental Persons to provide facilities or services, including without limitation, the Declarant, the Resort, one or more special service districts, or any of their affiliates.

3.03 Solitude Village Master Association Documents.

(a) This Declaration facilitates a coordinated, mixed use real estate development project known as Solitude Resort Village and creates certain covenants, conditions, restrictions, reservations, easements, assessments, charges and liens applicable to Solitude Resort Village. The Articles create the Association. The Bylaws provide for the regulation and management of the Association, and the Rules and Regulations provide for the regulation and management of Solitude Resort Village.

(b) If there is any conflict or inconsistency between the terms and conditions of this Declaration and the terms and conditions of the Articles, the Bylaws or the Rules and Regulations, the terms and conditions of this Declaration shall control. If there is any conflict or inconsistency between the terms and conditions of the Articles and the terms and conditions of the Bylaws or the Rules and Regulations, the terms and conditions of the Articles shall control. If there is any conflict or inconsistency between the terms and conditions to the Bylaws and the terms and conditions of the Rules and Regulations, the terms and conditions of the Bylaws shall control.

3.04 Books and Records.

Upon reasonable prior written request, the Association shall allow Owners, Mortgagees, and their respective agents to inspect current copies of the Solitude Village Master Association Documents and the books, records, budgets and financial statements of the Association during normal business hours and under other reasonable circumstances. The Association may charge a reasonable fee for copying such materials.

ARTICLE IV MEMBERSHIP AND VOTING

4.01 Membership.

Every Owner shall be a member of the Association, and a Person who is not an Owner may not be a member of the Association.

4.02 Voting in General.

(a) The votes in the Association shall be allocated as described in this Section 4.02 and Sections 4.03 through 4.06 below.

(b) There shall be four classes of voting in the Solitude Master Association:

- (i) votes allocated to Residential Sites;
- (ii) votes allocated to Commercial Spaces;
- (iii) votes allocated to Lodge; and
- (iv) votes allocated to the Resort Parcel.

(c) The votes allocated to a Residential Site, a Commercial Space, the Lodge, or the Resort Parcel shall be held by the Owner(s) of such Residential Site, Commercial Space, Lodge, or Resort Parcel, as the case may be, and may not be separated from the Residential Site,

Commercial Space, Lodge, or Resort Parcel to which the votes are allocated. The votes allocated to a Residential Site, a Commercial Space, a Lodge, and the Resort Parcel may be transferred or encumbered only in connection with the conveyance or encumbrance of the fee simple interest in such Residential Site, Commercial Space, Lodge, and Resort Parcel. Any transfer or encumbrance of votes in the Association, other than as permitted in this paragraph 4.02(c), shall be void and have no force or effect.

(d) Notwithstanding the terms and conditions of paragraph 4.02(c) above, the Owner of a Residential Site, a Commercial Space, a Lodge, or the Resort Parcel may appoint an agent to vote the votes allocated to the Owner's Residential Site, Commercial Space, Lodge, or the Resort Parcel, by a duly executed proxy, in such form as the Association may reasonably require, timely delivered to the Association.

(e) Class voting shall be allowed for the election of the Residential Directors, Commercial Director, the Lodge Director and the Resort Director pursuant to Article V below, but for no other purpose.

(f) Cumulative voting shall not be allowed in the election of Directors or for any other purpose.

4.03 Residential Voting.

(a) Each Residential Site shall be allocated one vote, regardless of the number of Owners of that Residential Site. To the extent not prohibited by the Act, fractional voting shall be allowed for a vote allocated to a Residential Site, in the event that such fractional interests result from duly recorded deeds. Except with respect to voting of deeded fractional interests, if the Owners of a Residential Site cannot agree among themselves as to how to cast their vote on a particular matter, they shall lose their right to vote on such matter. If any Owner of a Residential Site casts the vote for that Residential Site, it will thereafter be presumed for all purposes that the Owner was acting with the authority and consent of all other Owners of that Residential Site, unless an Owner of that Residential Site makes an objection thereto to the Person presiding over the meeting when the vote is cast. Except with respect to voting of deeded fractional interests, if more than one vote is cast for any Residential Site, none of such votes shall be counted and all of such votes shall be deemed null and void.

(b) In any election of Directors, the Owner of a Residential Site shall have a number of votes equal to the number of Directors for which that Owner may vote by virtue of its ownership of that Residential Site. There shall be two Residential Directors elected.

4.04 Commercial Voting.

(a) Each Commercial Space shall be allocated a number of votes equal to the quotient (rounded to the nearest 1/100th) obtained by dividing:

(i) the number of square feet of area* within that Commercial Space (as determined by the Solitude Master Association in its sole discretion); by

(ii) 1,000,

regardless of the number of Owners of that Commercial Space.

(b) The Owner of a Commercial Space may appoint one or more of its lessees in that Commercial Space as its agent to vote all or any portion of the votes allocated to that Commercial Space by proxy in accordance with the terms and conditions of paragraph 4.02(d) above. In that regard, fractional voting shall be allowed for the votes allocated to a Commercial Space. Notwithstanding the foregoing, if more votes are cast for a Commercial Space than are allocated to that Commercial Space, none of such votes shall be counted and all of such votes shall be deemed null and void.

(c) In any election of Directors, the Owner of a Commercial Space shall have a number of votes equal to the product obtained by multiplying:

(i) the number of votes allocated to that Commercial Space; by

(ii) the number of Directors for which the Owner may vote by virtue of its ownership of that Commercial Space.

4.05 Lodge Voting.

(a) Each Lodge shall be allocated a number of votes equal to the number of Lodge Rooms within the Lodge (as determined by the Association in its sole discretion regardless of the number of Owners of the Lodge).

(b) Fractional voting shall not be allowed for votes allocated to a Lodge. If the Owners of a Lodge cannot agree among themselves as to how to cast their votes on a particular matter, they shall lose their right to vote on such matter. If any Owner of a Lodge casts the votes for that Lodge, it will thereafter be presumed for all purposes that the Owner was acting with the authority and consent of all other Owners of that Lodge, unless an Owner of that Lodge makes an objection thereto to the Person presiding over the meeting when the votes are cast. If at any meeting more votes are cast for a Lodge than are allocated to that Lodge, none of such votes shall be counted and all of such votes shall be deemed null and void.

(c) In any election of Directors, the Owner of a Lodge shall have a number of votes equal to the product obtained by multiplying the number of Lodge Rooms within the Lodge (as determined by the Association in its sole discretion regardless of the number of Owners of the Lodge) by the number of Directors for which that Owner may vote by virtue of its ownership of that Lodge.

4.06 Resort Voting.

(a) The Resort Parcel shall be allocated five votes, regardless of the number of Owners of the Resort Parcel. If the Owners of the Resort Parcel cannot agree among themselves as to how to cast their votes on a particular matter, they shall lose their right to vote on that matter. If any Owner of the Resort Parcel casts the votes for the Resort Parcel, it will thereafter be presumed for all purposes that the Owner was acting with the consent and authority of all other Owners of the Resort Parcel, unless an Owner of the Resort Parcel makes an objection thereto to the Person presiding over the meeting when the votes are cast. If the Owners of the Resort Parcel cast more votes for the Resort Parcel than are allocated to the Resort Parcel, none of such votes shall be counted and all of such votes shall be deemed null and void.

(b) In any election of Directors, the Owner of the Resort Parcel shall have a number of votes equal to the product obtained by multiplying:

- (i) five; by
- (ii) the number of Directors for which the Owner of the Resort Parcel may vote by virtue of its ownership of the Resort Parcel.

ARTICLE V EXECUTIVE BOARD

5.01 Powers of the Executive Board.

(a) Except as provided in this Declaration, the Articles and the Bylaws, the Executive Board may act on behalf of the Association in all instances.

(b) The Executive Board may not act on behalf of the Association to:

- (i) amend this Declaration;
- (ii) terminate the Association, this Declaration or the Project;
- (iii) elect Directors to the Executive Board, other than to fill a vacancy for the unexpired portion of a Director's term; or
- (iv) determine the qualifications, powers and duties, or terms of office of Directors.

5.02 Number of Directors.

The Executive Board shall consist of the following nine Directors:

- (a) Two Directors elected by and representing Owners of Residential Sites (the "Residential Directors");
- (b) One Director elected by and representing the Owners of Commercial Spaces (the "Commercial Director");
- (c) One Director elected by and representing Owners of Lodges (the "Lodge Director"); and
- (d) Five Directors appointed by and representing the Owners of the Resort Parcel (the "Resort Directors").

5.03 Election of Directors.

- (a) Subject to the terms and conditions of Sections 5.04, 5.05 and 5.06 below, the Residential Directors shall be elected as follows:

The initial Residential Directors will hold office until the election or appointment of their successor at the 2000 annual meeting. Thereafter, the Residential Directors will hold office for a term of two years and the Owners of Residential Sites shall elect the Residential Directors at the annual meetings held in years ending in an odd number. Notwithstanding the foregoing, during the Intrawest Development Period, Intrawest shall have the sole right to appoint the Residential Directors, upon delivery of a written notice of appointment by Intrawest to the Executive Board.

- (b) Subject to the terms and conditions of Sections 5.05 and 5.06 below, the Commercial Director shall be elected as follows:

- (i) The initial Commercial Director will hold office until the election or appointment of his successor at the 2000 annual meeting. Thereafter, the Commercial Director will hold office for a term of two years and the Owners of Commercial Spaces shall elect the Commercial Director at the annual meetings held in years ending in an even number.

- (c) Subject to the terms and conditions of Sections 5.05 and 5.06 below, the initial Lodge Director will hold office until the election or appointment of his successor at the 2000 annual meeting. Thereafter, subject to the terms and conditions of Sections 5.05 and 5.06 below, the Lodge Director will hold office for a term of two years and the Owners of Lodges shall elect the Lodge Director at the annual meetings held in years ending in an even number.

(d) Subject to the terms and conditions of Sections 5.05 and 5.06 below, the Owners of the Resort Parcel may appoint, remove and replace the Resort Directors at any time by providing prior written notice thereof to the Association.

5.04 Declarant Control Period.

(a) Subject to the terms and conditions of paragraph 5.03(a) above and paragraphs 5.05(b) and (c) below, but notwithstanding anything else to the contrary contained in this Declaration or in any other Solitude Village Master Association Document, Declarant shall have the exclusive right to appoint and remove all Officers and Directors during the Declarant Control Period. The term "Declarant Control Period" means the period commencing on the date on which Declarant forms the Association and ending on the last to occur of:

(i) the date that is sixty days after conveyance to Purchasers of 90 percent of the maximum number of Sites allocated to the Property under the Solitude Resort Master Plan or any other zoning or other governmental development approvals in effect for Solitude Resort Village at any given time;

(ii) the date that is four years after the last conveyance of a Site by Declarant to a Purchaser in the ordinary course of business; and

(iii) the date that is eight years after the date on which this Declaration was recorded in the Salt Lake County Records.

(b) Declarant may voluntarily surrender its right to appoint and remove Officers and Directors prior to the expiration of the Declarant Control Period, but, in that event, Declarant may require, for the remainder of the Declarant Control Period, that specific actions of the Association or the Executive Board, as described in a recorded instrument executed by Declarant, be approved by the Declarant before they become effective.

5.05 Removal of Directors.

(a) Directors appointed by Declarant may be removed, with or without cause, solely by Declarant.

(b) The Residential Directors, other than a Residential Director appointed by Intrawest during the Intrawest Development Period, or a Residential Director appointed by Declarant during the Declarant Control Period, may be removed, with or without cause, by a 67 percent or greater vote of all votes allocated to the Residential Sites that are entitled to vote for the Residential Directors and that are represented at a meeting of the Owners of the Residential Sites at which a quorum is present.

(c) The Commercial Director, other than a Commercial Director appointed by Declarant, may be removed, with or without cause, by a 67 percent or greater vote of all votes allocated to the Commercial Spaces that are entitled to vote for the Commercial Director and that are represented at a meeting of the Owners of the Commercial Spaces at which a quorum is present.

(d) The Lodge Director, other than the Lodge Director appointed by Declarant, may be removed, with or without cause, by a 67 percent or greater vote of all votes allocated to the Lodges represented at a meeting of the Owners of the Lodges at which a quorum is present.

(e) The Resort Directors, other than the Resort Directors appointed by Declarant, may be removed, with or without cause, by the Owners of the Resort Parcel.

(f) Directors may not be removed, except as provided in paragraphs 5.06(a) through (e) above.

5.06 Replacement of Directors.

(a) Vacancies on the Executive Board created by the removal, resignation or death of a Director appointed by Declarant shall be filled by a Director appointed by Declarant.

(b) A vacancy on the Executive Board created by the removal, resignation or death of the Resort Director shall be filled by a Director appointed by the Owner of the Resort Parcel.

(c) Except with respect to a Residential Director appointed by Intrawest during the Intrawest Development Period, and except for the Residential Director, the Commercial Director, or the Lodge Director appointed by Declarant, a vacancy on the Executive Board created by the removal, resignation or death of the Residential Director, the Commercial Director, or the Lodge Director shall be filled by a Director elected by a majority of the Directors then holding office, even if less than a quorum.

(d) Any Director elected or appointed pursuant to this Section 5.06 shall hold office for the remainder of the unexpired term of the Director that Director replaced.

ARTICLE VI ASSESSMENTS, COMMON EXPENSES, BUDGETS AND LIENS

6.01 Obligations for Assessments and Other Charges.

(a) Each Owner, by accepting a deed to a Site (whether or not it shall be expressly stated in such deed), shall be deemed to have covenanted and agreed to pay to the

Association all Assessments and other charges that the Association is required or permitted to levy or impose on such Owner or such Owner's Site pursuant to this Declaration or any other Solitude Village Master Association Document.

(b) Notwithstanding the definition of the term "Owner":

(i) a Person who acquires a Site in a foreclosure sale shall be personally liable for all Assessments and other charges that the Association is required or permitted to levy or impose on that Site or on the Owner of that Site commencing on the date of the foreclosure sale; and

(ii) a Person who acquires a Site by deed-in-lieu of foreclosure or other similar instrument shall be personally liable for all Assessments and other charges that the Association is required or permitted to levy or impose on that Site or on the Owner of that Site commencing on the date on which the Owner of the Site executes the deed-in-lieu of foreclosure or other similar instrument.

(c) No Owner shall be exempt from liability for any Assessment or other charges by waiving the use or enjoyment of any Common Element or by abandoning a Site against which such Assessments or other charges are made.

(d) Each Owner shall be personally liable for all Assessments and other charges levied on such Owner or such Owner's Site during the period of such Owner's ownership of the Site. If there is more than one Owner of a Site, each Owner shall be jointly and severally liable with the other Owners of the Site or for all Assessments and other charges levied on the Site or any Owner of the Site.

(e) Each Assessment or other charge, together with interest thereon and all costs and expenses incurred by the Association to collect such Assessment or other charge, including all fees and disbursements of attorneys, accountants, appraisers, receivers and other professionals engaged by the Association in connection therewith, may be recovered by a suit for a money judgment by the Association without foreclosing or waiving any Assessment Lien securing the same.

(f) Except as set forth in paragraph 6.01(g) below, but notwithstanding anything else to the contrary contained in this Declaration, the Association may not levy or collect:

(i) any Annual Real Estate Assessment with respect to any Site that is used exclusively as one or more Community Facilities, or that portion of any Site that is used as a Community Facility;

(ii) any Sales Assessment, Rental Assessment, Solitude Village Master Association Assessment or Special Assessment with respect to any Community Facility; or

(iii) any Real Estate Transfer Assessment with respect to (A) the Fair Market Value of any Site that is used exclusively as one or more Community Facilities, or (B) the Fair Market Value of that portion of any Site that is used as a Community Facility.

(g) Notwithstanding anything to the contrary contained in paragraph 6.01(f) above, if, after a Transfer, a Transferee ceases to use as a Community Facility a Site or a portion of a Site that was used as a Community Facility prior to the Transfer, then the Association may levy and collect, and the Transferee of the Site shall be liable for:

(i) Annual Real Estate Assessments based on the number of Condominium Units contained in Residential Units on the Site and the square footage of any Commercial Units located on the Site or the portion of the Site that the Transferee no longer uses as a Community Facility, commencing on the date on which the Transferee ceases such use;

(ii) Sales Assessments, Rental Assessments, Solitude Village Master Association Assessments and Special Assessments with respect to the Site or portion of the Site that the Transferee no longer uses as a Community Facility, commencing on the date on which the Transferee ceases such use; and

(iii) a Real Estate Transfer Assessment with respect to the Fair Market Value of the Site (or other equitable manner of assessment determined by the Executive Board) or the portion of the Site that the Transferee no longer uses as a Community Facility, which will be due and payable to the Association within five days following the date on which the Transferee ceases such use.

(h) Notwithstanding anything to the contrary contained in this Declaration, the Association shall be exempt from all Assessments.

(i) Notwithstanding anything to the contrary contained in this Declaration, no Assessments shall be levied or collected until the recording of the first deed related to a sale of a Residential Site constructed by Intrawest, at which time all Residential Sites and Commercial Spaces in the building in which such Residential Site is located shall be subject to Assessments, as well as all other Sites subject to this Declaration. With respect to property subsequently made subject to this Declaration on which a building will be located, no Assessments shall be levied or collected until the recording of the first deed related to the sale of a Residential Site in such building, at which time all Residential Sites and Commercial Space in the building in which such Residential Site is located shall be subject to Assessments. With respect to a Site that does not contain a Residential Site to be sold to third parties (e.g., a Site that is used for commercial purposes, a Lodge, etc.), Assessments shall commence at the time that such Site is first leased, or when commercial operations first commence on such Site.

6.02 Budgets.

(a) Prior to the first levy of an Assessment, and, thereafter, on or before October 1st of each calendar year, the Executive Board shall adopt an annual budget for the Association for the following calendar year that sets forth:

(i) the Executive Board's estimates of Common Expenses for the next calendar year; and

(ii) the amount of funds for such Common Expenses that the Executive Board proposes to raise through all Assessments.

(b) Within thirty days after adopting the annual budget, the Executive Board shall deliver a summary of the budget to all Owners.

(c) Notwithstanding the foregoing, during the Intrawest Development Period, the annual budget shall be subject to Intrawest's prior written approval, which approval shall not be unreasonably withheld, delayed or conditioned. In the event that Intrawest reasonably fails to approve the proposed annual budget, the budget for such upcoming year shall be the prior year's budget. Failure of Intrawest to object in writing to a proposed annual budget within thirty (30) days of its receipt of such proposed budget shall be deemed approval by Intrawest.

6.03 Annual Real Estate Assessments.

(a) On or about May 1 of each year the Executive Board on behalf of the Association shall determine the estimated amount of revenue which will be obtained from all Assessments permitted by this Declaration exclusive of the Annual Real Estate Assessment, in relation to the expenditures contemplated in the proposed annual budget, and any residual amounts necessary to be raised by the Association shall be levied and collected from each Owner in an annual assessment (the "Annual Real Estate Assessment") in an amount equitably allocated by the Executive Board as to a Residential Site, based on the number of Condominium Units contained within such Residential Site, as to the Lodge, based on the number of Bedrooms in the Lodge, and as to a Commercial Site, based on the square footage of such Commercial Site, as determined by the Executive Board. For purposes of calculating the Annual Real Estate Assessment with respect to the Lodge, a Bedroom in the Lodge shall be counted as one-third of a Condominium Unit.

(b) If a portion of any Site is used as a Community Facility, the Association shall determine what percentage of the Site is attributable to that Community Facility.

(c) Notwithstanding anything to the contrary set forth above, the Association may grant an exemption from the Annual Real Estate Assessment for any Site that is exempt from taxation pursuant to the Utah Tax Code, as the same may be amended from time to time, or

any comparable statute, including without limitation Common Elements, Community Facilities, or rights in easements.

(d) Notwithstanding the foregoing, the Executive Board shall have the authority to adopt any other method of calculation of the Annual Real Estate Assessment, so long as such method is applied in a consistent and equitable manner.

(e) Notwithstanding anything to the contrary contained in this Declaration, no Annual Real Estate Assessment shall be collected prior to November 1, 2000.

6.04 Sales Assessments.

(a) The Association shall regularly levy upon and collect from each Owner an assessment (the "Sales Assessment") on all sales ("Local Sales") that are:

(i) subject to the Utah Sales Tax Act (as amended or replaced from time to time, together with all regulations promulgated thereunder, the "Utah Sales Tax Act"); and

(ii) made from any of the Owner's Sites or made by businesses operated within or from any of the Owner's Sites.

(b) Each Owner's Sales Assessment shall be determined by multiplying:

(i) the amount of the Local Sales made from any of the Owner's Sites or made by businesses operated within or from any of the Owner's Sites; by

(ii) the Sales Assessment Rate.

(c) Notwithstanding anything to the contrary contained in this Section 6.04, the Association may not levy or collect any Sales Assessment with respect to the sale of lift tickets for the Resort, by any person, or any Local Sales made by an organization that is exempt from Utah state sales tax under the Utah Sales Tax Act.

(d) Each Owner's Sales Assessment shall be due and payable without notice from the Association each time and at such time as such Owner or such Owner's lessee is required to remit or pay tax to the State of Utah under the Utah Sales Tax Act. Each such Owner shall also deliver to the Association without notice true and complete copies of all written reports, returns, statements, records and declarations, including any supplements or amendments thereto (all of which are referred to herein as "reports"), made or provided to the State of Utah by such Owner or such Owner's lessees in connection with any Local Sales at such time as such reports are required to be made to the State of Utah. To the extent that an Owner leases Commercial Space to a lessee, the Owner shall cause the lease between the Owner and its lessee

to provide that the lessee must deliver its reports to the Owner and to the Association and that the Association may inspect and audit the lessee's books and records. If any subsequent adjustments, additions or modifications are made to any tax remitted or paid or report made by any Owner or its lessees to the State of Utah under the Utah Sales Tax Act, such Owner shall within thirty days thereafter so notify the Association and provide it with true and complete copies of all reports or other written material issued or received by such Owner or its lessees in regard thereto. If any adjustment increases the amount of tax that an Owner or one of its lessees is required to remit or pay to the State of Utah under the Utah Sales Tax Act or results in a refund, such Owner shall pay an appropriate additional Sales Assessment or receive an appropriate refund from the Association of any excess Sales Assessments previously paid.

(e) Notwithstanding anything to the contrary contained in this Section 6.04, if:

(i) the Utah Sales Tax Act is amended; or

(ii) any court of competent jurisdiction renders a judgment or ruling that affects the Utah Sales Tax Act, in a manner that decreases the amounts that the Association can collect through the Sales Assessment under paragraph 6.04(a) above, then, the Association may levy and collect the Sales Assessment without regard to such amendment, judgment or ruling, and may adopt such Rules and Regulations with respect thereto as the Executive Board deems necessary or appropriate, including, without limitation, Rules and Regulations that provide reporting requirements, inspection rights and audit rights.

(f) The Sales Assessment Rate shall be $\frac{1}{2}$ of 1 percent, unless and until the Executive Board adopts a different rate. In no event shall the Sales Assessment Rate exceed 2 percent.

6.05 Real Estate Transfer Assessments.

(a) Subject to the terms and conditions of paragraph 6.05(c) below, upon the occurrence of any Transfer of any Site, but excluding the initial sale or Transfer by or to Declarant and the initial sale or Transfer by or to Intrawest, or the initial sales or Transfers by or to the developers of Residential Sites on Exhibit "A-1", and further excluding Transfers by Declarant or Intrawest to their affiliates, the Transferee shall pay to the Association an assessment (a "Real Estate Transfer Assessment") in an amount equal to the product obtained by multiplying:

(i) the Fair Market Value of the Site transferred; by

(ii) the Real Estate Transfer Assessment Rate.

(b) Each Person included within the term "Transferee" shall have joint and several liability for the Real Estate Transfer Assessment owed by the Transferee.

(c) Notwithstanding anything to the contrary contained in this Section 6.05, the Association shall not levy or collect a Real Estate Transfer Assessment for any of the Transfers described below, unless the Transfer was made for the purpose of avoiding the Real Estate Transfer Assessment.

(i) Any Transfer to (A) the United States or any agency or instrumentality thereof, or (B) the State of Utah or any county, city, municipality, district or other political subdivision of the State of Utah.

(ii) Any Transfer to the Association or its successors.

(iii) Any Transfer, whether outright or in trust, that is for the benefit of the Transferor or the Transferor's relatives, but only if the Consideration for the Transfer is no greater than 10 percent of the Fair Market Value of the Site or portion thereof transferred. For the purposes of this exclusion, (A) the relatives of a Transferor shall include all lineal descendants of any grandparent of the Transferor, and the spouses of the descendants, and (B) stepchildren and adopted children shall be considered lineal descendants. A distribution from a trust shall be treated as a Transfer made by the grantors of the trust to the beneficiaries of the trust.

(iv) Any Transfer arising solely from the termination of a joint tenancy of a Site or the partition of a Site held under common ownership, except to the extent that additional Consideration is given in connection therewith.

(v) Any Transfer or change of interest by reason of death, whether provided for in a will, trust or decree of distribution, except for a sale of a Site by the estate of an Owner.

(vi) Any Transfer made by (A) a subsidiary to a parent corporation that owns more than 50 percent of the outstanding stock of the subsidiary, or (B) by a parent corporation to a subsidiary in which the parent corporation owns more than 50 percent of the outstanding stock, on the condition that there is no Consideration for the Transfer, other than the issuance, cancellation or surrender of the subsidiary's stock.

(vii) Any Transfer made by (A) a partner, joint venturer or member to a partnership, joint venture or limited liability company in which the partner, joint venturer or member has not less than a 50 percent interest, or (B) by a partnership, joint venture or limited liability company to a partner, joint venturer or member holding not less than a 50 percent interest in the partnership, joint venture or limited liability company, on the condition that there is no Consideration for the Transfer, other than the issuance, cancellation or surrender of equity interests in the partnership, joint venture or limited liability company.

(viii) Any Transfer made by a corporation to its shareholders in connection with the liquidation of the corporation or other distribution or dividend in kind to its shareholders, on the condition that the Site or portion thereof is transferred generally pro rata to its shareholders and no Consideration is paid for the Transfer, other than the cancellation of such corporation's stock.

(ix) Any Transfer made by a partnership, joint venture or limited liability company to its partners, joint venturers, or members in connection with the liquidation of the partnership, joint venture or limited liability company or other distribution of property to the partners, joint venturers or members, on the condition that the Site or portion thereof is transferred generally pro rata to its partners, joint venturers or members and no Consideration is paid for the Transfer, other than the cancellation of the partners', joint venturers' or members' interests in the partnership, joint venture or limited liability company.

(x) Any Transfer made by a Person owning a Site or portion thereof to a corporation, partnership, joint venture, limited liability company or other entity, on the conditions that (A) the corporation, partnership, joint venture, limited liability company or other entity is owned in its entirety by the Person transferring the Site or portion thereof, (B) such Person has the same relative interest in the Transferee as they had in the Site or portion thereof immediately prior to such Transfer, and (C) no Consideration is paid for the Transfer, other than the issuance of each such Person's respective stock or other ownership interests in the Transferee.

(xi) Any Transfer made by any Person to any other Person, whether in a single Transfer or a series of transactions where the Transferor and the Transferee are and remain under common ownership and control as determined by the Executive Board, on the condition that no such Transfer or series of transactions shall be exempt, unless the Executive Board finds that such Transfer or series of transactions (A) is for no Consideration, other than the issuance, cancellation or surrender of stock or other ownership interest in the Transferor or the Transferee, as appropriate, (B) is not inconsistent with the intent and meaning of this paragraph 6.05(c), and (C) is for a valid business purpose and is not for the purposes of avoiding the obligation to pay the Real Estate Transfer Assessment.

(xii) Any Transfer made solely for the purpose of confirming, correcting, modifying or supplementing a Transfer previously recorded, making minor boundary adjustments, removing clouds on titles, or granting easements, rights of way or licenses, and any exchange of Sites between Declarant and any original Purchaser from Declarant of the one or more Sites being Transferred to Declarant in such exchange. To the extent that Consideration in addition to previously purchased Sites is paid to Declarant in such an exchange, the additional Consideration shall be subject to the Real Estate Transfer Assessment. To the extent that Declarant, in acquiring by exchange Sites previously purchased from Declarant, pays Consideration in addition to transferring Sites, the original Purchaser shall be entitled to a refund from the Association in an amount equal to the product obtained by multiplying (A) the amount

of the additional Consideration, by (B) the Real Estate Transfer Assessment Rate that was in effect as of the date of the original Transfer.

(xiii) Any Transfer pursuant to any decree or order of a court of record determining or vesting title, including a final order awarding title pursuant to a condemnation proceeding, but only where such decree or order would otherwise have the effect of causing the occurrence of a second Transfer subject to the Real Estate Transfer Assessment in a series of transactions which includes only one effective Transfer of the right to use or enjoy a Site.

(xiv) Any lease of any Site or portion thereof (or assignment or transfer of any interest in any such lease) for a period of less than thirty years.

(xv) Any Transfer solely of minerals or interests in minerals.

(xvi) Any Transfer to secure a debt or other obligation or to release property which is security for a debt or other obligation.

(xvii) Any Transfer in connection with (A) the foreclosure of a deed of trust or mortgage, or (B) a deed given in lieu of foreclosure.

(xviii) The Transfer of a Site or portion thereof to a qualified intermediary in connection with a tax deferred exchange of real property under Section 1031 of the Internal Revenue Code, on the condition that the Transferee of the qualified intermediary pays the Real Estate Transfer Assessment.

(xix) Any Transfer made by a corporation or other entity, for Consideration, (A) to any other corporation or entity which owns, directly or indirectly, 100 percent of the Transferor's equity securities, or (B) to a corporation or entity whose equity securities are owned, directly or indirectly, 100 percent by the corporation or entity that owns 100 percent of the Transferor's equity securities.

(xx) Any Transfer from a partially owned direct or indirect subsidiary corporation to its direct or indirect parent corporation where Consideration is paid for, or in connection with, such Transfer, on the condition that, unless such Transfer is otherwise exempt, such exemption shall apply only to the extent of the direct or indirect beneficial interest of the Transferee in the Transferor immediately prior to the Transfer. For example, if corporation A owns 60 percent of corporation B, and corporation B owns 100 percent of corporation C and corporation C conveys a Site to corporation A for \$2 million, 60% of the Real Estate Transfer Assessment would be exempt and a Real Estate Transfer Assessment would be payable only on \$800,000 (i.e., 40 percent of the \$2 million Consideration).

(d) For purposes of subparagraph 6.05(c) above, a Transfer shall be deemed to be without Consideration only if:

(i) the only Consideration is a book entry made in connection with an intercompany transaction in accordance with generally accepted accounting principles, or no Person which does not own a direct or indirect equity interest in the Site immediately prior to the Transfer becomes the owner of a direct or indirect equity interest in the Site by virtue of the Transfer;

(ii) the aggregate interest immediately prior to the Transfer of all direct and indirect owners whose equity interest is increased on account of the Transfer does not increase by more than 20 percent (out of the total 100 percent equity interest in the Site); and

(iii) no Person is entitled to receive directly or indirectly any other Consideration in connection with the Transfer.

In connection with considering any requests for an exemption under paragraph 6.05(c) above, the Executive Board may require the applicant to submit true and correct copies of all relevant documents relating to the Transfer and an opinion of the applicant's counsel, in form and substance satisfactory to the Executive Board, (A) setting forth all relevant facts regarding the Transfer, (B) stating that in their opinion the Transfer is exempt under paragraph 6.05(c) above, and (C) setting forth the basis for such opinion.

(e) The Real Estate Transfer Assessment shall be due and payable by the Transferee to the Association at the time of the Transfer giving rise to such Real Estate Transfer Assessment. With such payment the Transferee shall make a written report to the Association on forms prescribed by the Association, fully describing the Transfer and setting forth the true, complete and actual Consideration for the Transfer, the names of the parties thereto, the legal description of the Site transferred, and such other information as the Association may reasonably require.

(f) If the Association believes that a Transferee has underpaid a Real Estate Transfer Assessment, the Association may so notify the Transferee and collect the amount of the deficiency from the Transferee.

(i) Any such notice shall set forth in reasonable detail (A) the amount of the Real Estate Transfer Assessment that the Association believes was payable for the Transfer, (B) the method by which the Association calculated that amount, and (C) the amount of the deficiency that the Transferee must pay to the Association.

(ii) A Transferee may object to any such notice from the Association by delivering written notice thereof to the Association within fifteen days after the date on which the Association delivers a notice under subparagraph 6.05(f)(i) above. If a Transferee fails to deliver a written notice of objection within such fifteen day period, the Transferee shall be deemed to have waived its right to object and the Association's determination of the amount of the Real Estate Transfer Assessment shall be binding on the Transferee.

(iii) If a Transferee delivers a written notice of objection within the fifteen day period described in subparagraph 6.05(f)(ii) above, the Association shall obtain an appraisal of the Site from a real estate appraiser selected by the Association who is familiar with Salt Lake County property values. The appraisal so obtained shall be binding on both the Association and the Transferee.

(iv) If it is determined that a Transferee has underpaid a Real Estate Transfer Assessment, the Transferee shall pay the amount of the deficiency and the costs incurred by the Association to obtain the appraisal, if any, to the Association within thirty days after the Association delivers written notice of that determination to the Transferee.

(g) If any portion of any Site is used as a Community Facility, the Association shall determine what percentage of the Fair Market Value of the Site is attributable to the Community Facility.

(h) The "Real Estate Transfer Assessment Rate" shall be two percent (2%), unless and until the Executive Board adopts a different rate. In no event shall the Real Estate Transfer Assessment Rate exceed three percent (3%) or such greater rate as the Act may allow.

6.06 Special Assessments.

(a) The Assessments that the Association may levy and collect pursuant to this Section 6.06 are referred to in this Declaration as "Special Assessments."

(b) If, at any time, the Executive Board believes that Common Expenses for a calendar year will exceed the sum of (A) the revenues of the Association and (B) the capital contributions to the Association described in Section 6.01 hereof for that calendar year, then the Executive Board may cause the Association to levy and collect a Special Assessment in an amount equal to the amount of such excess.

(c) If the Association levies a Special Assessment, the Owners of each Site shall pay to the Association, when and in such installments as the Executive Board deems necessary or appropriate, an amount equal to the product obtained by multiplying:

(i) the amount of the Special Assessment, by

(ii) a fraction, the numerator of which shall be the amount of the Annual Real Estate Assessment levied against such Owners' Site during that calendar year, and the denominator of which shall be the amount of all Annual Real Estate Assessments levied against all Sites during that calendar year.

6.07 Default Assessments.

(a) Notwithstanding anything to the contrary contained herein, if any Common Expense, not otherwise covered by insurance, is caused by:

(i) the negligence or misconduct of an Owner or such Owner's Guest;
or

(ii) a violation of any covenant or condition of a Solitude Village Master Association Document by an Owner or such Owner's Guest, the Association may levy an Assessment against such Owner's Site.

Any such Assessment levied by the Association and each fine, penalty, fee or other charge imposed upon an Owner for the violation of any covenant or condition of any Solitude Village Master Association Document by an Owner or such Owner's Guest are each referred to herein as a "Default Assessment."

(b) With respect to any Default Assessment, or portion thereof, levied other than as a late charge, the Owner of the Site against which the Association seeks to levy the Default Assessment shall be provided notice and an opportunity to be heard. Owners of Sites against which Default Assessments have been levied shall pay such Default Assessments when required by the Association.

6.08 Solitude Village Master Association Assessments.

(a) In addition to the other Assessments described in this Article VI, the Association may, from time to time, levy and collect from Owners one or more assessments for any lawful purpose (each, a "Solitude Village Master Association Assessment"), on the condition that each Solitude Village Master Association Assessment is approved by the affirmative vote of a majority of all votes in the Association.

(b) If the Association levies a Solitude Village Master Association Assessment, the Owners of each Site shall pay to the Association, when and in such installments as the Executive Board deems necessary or appropriate, an amount equal to the product obtained by multiplying:

(i) the amount of the Solitude Village Master Association
Assessment, by

(ii) a fraction, the numerator of which shall be the amount of the Annual Real Estate Assessment levied against such Owners' Site during that calendar year, and the denominator of which shall be the amount of all Annual Real Estate Assessments levied against all Sites during that calendar year.

6.09 Assignment of Assessments.

(a) The Association shall have an unrestricted right to assign its right to receive Assessments and other future income, either as security for obligations of the Association or otherwise.

6.10 Assessment Liens.

(a) The Association shall have a lien on each Site for any Assessment levied against that Site and any fines, late charges, penalties, interest, attorneys' fees, disbursements and costs of collection imposed against its Owner under any Solitude Village Master Association Document. The Assessment Lien shall secure all of the foregoing obligations of an Owner from the time such obligations become due. If an Assessment is payable in installments, the Assessment Lien secures each installment from the time it becomes due, including the due date set by any valid Association acceleration of installment obligations. In no event shall the Association have or assert a lien on the Resort Parcel, any property within the Solitude Ski Resort, or any property owned by the Resort on which the Resort has granted an easement in favor of the Association or the Solitude Resort Village. Nothing in this Section 6.10 shall exempt a Site otherwise subject to Assessment (other than the Resort Parcel) from a lien, merely because such Site is owned by the Resort.

(b) An Assessment Lien is prior to all other liens and encumbrances on a Site except:

(i) liens and encumbrances recorded prior to the recordation of this Declaration;

(ii) a First Mortgage which was recorded before the date on which the Assessment sought to be enforced became delinquent, (except to the extent the Act provides otherwise); and

(iii) liens for real estate taxes and other governmental assessments or charges against the Site.

(c) The recording of this Declaration constitutes record notice and perfection of an Assessment Lien on each Site. No further recordation of any claim of any Assessment Lien is required.

(d) An Assessment Lien is extinguished unless proceedings to enforce the Assessment Lien are instituted within six years after the full amount of the Assessment secured thereby becomes due.

(e) This Section 6.10 does not prohibit:

(i) actions or suits to recover sums secured by an Assessment Lien; or

(ii) the Association from taking a deed-in-lieu of foreclosure

(f) In any action by the Association to collect Assessments or to foreclose an Assessment Lien for Unpaid Assessments, the court may appoint a receiver of the Owner to collect all sums alleged to be due from the Owner prior to or during the pendency of the action. A court may order the receiver to pay any sums held by the receiver to the Association during the pendency of the action to the extent of the Association's Assessments.

(g) An Assessment Lien may be foreclosed in like manner as a mortgage on real estate, or by power of sale in the same manner as deeds of trust in the State of Utah, but without the necessity of any trustee being named to conduct such foreclosure.

6.11 Waiver of Homestead Exemption.

By acceptance of the deed or other instrument of transfer of a Site, an Owner irrevocably waives the homestead exemption provided by Utah Code Sections 78231 through 782315.

6.12 Estoppel Certificates; Notices to Mortgagees.

(a) The Association shall furnish to an Owner or its designee or to a Mortgagee or its designee, upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Association registered agent, a statement setting forth the amount of unpaid Assessments currently levied against such Owner's Site. The statement shall be furnished within fourteen calendar days after the Association's receipt of the request and shall be binding on the Association, the Executive Board and every Owner. If no statement is furnished to the Owner, the Mortgagee or their designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, then the Association shall have no right to assert an Assessment Lien upon the Site for unpaid Assessments which were due as of the date of the request.

(b) The Association shall report to any First Mortgagee any unpaid Assessments remaining unpaid for more than ninety days after the same shall have become due, if such First Mortgagee first shall have delivered to the Association a written request for notice of unpaid Assessments. Any First Mortgagee holding a lien on a Site may pay any unpaid Assessment with respect to such Site, together with any and all costs and expenses incurred with respect to the Assessment Lien securing such unpaid Assessment, and upon such payment, such First Mortgagee shall have a lien on the Site for the amounts paid with the same priority as a lien of the First Mortgage held by such First Mortgagee.

6.13 Administration of Assessments.

(a) The Association shall have the right to inspect and copy all records of any Owner that are related to the Owner's obligation to pay any Assessment or to deliver any information to the Association under this Article VI.

(b) The Association may adopt any Rules and Regulations that the Executive Board deems necessary or appropriate with respect to the administration of the Assessments, including, without limitation, Rules and Regulations that:

(i) relate to information that an Owner must obtain from the Owner's lessees, shareholders, partners or members; and

(ii) relate to the Association's right to inspect and copy all records of any Owner that are related to the Owner's obligation to pay any Assessment or to deliver any information to the Association under this Article VI.

(c) The Executive Board shall resolve any dispute or question regarding the imposition, application, determination, administration, payment or collection of any Assessment. Any decision made in that regard shall be final and binding on the Association and the Owners.

6.14 Rental Assessments.

(a) The Association shall regularly levy and collect from each Owner an assessment (the "Rental Assessment") equal to the product obtained by multiplying:

(i) the Rental Income from each Residential Site in the Project by

(ii) the rate of two percent (2%).

(b) "Rental Income" means all gross receipts from the rental or lease of any Residential Site in the Project, including rentals of rooms in the Lodge, after the payment of any travel agent or booking commissions to wholesalers or governmental sales or hotel taxes.

(c) For the purpose of determining an Owner's Rental Income, "gross receipts" means the total amount of payments (whether made in cash, by check or by credit card) actually received with respect to any rentals or leases made from any of such Residential Sites.

(d) Each Owner shall pay the Rental Assessment to the Association on or before the twentieth day of each calendar month for Rental Income received during the preceding calendar month.

(e) Each Owner shall maintain, and shall require its lessees to maintain, true and complete records regarding all of the Rental Income from the Owner's Sites in such forms as the Association may require from time to time. Each Owner shall deliver to the Association true

and complete copies of such records on or before the twentieth day of each calendar month for Rental Income from the Owner's Sites received during the prior calendar month. To the extent that an Owner leases all or any portion of a Site to a lessee, the Owner shall cause the lease between the Owner and its lessee to provide that the lessee must maintain such records and deliver true and complete copies of the same to the Owner and to the Association as described above, and that the Association may inspect and audit the lessee's books and records.

(f) Notwithstanding anything to the contrary contained in this Section 6.14, the Association may not levy or collect any Rental Assessment with respect to any Rental Income received by any organization exempt from federal income taxation pursuant to section 5.01(c)(iii) of the Internal Revenue Code of 1986, as the same may be amended from time to time.

6.15 Resort Assessment.

Commencing on the date of the first Assessment to Owners of Residential Sites, the Resort shall pay an annual assessment to the Association, at the time within the Association fiscal year for which such annual assessment is made as determined by the Executive Board, equal to the lesser of thirteen percent (13%) of the Association's annual budget for such year, or \$100,000 (the "Resort Assessment"). The Resort Assessment shall be in addition to such other Assessments that the Resort may be liable for by virtue of its ownership of Sites within the Project. The Resort Assessment shall terminate upon the first to occur of twenty-five (25) years, or when the Resort has fewer than five votes on the Executive Board.

ARTICLE VII

MAINTENANCE OF COMMON ELEMENTS AND SITES

7.01 Maintenance of Common Elements.

Except as otherwise provided in this Declaration, the Association, or its duly designated agent, shall maintain all Common Elements and the improvements and landscaping located thereon in good order and repair and shall otherwise manage and operate all Common Elements as it deems necessary or appropriate, including any and all obligations of repair maintenance and otherwise to or in favor of the Resort pursuant to the access easements provided by the Resort. In this regard the Association may:

- (a) construct, modify, add to, remove, replace, repair or renovate any improvements that are located on, or constitute a part of, any Common Element;
- (b) plant and replace trees, shrubs and other vegetation on any Common Element;
- (c) place, maintain and replace, signs upon any Common Element;

- (d) adopt and enforce Rules and Regulations regulating the use of Common Elements;
- (e) impose and collect fees for the use of any Common Element; and
- (f) take any other actions that the Association deems necessary or appropriate to protect, maintain, operate, manage or regulate the use of Common Elements, including without limitation, snow removal and garbage and waste removal.

7.02 Maintenance of Sites.

- (a) Each Owner shall, at such Owner's sole cost and expense, maintain such Owner's Site and the improvements and landscaping located thereon, or constituting a part thereof, in good order and repair.
- (b) The association for each condominium project located within Solitude Resort Village shall, at such association's sole cost and expense, maintain such association's common elements.
- (c) If, in the reasonable judgment of the Association, an Owner fails to maintain its Site or the improvements or landscaping located thereon, or an individual condominium association fails to maintain its common elements, in good order and repair, and such failure remains uncured for more than thirty days after the Association's delivery of written notice thereof to such Owner or individual condominium association, the Association may enter upon such Site or such common elements and perform such maintenance or repair as the Association deems necessary or appropriate and charge all costs and expenses incurred by the Association in connection therewith to such Owner or such association's members as a Default Assessment.
- (d) The Association may, without notice, make emergency repairs to and maintain any Site or improvement located thereon, or any individual condominium association's common elements, as may, in its judgment, be necessary for the safety of any Person or to prevent damage to any other property. The cost of such maintenance and repair shall be charged to the Owner of the Site or such association's members as a Default Assessment.
- (e) Notwithstanding anything herein to the contrary, until such time as an Owner has commenced construction on a Site, the Resort shall have a nonexclusive easement for ingress, egress and parking for vehicular and pedestrian traffic on and over such Site, in connection with Resort operations.
- (f) The foregoing provisions of this Section 7.02 shall not restrict or impair Intrawest's sales, construction and development activities during the Intrawest Development Period.

ARTICLE VIII
DESIGN REVIEW

8.01 Design Review Board.

The Executive Board shall act as the design review board (the "Design Review Board") for Solitude Resort Village.

(a) The Design Review Board shall select its own chairman from its members. The chairman shall be the presiding officer of its meetings. In the absence of the chairman from a meeting, the members present shall appoint a member to serve as acting chairman at such meeting. Meetings shall be held upon call of the chairman at the offices of the Association. A majority of members shall constitute a quorum for the transaction of business. In the absence of a quorum, a lesser number may adjourn any meeting to a later time or date. The affirmative vote of a majority of the members of the Design Review Board shall constitute the action of the Design Review Board on any matter before it. Except as set forth above, the Design Review Board shall operate in accordance with its own Rules and Regulations which shall be filed with the Association and maintained in the records of the Association and shall be subject to inspection by all Owners and Mortgagees.

(b) Subject to budgets established by the Executive Board, the Design Review Board is hereby authorized to retain the services of one or more consulting architects, landscape architects, urban designers or other professionals to advise and assist the Design Review Board in performing the design review functions described in this Article VIII. The Design Review Board is also authorized to hire employees for the Association to perform the design review functions described in this Article VIII.

8.02 Design Review Board Approval and Control.

(a) No Person may:

(i) perform any earth movement, vegetation removal, paving or drainage modification;

(ii) construct any building, structure or other improvement;

(iii) subject to paragraph 8.02(c) below, make any physical or cosmetic alteration or modification to existing buildings, structures or improvements;

(iv) install or alter on any building, structure or other improvement any exterior signage or any interior signage that is visible from outside the building, structure or improvement;

(v) install or alter any landscaping or exterior furniture, fixtures, equipment or art;

(vi) change the exterior appearance of any land or any building, structure or improvement located thereon; or

(vii) take any action which changes or affects the Common Elements, the access easements, the flow of vehicular and pedestrian traffic, or the overall design concept for the Solitude Resort Village, within Solitude Resort Village,

without the prior written consent of the Design Review Board, which consent shall not be arbitrarily or capriciously withheld or delayed.

The foregoing shall not affect the rights of the Resort to perform any of the foregoing with respect to property owned by the Resort, so long as such activities by the Resort do not unreasonably interfere with the easements granted by it in favor of the Owners, nor shall the foregoing affect or limit the ability of Declarant to develop its own property within the Solitude Resort Village during the Declarant Control Period.

(b) If the Design Review Board fails to respond to a request for its consent within thirty days after its receipt of such request, the Design Review Board shall be deemed to have granted its consent to the actions described in such request. The decisions of the Design Review Board shall be conclusive and binding on all interested parties.

(c) Notwithstanding anything to the contrary contained herein, improvements, alterations, modifications, installations, furniture and fixtures that:

(i) are completely within a building, structure or improvement;

(ii) do not change the exterior appearance of a building, structure or improvement and are not visible from the outside of a building, structure or improvement; and

(iii) do not change (A) the number of Sites, (B) the amount of Commercial Space, (C) the number of Lodge Rooms, or (D) the number of Community Facilities, within the building, structure or other improvement,

may be undertaken without Design Review Board consent, but are subject to all other covenants, conditions and restrictions contained in this Declaration.

(d) Each Owner shall comply with the Rules and Regulations of the Design Review Board, as the same may be amended from time to time by the Design Review Board.

(e) The Design Review Board or its designated representative may monitor any approved project to the extent required to ensure that the construction or work on such project complies with any and all approved plans and construction procedures. The Design Review Board or its designated representatives may enter upon any Site at any reasonable time or times to inspect the progress, work status or completion of any project. In addition to the remedies described in Section 8.03 below, the Design Review Board may withdraw approval of any project and require all activity at such project to be stopped, if deviations from the approved plan or approved construction practices are not corrected or reconciled within twenty-four hours after written notification to the Owner specifying such deviations.

(f) The Design Review Board may, as a condition to any consent or approval, require an Owner to enter into a written agreement with the Association containing such covenants, conditions and restrictions as the Design Review Board deems necessary or appropriate, including penalties for failures to comply.

(g) Notwithstanding the foregoing, during the Intrawest Development Period, Intrawest shall not be required to obtain Design Review Board approval, or pay review fees, with respect to work and improvements which would otherwise come within the scope of this Article VIII.

8.03 Enforcement of Restrictions.

(a) If an Owner violates any term or condition set forth in this Article VIII or in the Rules and Regulations of the Design Review Board, the Association shall have the following rights and remedies:

(i) The Association may, by written notice to the Owner, revoke any approval previously granted to the Owner by the Design Review Board, in which event the Owner shall, upon receipt of such notice, immediately cease any construction, alteration or landscaping covered by the approval so revoked.

(ii) The Association may, but is not obligated to, enter upon the Owner's Site and cure such violation at the Owner's sole cost and expense. If the Association cures any such violation, the Owner shall pay to the Association the amount of all costs and expenses incurred by the Association in connection therewith within thirty days after the Owner receives a Default Assessment therefor from the Association.

(iii) The Association may sue the Owner to enjoin such violation.

(iv) The Association shall have all other rights and remedies available to it under this Declaration, at law or in equity. All rights and remedies of the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

(b) The Association may delegate any of its rights under paragraph 8.03(a) above to the Design Review Board.

8.04 Fees.

The Design Review Board may establish reasonable processing and review fees for considering any requests for approvals submitted to it, which fees shall be paid at the time the request for approval is submitted. All of such fees shall be set annually and disclosed in the annual budgets described in Section 6.02 above. The Executive Board may also establish a requirement for the escrowing of funds in an amount sufficient to guarantee completion of a proposed Site, landscaping or other finish work included as a part of construction plans which have been presented to or approved by the Design Review Board, if such requirement is not imposed by a governmental or quasi-governmental authority for that purpose.

8.05 Lapse of Approval.

Any approval issued by the Design Review Board shall lapse and become void in accordance with the terms and conditions of the Rules and Regulations adopted by the Design Review Board and the terms and conditions of any consents, approvals or permits issued by the Design Review Board. In addition, an approval issued by the Design Review Board for a project will lapse and become void if any building permit or approval issued by a governmental or quasi-governmental entity for the same project lapses or is revoked or suspended.

8.06 Liability.

Neither Declarant, the Association, the Executive Board, the Design Review Board nor any of their respective members, officers, directors, employees or agents shall be responsible or liable for any defects, errors or omissions in any plans or specifications submitted, revised or approved under this Article VIII, nor for any defects, errors or omissions in construction pursuant to such plans and specifications. A consent or approval issued by the Design Review Board or the Association means only that the Design Review Board or Association believes that the construction, alteration, installation or other work for which the consent or approval was requested complies with the Rules and Regulations adopted by the Design Review Board and the Association. No such consent or approval shall be interpreted to mean that the construction, alteration, installation or other work covered thereby (a) complies with laws, rules, regulations, ordinances or other requirements of any governmental or quasi-governmental authority, (b) is free from defects, errors or omissions or (c) lies within the boundaries of the Site. No consent, approval or permit issued by the Design Review Board or the Association shall relieve Owners or other Persons of their obligations to comply with laws, rules, regulations, ordinances and other requirements of governmental or quasi-governmental authorities.

ARTICLE IX COVENANTS, CONDITIONS AND RESTRICTIONS

9.01 Applicability of Covenants, Conditions and Restrictions.

Except as otherwise provided herein, and except with respect to sales, construction and development activities (including without limitation subdividing, platting and creating condominium regimes) by Intrawest during the Intrawest Development Period, the covenants, conditions and restrictions set forth in this Article IX shall apply to all of the Property.

9.02 Land Use Restrictions.

In addition to the covenants, conditions and restrictions found in this Article IX, the Association, all Owners and the individual associations for all condominium projects within Solitude Resort Village shall comply with all covenants, conditions and restrictions set forth in any Supplemental Declarations for Solitude Resort Village or any portion thereof recorded with the Recorder of Salt Lake County, Utah.

9.03 Solitude Village Master Association Documents.

Except as otherwise provided herein, each Owner and the associations for all individual condominium projects within Solitude Resort Village shall comply with all provisions of the Solitude Village Master Association Documents that apply to such Owner, such Owner's Sites, such association or such association's common elements. Each Owner and the associations for all individual condominium projects within Solitude Resort shall require that its Guests comply with all provisions of the Solitude Village Master Association Documents.

9.04 Construction and Alterations.

(a) No Person shall perform any construction, alterations, installations or other work within Solitude Resort Village, except in accordance with this Declaration and the applicable Rules and Regulations of the Design Review Board.

(b) Except as previously approved by the Executive Board, no Person shall construct or allow the existence of any temporary structures of any sort, including, without limitation, sheds, shacks, tents or trailers, except in connection with normal construction activities, and then only in accordance with this Declaration and the applicable Rules and Regulations of the Design Review Board. The Executive Board shall not unreasonably withhold its approval of kiosks, banners and structures for temporary events and promotions, and food vending trailers or carts which are compatible with the Solitude Resort Village.

9.05 Nuisances, Hazardous Activities and Unsightliness.

(a) No Person shall conduct any activity in Solitude Resort Village which creates a nuisance. Without limiting the generality of the foregoing:

- unreasonable glare;
- (i) no lights shall be emitted which are unreasonably bright or cause
- and
- (ii) no sound shall be emitted which is unreasonably loud or annoying;
- (iii) no odor shall be emitted which is unreasonably offensive to others.

(b) No Person shall conduct any activity in Solitude Resort Village which is or might be hazardous to any Person or property. Without limiting the generality of the foregoing:

- (i) no open fires shall be allowed to exist, unless contained in a customary barbecue grill or other structure approved by the Design Review Board;
- (ii) no firearms may be discharged;
- (iii) no hunting may be conducted; and
- (iv) no installation of propane tanks and satellite dishes except as expressly approved by the Design Review Board.

(c) No unsightliness shall be permitted in Solitude Resort Village. Without limiting the generality of the foregoing:

- (i) all exterior mechanical equipment lines, wires, pipes and other facilities shall either be buried or enclosed within a structure approved by the Design Review Board; and
- (ii) all garbage shall be kept in covered containers and any such container shall be kept within an enclosed structure approved by the Design Review Board.

(d) The Association shall have the power to grant variances from the terms and conditions of this Section 9.05 from time to time as it deems necessary. Normal construction activities, normal commercial activities, skiing, and other winter sports activities shall not be considered to violate the terms and conditions of this Section 9.05.

(e) Notwithstanding anything to the contrary contained in this Declaration or in any other Solitude Village Master Association Document, retail stores, restaurants, bars, nightclubs, theatres and other recreational and entertainment facilities may be open for business with the general public during the hours of 5:00 a.m. through 2:00 a.m.

9.06 Signs.

(a) No signs whatsoever shall be erected or maintained in Solitude Resort Village, except:

(i) signs advertising the Resort, and signs required by legal proceedings;

(ii) such other signs that both (A) comply with any sign code adopted by the Design Review Board, and (B) are approved in advance and in writing by the Design Review Board; and

(iii) signs erected by Intrawest during the Intrawest Development Period.

(b) Without limiting the generality of the foregoing, no "For Sale," "For Rent," "Open," "Open House" or similar signs shall be displayed on the exterior or interior of any Site.

(c) The foregoing shall not prevent the use of event banners and other temporary signage erected in connection with promotional activities conducted by the Resort or approved by the Executive Board.

9.07 Compliance With Laws.

Nothing shall be done or kept within Solitude Resort Village in violation of any law, ordinance, rule or regulation of any governmental or quasi-governmental authority.

9.08 Compliance With Insurance.

Except as may be approved in writing by the Association, nothing shall be done or kept within Solitude Resort Village which may result in an increase in the rates of any insurance, or the cancellation of any insurance, maintained by the Association.

9.09 Restriction on Subdivision and Rezoning.

(a) Except for conveyances, subdivisions, condominium projects and other developments by Declarant that Declarant records in the Salt Lake County Records, or by Intrawest during the Intrawest Development Period, no portion of the Property shall be subdivided without the prior written consent of the Association and the Resort, which consent must be evidenced on the plat or other instrument creating the subdivision.

(b) No further covenants, conditions or restrictions shall be recorded by any Owner or other Person against any portion of the Property without the Association's and the

Resort's prior written consent, and any covenants, conditions or restrictions recorded without such consent evidenced thereon shall be null and void.

(c) Except as may be permitted under a declaration for a condominium project or other development within Solitude Resort Village that Declarant records in the Salt Lake County Records, no application for rezoning of any portion of the Property, and no applications for variances or use permits, shall be filed with any governmental authority, unless the proposed use of that portion of the Property has been approved by the Association and the Resort and the proposed use otherwise complies with this Declaration and all other Solitude Village Master Association Documents.

(d) The covenants, conditions and restrictions set forth in paragraphs 9.09(a) through (c) above shall not apply to Declarant's development of Declarant's Property, Intrawest's development of Sites owned by it, or the Resort's development of the property subject to the easements so long as such activities by the Resort do not unreasonably interfere with the easements granted by the Resort to the Solitude Resort Village.

9.10 Common Interest Ownership.

(a) Prior to the recording in the Salt Lake County Records of an instrument submitting any portion of the Property to the Act, the Owner of such property shall submit to the Association for its review and approval, copies of the proposed declaration, articles of incorporation and bylaws of the individual condominium association. Within thirty days after the submittal of such documents to the Association, the Association shall approve or disapprove the documents by written notice to such Owner. If such documents are disapproved by the Association, the Association shall set forth the reasons for such disapproval. If notice of approval or disapproval is not given by the Association on or before such thirty day period, such documents shall be deemed to be approved.

(b) The covenants, conditions and restrictions set forth in paragraph 9.10(a) above shall not apply to Declarant's development of Declarant's Property, or Intrawest's development of a Site owned by Intrawest.

9.11 Mineral Exploration.

No portion of the Property shall be used in any manner to explore for or to remove any water, oil or other hydrocarbons, minerals of any kind, gravel, earth or any earth substance of any kind.

9.12 Wells, Water, Sewage and Propane.

No water wells shall be permitted on any portion of the Property, without the prior written approval of the Association. All buildings, structures and improvements designed for

residential, commercial or lodging purposes shall be connected to such water and sewer services as the Association may require. No propane tanks or other fuel storage facilities shall be permitted on any portion of the Property without the prior written consent of the Association.

9.13 Vehicles and Equipment.

No automobile, truck, pickup, camper, motorbike, motorcycle, trailbike, trailer, mobile home, tractor, golf cart, snowmobile, boat or any other vehicle of any type shall be parked or operated within Solitude Resort Village, except in accordance with all Rules and Regulations adopted by the Association with respect thereto.

9.14 Trash, Garbage and Other Waste Materials.

All trash, garbage and other waste materials shall be kept in sanitary containers enclosed and screened from public view and protected from disturbance in such places and in such manner as may be approved by the Design Review Board. Owners shall not, and shall ensure that their Guests do not, litter in Solitude Resort Village. No burning of trash, garbage or waste materials shall be permitted within Solitude Resort Village.

9.15 Deliveries.

All deliveries made within Solitude Resort Village shall be made in accordance with all Rules and Regulations adopted by the Association with respect thereto.

9.16 Trademarks.

(a) The terms Solitude, Solitude Resort, Ski Solitude, Solitude Ski Resort Company, and Solitude Ski Corporation are service marks and trademarks of Solitude Ski Corporation, and any use of any such terms as a part of Solitude Resort Village is wholly contingent upon the Association's agreement to enter and be bound by the terms and conditions set forth in a service mark license agreement between the Association and Solitude Ski Corporation. No Owner shall use the trademarks of Solitude Ski Corporation without the prior written permission of Solitude Ski Corporation.

(b) The term "Solitude Resort Village" is a service mark and trademark of Declarant. No Owner shall use the trademark of Declarant without the prior written permission of Declarant.

9.17 Animals.

No dogs or cats are permitted to be kept within Solitude Resort Village pursuant to Salt Lake County water quality and health regulations.

9.18 Exemption.

Nothing contained in this Declaration or any other Solitude Village Master Association Document shall be construed to prevent or limit:

- (a) Declarant's exercise or enjoyment of any Declarant Right; or
- (b) the conduct by Declarant, or Intrust during the Intrust Development Period, or their respective employees or agents of any activity, including, without limitation, the erection or maintenance of temporary structures, trailers, fences, improvements or signs, necessary or convenient to the development, construction, marketing of the Solitude Resort or sale of property or operation of a four season resort within Solitude Resort Village.

ARTICLE X
EASEMENTS AND RESERVATIONS

10.01 Declarant's Easements Over Common Elements.

- (a) Declarant hereby reserves for itself, its successors and assigns a general easement over, across, through and under the Common Elements to:
 - (i) discharge Declarant's obligations under this Declaration;
 - (ii) exercise any of Declarant's rights under this Declaration; and
 - (iii) make or construct improvements at the Property, the Additional Property or any other real estate owned by Declarant.
- (b) Declarant hereby reserves to itself, its successors and assigns the right to:
 - (i) establish from time to time utility and other easements, permits or licenses over, across, through and under the Common Elements; and
 - (ii) create other reservations, exceptions and exclusions for the best interest of the Association.
- (c) In addition, until such time as Declarant adds any portion of the Additional Property or any other adjacent real property and improvements to Solitude Resort Village, and after such time as Declarant withdraws any portion of the Property from Solitude Resort Village, Declarant shall have whatever easements are reasonably necessary or desirable across the Property for access to and utility services for the Additional Property or the portion of the Property withdrawn from Solitude Resort Village, as the case may be.

(d) During the Intrawest Development Period, Intrawest shall have the same easements and licenses for access, ingress, egress and utilities as reserved by Declarant herein, to the extent necessary for Intrawest's construction, development and sales activities.

10.02 Owners' Easements Over Common Elements

(a) Subject to the terms and conditions of this Declaration and all other Solitude Village Master Association Documents, each Owner shall have a nonexclusive easement over, across and through the Common Elements:

(i) for ingress to and egress from their Sites; and

(ii) to use and enjoy the Common Elements.

(b) Each Owner shall have a nonexclusive right to use and enjoy the access and utility easements provided by the Resort.

(c) Each Owner may grant its rights under this Section 10.02 to any Guest of the Owner.

10.03 Utility Easement

(a) Subject to the terms and conditions of this Declaration and all other Solitude Village Master Association Documents, Declarant hereby creates a general easement over, across, through and under all of the Property, for ingress to, egress from, and installation, replacement, repair and maintenance of, all utility and service lines and systems, including, without limitation, water, sewer, gas, telephone, electricity and cable communication that service Solitude Resort Village or any portion thereof. The Association may, but is not obligated to, authorize the release of portions of the general easement created by this Section 10.03 upon the request of any Owner showing good cause therefor.

(b) Pursuant to this easement, a utility or service company may install and maintain facilities and equipment on the Property to provide service to any portion of the Property. Notwithstanding anything to the contrary contained in this Section 10.03, no sewers, electrical lines, water lines, telephone lines or other utility or service lines may be installed or relocated on any portion of the Property, except as approved by the Design Review Board and the Resort. The foregoing sentence shall not apply to Intrawest during the Intrawest Development Period. Any utility or service company using this general easement shall use its best efforts to install, repair, replace and maintain its lines and systems without unreasonably disturbing the usage of Owners, the Association, Declarant, the Resort, and other utility and service companies.

(c) If any utility or service company furnishing utilities or services to Solitude Resort Village or any portion thereof requests a specific easement by a separate recordable document, the Association shall have the right and authority, but not the obligation, to grant such easement over, across, through and under any portion of the Property.

10.04 Solitude Village Master Association's Easement.

(a) Declarant hereby grants the Association an easement over, across, through and under all of the Property to:

(i) exercise any right held by the Association under this Declaration or any other Solitude Village Master Association Document; and

(ii) perform any obligation imposed upon the Association by this Declaration or any other Solitude Village Master Association Document.

(b) Notwithstanding the foregoing, the Association shall not enter upon any Site without reasonable prior notice to the Owner of the Site, except in cases of emergency.

10.05 Emergency Access Easement.

Declarant hereby grants a general easement to all police, sheriff, fire protection, ambulance and all other similar emergency agencies or Persons to enter upon the Property in the proper performance of their duties.

10.06 Special District Easement.

Declarant hereby grants a general easement to the Solitude Special Improvement District and other metropolitan district or other special district providing services or facilities to Solitude Resort Village to enter upon the Property in the proper performance of their duties, and each Owner and other Person acquiring any interest in the Property acknowledges that the Association has the authority to enter into existing and future service districts and service companies, and to sign contracts with such entities, on such terms as are deemed reasonable and appropriate by the Executive Board, for the benefit of the Solitude Resort Village.

10.07 Special District Easement.

Declarant hereby grants a general easement to the general public over, across and through all roads, streets, sidewalks and trails that cross the Property for ingress to and egress from the Solitude Resort over the easements provided by the Resort.

10.08 Easement for Encroachments.

Declarant hereby grants an easement to all individual condominium associations of, and to all Owners of Sites within Solitude Resort Village, for any encroachment of any improvement within any such condominium project constructed by Declarant on, across, over, under or through any Common Element or any Site.

ARTICLE XI INSURANCE

11.01 Insurance Required To Be Obtained by the Solitude Village Master Association.

The Association shall obtain and maintain all insurance reasonable and customary to fulfill its purposes and any additional insurance that the Executive Board deems necessary. The Association shall require the association for each individual condominium project to be developed on the Property to maintain a commercial general liability policy for such individual condominium project in an aggregate amount of not less than \$5,000,000.

11.02 Adjustments.

Any loss covered by insurance maintained by the Association shall be adjusted with the Association in accordance with the terms and conditions of the Act. The insurance proceeds payable for any such loss shall be paid in accordance with the terms and conditions of the Act. In the event the Act is not applicable to such loss and proceeds, in whole or in part, the Executive Board shall make a fair and equitable adjustment of the loss and allocation of insurance proceeds.

ARTICLE XII CASUALTY

12.01 Casualty to Common Elements.

The Association shall respond to any damage to, or destruction of, any Common Elements in accordance with the terms and conditions of this Declaration and applicable law.

12.02 Casualty to a Site.

Each Owner shall be responsible for repairing or replacing any damage to, or destruction of, his Site. If an Owner elects not to repair or replace any such damage or destruction, the Owner shall:

- (a) landscape the Site in accordance with plans approved by the Design Review Board; and
- (b) maintain such Site in a neat and attractive condition, free of hazards.

ARTICLE XIII
CONDEMNATION

13.01 Condemnation of Sites.

If all Sites within Solitude Resort Village are taken by condemnation or similar proceeding, Solitude Resort Village and this Declaration shall terminate as of the date of the taking and any condemnation award payable in connection therewith shall be paid to the Association and then disbursed by the Association in accordance with the terms and conditions of this Declaration.

13.02 Condemnation of Fewer Than All Units.

If one or more Sites, but fewer than all Sites, are taken by condemnation or similar proceeding, any condemnation award payable in connection therewith shall be paid to the Owner of such Sites.

13.03 Condemnation of Common Elements.

If any Common Element is taken by condemnation or similar proceeding, any condemnation award payable in connection therewith shall be paid to the Association and used by the Association:

- (a) first, to repair any damage to Common Elements resulting from the condemnation or similar taking; and
- (b) second, for any other Common Expenses.

ARTICLE XIV
SPECIAL DECLARANT RIGHTS

14.01 Improvements.

Declarant hereby reserves for itself, its successors and assigns the right to construct any improvements that it deems necessary or appropriate on the Common Elements and on any Sites owned by Declarant.

14.02 Development Rights.

- (a) Declarant hereby reserves for itself, its successors and assigns:

(i) the right to amend this Declaration to add all or any portion of the Additional Property or any other adjacent real property and improvements to Solitude Resort Village;

(ii) the right to create as many Residential Sites, square feet of Commercial Space and Lodge Rooms within Solitude Resort Village as permitted by the Solitude Resort Master Plan and any other zoning applicable to the Property;

(iii) the right to amend this Declaration to create additional Sites and certain additional Common Elements on all or any portion of the Additional Property or any other real estate that the Declarant may add to Solitude Resort Village pursuant to subparagraph 14.02(a)(i) above;

(iv) the right to subdivide any Site owned by Declarant;

(v) the right to combine any Sites owned by Declarant;

(vi) the right to convert any Site owned by Declarant into Common Elements; and

(vii) the right to withdraw from Solitude Resort Village any real estate owned by Declarant and located within the Property.

(b) In exercising any development right reserved hereunder, Declarant shall execute and record an amendment to this Declaration.

14.03 Sales Offices.

Declarant hereby reserves for itself, its successors and assigns the right to maintain sales offices and management offices within any Site owned by Declarant. Declarant also reserves for itself, its successors and assigns the right to construct and maintain signs advertising Solitude Resort and/or Solitude Resort Village on any and all Common Elements.

14.04 Merger.

Declarant reserves the right to merge or consolidate Solitude Resort Village with any other planned community.

14.05 Exercising Special Declarant Rights.

Declarant may exercise its Special Declarant Rights at any time. Declarant may exercise its Special Declarant Rights in any order and no assurance is given as to the order in which Declarant will exercise its Special Declarant Rights. If Declarant exercises any Special Declarant

Right with respect to any portion of the Property or the Additional Property, Declarant may, but is not obligated to, exercise that Special Declarant Right with respect to any other portion of the Property or the Additional Property. Notwithstanding anything to the contrary contained in this Declaration, Declarant may exercise any Special Declarant Right described in this Article XIV and any other right reserved to Declarant in this Declaration, without the consent of the Association or of any of the Owners.

14.06 Interference with Declarant Right.

Neither the Association, nor any Owner may take any action or adopt any Rule or Regulation that interferes with or diminishes any Declarant Right, without Declarant's prior written consent.

14.07 Rights Transferable.

Declarant may transfer any Declarant Right reserved to it under this Article XIV or under any other provision of this Declaration. During the Intrawest Development Period, Intrawest shall also have the rights set forth in Sections 14.01, 14.02(a)(ii), (iv), (v) and (vi), 14.03 and 14.05, with respect to Sites owned by Intrawest.

ARTICLE XV
ENFORCEMENT AND REMEDIES

15.01 Enforcement.

(a) Each provision of this Declaration with respect to the Association or the Common Elements shall be enforceable by Declarant or any Owner by a proceeding for injunctive relief.

(b) Each provision of this Declaration with respect to an Owner, an individual condominium project association or a Site shall be enforceable by the Declarant or the Association by:

- (i) a proceeding for injunctive relief,
- (ii) a suit or action to recover damages; and/or

(iii) in the discretion of the Association, for so long as any Owner or association for an individual condominium project fails to comply with any such provisions, exclusion of such Owner and its Guests from the use of any Common Elements and from the participation in any Association affairs.

(c) In addition to the rights and remedies described in paragraph 15.01(b) above, if an Owner or association for an individual condominium project fails to perform or observe any covenant or condition on such Owner's or individual condominium association's part to be performed or observed under this Declaration or any other Solitude Village Master Association Document, the Association shall have the following rights and remedies:

(i) The Association may, but is not obligated to, cure such failure to comply at the Owner's or individual condominium association's sole cost and expense. If the Association cures any such failure to comply, the Owner or individual condominium association shall pay to the Association the amount of all costs incurred by the Association in connection therewith within thirty days after the Owner or individual condominium association receives written notice of a Default Assessment therefor from the Association.

(ii) The Association may fine the Owner or individual condominium association, as a Default Assessment, an amount not to exceed \$100 for each violation. The Owner or individual condominium association shall pay any such fine to the Association within thirty days after the Owner or individual condominium association receives written notice of a Default Assessment therefor from the Association.

(iii) The Association shall have all other rights and remedies available to it under this Declaration, at law or in equity.

(d) All rights and remedies of the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

(e) The Association may adopt such Rules and Regulations as the Executive Board deems necessary or appropriate to administer and enforce the terms and conditions of this Declaration and the other Solitude Village Master Association Documents.

15.02 Attorneys' Fees.

In the event of any dispute under or with respect to this Declaration or any other Solitude Village Master Association Document, the prevailing party shall be entitled to recover from the nonprevailing party all of its costs and expenses in connection therewith, including, without limitation, the fees and disbursements of any attorneys, accountants, engineers, appraisers or other professionals engaged by the prevailing party.

15.03 Interest.

If an Owner or association for an individual condominium project fails to pay to the Association any Assessment or other amount due to the Association as and when the same becomes due, the Owner or individual condominium association shall pay to the Association interest on such unpaid amount from the due date of such unpaid amount until the date paid at

the greater of (a) 4 percent over the prime rate of interest for commercial loans charged by Wells Fargo Bank in Salt Lake City, Utah or (b) 18 percent per annum.

15.04 Right to Notice and Hearing.

Whenever the Solitude Village Master Association Documents require that an action be taken after "notice and hearing," the following procedure shall be observed. The party proposing to take the action (e.g., the Executive Board, Design Review Board or a committee or officer of the Association) shall give notice of the proposed action to all Owners whose interest the proposing party reasonably determines would be significantly affected by the proposed action. The notice shall be delivered personally or mailed not less than three days before the proposed action is to be taken. The notice shall include a general statement of the proposed action and the date, time and place of the hearing. At the hearing, the affected Owner shall have the right, personally or by representative, to give testimony orally, in writing or both (as specified in the notice), subject to reasonable rules of procedure established by the party conducting the hearing to assure a prompt and orderly resolution of the issues. Such evidence shall be considered in making the decision but shall not bind the decision makers. The affected Owner shall be notified of the decision in the same manner in which notice of the hearing was given. Any Owner having a right to notice and hearing shall have the right to appeal to the Executive Board from a decision of a proposing party other than the Executive Board by filing a written notice of appeal with the Executive Board within ten days after being notified of the decision. Executive Board shall conduct a hearing within forty-five days thereafter, giving the same notice and observing the same procedures as were required for the original hearing. All decisions of the Executive Board shall be final and binding.

ARTICLE XVI TERM AND AMENDMENTS

16.01 Term.

The covenants, conditions, restrictions, reservations, easements, assessments, charges and liens set forth in this Declaration shall run with and bind the Property until the Declaration is terminated pursuant to Section 16.02 below.

16.02 Termination.

The Owners may terminate the Solitude Resort Village and this Declaration by a 67 percent or greater vote of all votes in the Association and the written consent of the Resort Owner. If the necessary votes are obtained, the agreement of the Owners to terminate the Solitude Resort Village and this Declaration shall be evidenced by a termination agreement or ratification thereof, executed by the required number of Owners and the Resort Owner in accordance with the terms and conditions of this Declaration, and as to associations for individual condominium projects. Upon recordation of the termination agreement in the Salt

Lake County Records, the Solitude Resort Village shall be terminated, this Declaration shall have no further force or effect, and the Association shall be dissolved. Notwithstanding the foregoing, the Owners may not terminate the Solitude Resort Village or this Declaration during the Declarant Control Period, without the Declarant's prior written consent, which consent Declarant may withhold in its discretion.

16.03 Amendments.

(a) Except for provisions of this Declaration regarding the rights and obligations of Declarant, which may not be amended without Declarant's prior written consent, Owners may amend any provision of this Declaration at any time by a 67 percent or greater vote of all votes in the Association. If the necessary votes are obtained, the Association shall cause to be recorded in the Salt Lake County Records an amendment to the Declaration. Notwithstanding the foregoing, the Owners may not amend this Declaration during the Declarant Control Period, without the Declarant's prior written consent, which consent Declarant may withhold in its discretion.

(b) Notwithstanding the terms and conditions of paragraph 16.03(a) above, the Declarant may amend this Declaration as expressly provided herein, without the approval of the Owners.

(c) Because amendments to this Declaration, including without limitation location and development of Sites on the Property, may adversely impact the access, ingress, egress, parking, visibility and operations of the real property owned by the Resort, no amendment shall be made to this Declaration without the prior written consent of the Resort which consent the Resort may withhold in its discretion.

(d) Notwithstanding anything in this Declaration to the contrary, except for the addition of the Additional Property and other adjacent real property and improvements to the Declaration by Declarant as provided for herein, during the Intrawest Development Period this Declaration shall not be amended in any way which may be detrimental to Intrawest's sales, development and construction activities without Intrawest's prior written approval, which approval shall not be unreasonably withheld, delayed or conditioned.

ARTICLE XVII MISCELLANEOUS

17.01 Interpretation of the Declaration.

Except for judicial construction, the Association, by its Executive Board, shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction

or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and property benefited or bound by the covenants and the provisions hereof.

17.02 Severability.

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

17.03 Disclaimer of Representations.

Notwithstanding anything to the contrary contained in this Declaration, Declarant makes no warranties or representations whatsoever that the plan presently envisioned for the complete development of Solitude Resort Village can or will be carried out or that any land now owned or hereafter acquired by Declarant is or will be subjected to this Declaration, or that any such land, whether or not it has been subjected to this Declaration, is or will be committed to or developed for a particular use, or that, if such land is once used for a particular use, such use will continue in effect.

17.04 Reference to Declaration and Deeds.

Deeds to and instruments affecting any Site or any other part of Solitude Resort Village may contain the provisions set forth herein by reference to this Declaration, but regardless of whether any such reference is made in any deed or instrument, each and all of the covenants, conditions, restrictions, reservations, easements, assessments, charges and liens set forth herein shall be binding upon the grantee Owner or other Person claiming through any deed or other instrument and his or her heirs, executors, administrators, successors and assigns.

17.05 Successors and Assigns of Declarant.

Any reference in this Declaration to Declarant shall include any successors or assignees of Declarant's rights and powers hereunder, on the condition that Declarant's rights and powers may only be assigned by a written recorded instrument expressly assigning such rights and powers.

17.06 Captions and Titles.

All captions and titles of headings of Articles and Sections in this Declaration are for the purpose of reference and convenience and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.

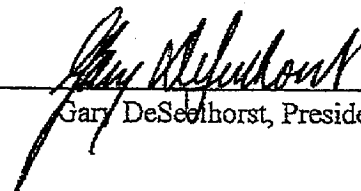
17.07 Notices.

All Owners of each Site shall have one and the same registered mailing address to be used by the Association or other Owners for notices, demands, and all other communications regarding the Association matters. The Owners or the representative of the Owners of a Site shall furnish such registered address to the secretary of the Association within ten days after transfer of title to the Site to such Owner or Owners. Such registration shall be in written form and signed by all of the Owners of the Site or by such persons as are authorized to represent the interests of all Owners of the Site. If no address is registered or if all of the Owners cannot agree, then the address of the Site shall be deemed their registered address of the Owner(s), and any notice shall be deemed duly given if delivered to the Site. All notices and demands intended to be served upon the Association shall be sent to the following address or such other address as the Association may designate from time to time by notice to the Owner(s):

Solitude Village Master Association
12000 Big Cottonwood Canyon
Solitude, Utah 84121

IN WITNESS WHEREOF, Solitude Ski Corporation has hereunto caused its name to be signed by the signature of its duly authorized officer as of the day and year first written above.

SOLITUDE SKI CORPORATION, a Delaware corporation



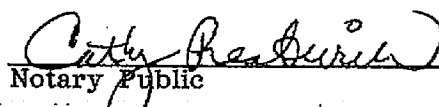
Gary DeSeelhorst, President

STATE OF UTAH)

:ss

COUNTY OF SALT LAKE)

On the 4th day of May, 1999, personally appeared before me Gary L. DeSeelhorst, who acknowledged to me that he executed this instrument in his capacity as President of the Solitude Ski Corporation, a Delaware corporation.



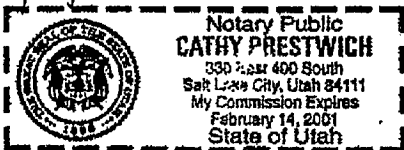
Notary Public

My Commission Expires:

Residing At

Salt Lake City, Utah

02/14/2001



JCFKX-40489-4

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EXHIBIT A

(Attached to and forming a part of the Declaration of Covenants,
Conditions and Restrictions for Solitude Resort Village)

LEGAL DESCRIPTION OF THE DECLARANT'S PROPERTY

BEGINNING at a point that bears South 48°05'02" East 594.61 feet from the most Westerly corner (No. 3) of Giles Flat Mine Claim (survey No. 4960), said point also being North 89°57'00" West 1308.94 feet and South 23°47'49" West 178.786 feet and South 29°21'25" West 614.151 feet, and South 48°05'02" East 594.61 feet from the Northeast Corner of Section 27 Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence

North 21°35'43" East, 42.40 feet; thence
North 12°28'15" East, 161.70 feet; thence
North 78°40'29" East, 67.31 feet; thence
South 76°16'42" East, 76.62 feet; thence
North 62°09'35" East, 169.67 feet; thence
North 79°11'53" East, 103.81 feet; thence
North 19°34'38" East, 112.74 feet; thence
North 04°07'32" East, 73.85 feet; thence
North 68°43'28" East, 43.13 feet; thence
South 20°45'34" East, 74.32 feet; thence
South 30°36'00" East, 99.46 feet; to a point on the Easterly edge of Hillside road and running along said edge the following 9 calls,
South 22°01'37" East, 75.94 feet; thence
South 13°35'16" East, 86.98 feet; thence
South 05°34'01" East, 184.23 feet; thence
South 03°17'56" East, 82.07 feet; thence
South 00°24'21" West, 149.75 feet; thence
South 09°05'13" East, 64.38 feet; thence
South 19°13'52" East, 62.63 feet; thence
South 24°21'40" East, 82.01 feet; thence
South 01°14'18" West, 55.51 feet; to a point on the East property line and Forest Service Boundary,
South 29°19'45" West, 129.84 feet; along said property line to the Southeast corner of the Giles flat mine claim (Survey no. 4960).
North 48°05'02" West, 229.84 feet; along the South Property line and running thence,
North 41°54'58" East, 45.91 feet; thence
North 58°33'57" East, 97.16 feet; thence
North 14°59'02" West, 18.26 feet; thence
South 75°00'58" West, 5.48 feet; thence
North 14°59'02" West, 44.61 feet; thence

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North 75°00'58" East, 9.86 feet; thence
North 14°59'02" West, 17.69 feet; thence
South 75°00'58" West, 11.66 feet; thence
North 11°04'15" West, 44.01 feet; thence
North 79°50'33" East, 12.90 feet; thence
North 02°17'00" West, 25.30 feet; thence
South 87°43'00" West, 5.86 feet; thence
North 02°37'10" West, 39.02 feet; thence
North 07°33'18" West, 121.04 feet; thence
North 00°39'56" West, 33.00 feet; thence
North 07°23'28" East, 36.86 feet; thence
South 84°17'57" West, 45.50 feet; thence
South 30°16'19" West, 112.05 feet; thence
North 59°48'03" West, 20.00 feet; thence
North 20°04'17" East, 43.41 feet; thence
North 50°04'06" West, 42.99 feet; thence
South 80°21'05" West, 70.47 feet; thence
South 18°45'02" West, 57.23 feet to a point on the Westerly side of the existing
Administration building and running thence,
South 47°54'15" West, 119.21 feet; thence
South 35°12'59" East, 2.96 feet; thence
South 46°47'03" West, 7.98 feet; thence
South 43°21'18" East, 33.42 feet; thence
South 03°05'23" West, 8.38 feet; thence
South 41°54'58" West, 35.88 feet to a point on the South property line and Forest Service
boundary and running along said boundary
North 48°05'02" West, 340.25 feet more or less to the Point of Beginning.
Area contains 6.71 acres

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EXHIBIT A-1

(Attached to and forming a part of the Declaration of Covenants,
Conditions and Restrictions for Solitude Resort Village)

LEGAL DESCRIPTION OF OTHER PROPERTY TO BE SUBJECT TO
THE DECLARATION (Creekside, Lauterbach and Miller)

EXHIBIT A-1

BEGINNING at a point South 48° 05' 02" East 617.71 feet and North 14° 57' 52" East 36.86 feet from the Southwest corner (No. 3) of Giles Flat Mine Claim (Survey No. 4960), said point also being North 89° 57' 00" West 1308.94 feet and South 23° 47' 49" West 178.786 feet and South 29° 21' 25" West 614.151 feet and South 48° 05' 02" East 617.71 feet and North 14° 57' 52" East 36.86 feet from the Northeast Corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence;

North 14° 57' 52" East 178.67 feet; thence
 South 74° 48' 15" East 90.55 feet; thence
 South 08° 14' 20" West 125.35 feet; thence
 South 14° 43' 18" West 37.95 feet; thence
 South 42° 00' 30" West 25.39 feet; thence
 North 77° 46' 20" West 5.57 feet; thence

To a point on a 46.85 foot radius curve to the right (bearing to center of curve bears N51° 40' 59"W and has a central angle of 141° 36' 51") thence along arc of said curve 115.79 Feet; thence North 75° 02' 08" West 4.36 feet to the point of BEGINNING.

Area: 20,671 SQ.FT., 0.47 AC.

BEGINNING at a point North 04° 57' 39" East, 670.59 feet from the Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960), said point also being North 89° 57' 00" West, 1308.94 feet and South 23° 47' 49" West, 178.786 feet and South 29° 21' 25" West, 614.151 feet and South 48° 05' 02" East, 617.71 feet and North 14° 57' 52" East, 36.86 feet from the Northeast corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence

South 86° 48' 42" West 150.85 feet; thence
 South 15° 30' 30" West 34.10 feet; thence
 South 00° 39' 56" East 13.50 feet; thence
 South 07° 23' 28" West 36.86 feet; thence
 South 00° 39' 56" East 33.00 feet; thence
 North 89° 20' 04" East 159.04 feet to the approximate South edge of State Highway 152; thence
 Along the approximate South edge of Highway 152 North 02° 09' 18" East 127.52 feet more or less to the point of beginning.

RESERVING UNTO THE GRANTOR THE FOLLOWING DESCRIBED EASEMENT:

A strip of land 20 feet wide, the boundaries of which are parallel to and 10 feet distant at right angles to each side of the following described center line:

Beginning at a point North 01° 19' 54" West, 545.02 feet from the above described Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960), said point being on the arc of a 100.00 foot radius curve to the left and running thence Northerly

Along the arc of said curve 4.51 feet (chord bears North 4° 20' 18" West, 4.51 feet); thence North 8° 12' 51" West, 114.64 feet more or less.

POOR COPY
 CO. RECORDS

BK8274P68400

EXHIBIT A-1

DESCRIPTION

BUILDING LOT - A:

BEGINNING at a point North 06°36'11" East 444.327 feet from the Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960); said point also being North 89°57'00" West 1308.94 feet and South 23°47'49" West 178.786 feet and South 29°21'25" West 614.151 feet and South 48°05'02" East 1499.701 feet and North 06°36'11" East 444.327 feet from the Northeast corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian; and running thence South 87°43'00" West 87.46 feet; thence North 02°17'00" West, 11.58 feet; thence South 87°43'00" West, 38.88 feet; thence South 30°20'33" West 27.97 feet; thence South 02°17'00" East, 39.02 feet; thence North 87°43'00" East 6.09 feet; thence South 02°17'00" East, 17.48 feet; thence North 87°43'00" East, 44.19 feet; thence North 02°17'00" West, 12.06 feet; thence North 87°43'00" East, 91.077 feet to point on a 520.708 foot radius curve to the right, said arc being approximate South edge of State highway 152; thence along the arc of said curve 56.14 feet (chord bears North 02°13'07.9" West, 56.417 feet) more or less to the point of BEGINNING.

LESS THAN AND EXCEPTING a 50 foot right-of-way from the centerline of State Highway 152.

BUILDING LOT - B:

BEGINNING at a point North 09°43'11.6" East 348.44 feet from the Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960); said point also being North 89°57'00" West, 1308.94 feet and South 23°47'49" West, 178.786 feet and South 29°21'25" West, 614.151 feet and South 48°05'02" East 1499.701 feet and North 09°43'11.6" East, 348.44 feet from the Northeast corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence South 75°00'58" West, 90.61 feet; thence North 14°59'02" West, 9.11 feet; thence South 75°00'58" West, 44.53 feet; thence South 14°59'02" East, 17.69 feet; thence South 75°00'58" West, 9.86 feet; thence South 14°59'02" East, 44.61 feet; thence North 75°00'58" East, 5.48 feet; thence South 14°59'02" East, 18.36 feet; thence North 75°00'58" East, 44.29 feet; thence North 14°59'02" West 9.69 feet; thence North 75°00'58" East, 93.455 feet to a point on a 520.708 foot radius curve to the right, said arc being approximate South edge of State highway 152; thence along the arc of said curve 61.82 feet (chord bears North 13°20'15.8" West, 61.786 feet) to the point of BEGINNING.

LESS AND EXCEPTING a 50 foot right-of-way from the centerline of State Highway 152.

-POOR COPY-
CO. RECORDS

BK8274PG8401

EXHIBIT B

(Attached to and forming a part of the Declaration of Covenants,
Conditions and Restrictions for Solitude Resort Village)

ADDITIONAL PROPERTY FOR ADDITION TO PROJECT
(Including Intrawest Phases 11 and 111)

PARCEL NO. 2-PHASE 2 BUILDING PAD:

Beginning at a point which is South 48°05'02" East 510.55 feet from the Southwest corner (No. 3) of Giles Flat Mine Claim (Survey No. 4960) and North 45°00'00" East 229.80, said point also being North 89°57'00" West 1308.94 feet, South 23°47'49" West 178.786 feet and South 29°21'25" West 614.151 feet and South 48°05'02" East 510.55 feet and North 45°00'00" East 229.80 feet from the Northeast corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence:

North 22°53'34" East 371.27 feet; thence South 08°45'23" East 43.89 feet; thence North 65°59'18" East 221.31 feet; thence South 22°07'22" East 220.82 feet; thence South 12°18'54" West 148.95 feet; thence South 74°22'29" West 147.49 feet; thence North 24°08'04" West 126.85 feet; thence South 39°14'44" West 194.32 feet; thence North 67°47'52" West 94.85 feet more or less to the point of BEGINNING.

PARCEL NO. 3-PHASE 3A BUILDING PAD:

BEGINNING at a point which is South 48°05'02" East 510.55 feet from the Southwest corner (No. 3) of Giles Flat Mine Claim (survey No. 4960) and North 45°00'00" East 229.80 feet, said point also being North 89°57'00" West 1308.94 feet, South 23°47'49" West 178.786 feet, South 29°21'25" West 614.151 feet, South 48°05'02" East 510.55 feet and North 45°00'00" East 229.80 feet from the Northeast Corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence:

North 67°00'39" West 91.74 feet; thence North 30°55'44" West 34.07 feet; thence North 29°19'15" East 381.32 feet; thence South 73°19'59" East 47.29 feet; thence South 18°53'36" East 44.32 feet; thence South 22°53'34" West 371.27 feet more or less to the point of BEGINNING.

PARCEL NO. 4-PHASE 3B BUILDING PAD:

BEGINNING at a point which is South 48°05'02" East 934.86 feet from the Southwest corner (No. 3) of Giles Flat Mine Claim (survey No. 4960) said point also being North 89°57'00" West 1308.94 feet, South 23°47'49" West 178.786 feet, South 29°21'25" West 614.151 feet and South 48°05'02" East 934.86 feet from the Northeast corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence:

Along the Property line of the Inn at Solitude the next 3 Courses:

North 41°54'58" East 35.877 feet; thence North 00°00'59" East 8.479 feet; thence North 42°55'10" West 28.76 feet; thence North 45°48'30" East 37.06 feet; thence North 67°01'21" East 211.94 feet; thence South 43°19'21" East 21.15 feet; thence South 06°29'05" West 98.92 feet; thence South 52°36'00" West 194.69 feet; thence along the Southerly line of Giles Flat Mine Claim North 48°05'02" West 100.46 feet more or less to the point of BEGINNING.

BK8274PG8403

EXHIBIT D

(Attached to and forming a part of the Declaration of Covenants,
Conditions and Restrictions for Solitude Resort Village)

CONSENT AND SUBORDINATION OF LENDER

(Attached Hereto)

WHEN RECORDED RETURN TO:

Gary L. DeSeelhorst
Solitude Ski Corporation
12000 Big Cottonwood Canyon
Solitude, Utah 84121

SUBORDINATION AGREEMENT

WELLS FARGO BANK, NATIONAL ASSOCIATION ("Wells Fargo") for Ten Dollars and other valuable consideration, receipt of which is hereby acknowledged, does hereby subordinate its interest as "Beneficiary" under that certain Deed of Trust With Assignment of Rents executed by Solitude Ski Resort Company as "Trustor" to First American Title Company of Utah, as "Trustee," for the benefit of Wells Fargo as "Beneficiary," dated April 25, 1996, and recorded May 7, 1996 as Entry No. 6350471 in Book 7393 at Page 2394 of the Official Records of the Salt Lake County, Utah Records office, as amended by a First Modification of Deed of Trust With Assignment of Rents dated October 23, 1997, and recorded November 25, 1997 as Entry No. 6799587, in Book 7816 at Page 29 of said Official Records, and does further subordinate its interest as "Secured Party" under the UCC financing Statements recorded as Entry No. 6350472 in Book 7393 at Page 2553 and Entry No. 6350473 in Book 7393 at Page 2565 of said Official Records, to the covenants, conditions, restrictions and easements established by and pursuant to that certain "Declaration of Covenants, Conditions and Restrictions For Solitude Resort Village" dated April 7, 1999, and recorded 15M, 1999 as Entry No. _____ of said Official Records (the "Master Declaration"), and the undersigned acknowledges that in the event said Deed of Trust as modified, is foreclosed or Wells Fargo or its successors or assigns otherwise acquire title to the real property subject to such Deed of Trust as modified, which property is legally described on Exhibit "A" attached hereto and incorporated herein, that Wells Fargo, its successors or assigns, or the purchaser at such foreclosure sale, will take title to the property described on Exhibit "A" subject to such Master Declaration, and subject to the covenants, conditions, restrictions and easements established therein or appurtenant thereto.

DATED this 28th day of April, 1999.

Wells Fargo Bank, National Association

By: Dan Adams
Dan Adams
Its: Vice President

BK8274P68405

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of CALIFORNIA

County of SACRAMENTO

On APRIL 28, 1999 before me, JILL COFFIN

Date

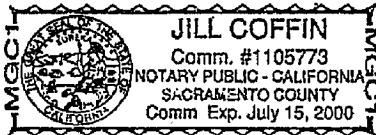
Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared DAN ADAMS

Name(s) of Signer(s)

☒ personally known to me – OR – ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Jill Coffin
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Subordination Agreement

Document Date: _____ Number of Pages: 1

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer
Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

88274958406
080274958406

The real property located in Salt Lake County, State of Utah, described below. By recording this Subordination Agreement on the real property described below, there is no implication of encumbrance or intent to encumber any real property described below that is not now encumbered by the Deed of Trust and any such encumbrance is disclaimed.

EXHIBIT "A"

PARCEL NO. 14

BEGINNING at a point which is 179.05 feet South 23°22' West and 600 feet South 48°17' East from the Southwest corner of the Southeast quarter of the Southeast quarter of Section 22, Township 2 South, Range 3 East, Salt Lake Base and Meridian, and running thence South 48°17' East 900 feet; thence South 29°08' West 614.7 feet; thence North 48°17' West 900 feet; thence North 29°08' East 614.7 feet to the point of BEGINNING.

LESS AND EXCEPTING the following described property:

BEGINNING at the Southeast corner (No. 4) of Giles Flat Mine Claim (survey No. 4960), said point also being North 89°57'00" West 1308.94 feet and South 23°47'49" West 178.896 feet and South 29°21'25" West 614.15 feet and South 48°05'02" East 1499.70 feet from the Northeast Corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence; North 48°05'02" West 426.17 feet along the South Boundary of said mine claim; thence North 33°46'56" East 6.18 feet; thence North 34°09'55" East 181.14 feet; thence North 55°54'30" East 101.21 feet; thence South 60°48'38" East 115.69 feet; thence South 03°15'23" West 83.38 feet; thence South 14°59'33" East 130.18 feet; thence South 27°13'14" East 133.67 feet to the East line of said mine claim; thence South 29°17'48" West 128.60 feet along said East line to the point of BEGINNING.

ALSO LESS AND EXCEPTING therefrom the following described property; being known as Creekside at Solitude, a Utah Condominium project:

Beginning at a point South 48°05'02" East 617.71 feet and North 14°57'52" East 36.86 feet from the Southwest corner (No. 3) of Giles Flat Mine Claim (Survey No. 4960), said point also being North 89°57'00" West 1308.94 feet and South 23°47'49" West 178.786 feet and South 29°21'25" West 614.151 feet and South 48°05'02"

BK8274PG8407

East 617.71 feet and North 14°57'52" East 36.86 feet from the Northeast corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence:

North 14°57'52" East 178.67 feet; thence South 74°48'15" East 90.35 feet; thence South 06°14'20" West 119.16 feet; thence South 14°48'33" West 46.38 feet; thence South 42°00'30" West 22.80 feet; thence North 77°46'20" West 5.57 feet; thence to a point on a 46.85 foot radius curve to the right (bearing to center of curve bears North 51°40'59" West and has a central angle of 141°36'51") thence along arc of said curve 115.79 feet; thence North 75°02'08" West 4.36 feet to the point of beginning.

ALSO LESS AND EXCEPTING therefrom the following described property:

BUILDING LOT-A:

Beginning at a point North 29°16'47" East 222.96 feet and 256.01 feet along the arc of a 520.71 foot radius curve to the right, said arc being the approximate edge of State Highway 152 (chord bears North 13°11'54" West 253.44 feet) from the Southwest corner (No.4) of Giles Flat Mine Claim (Survey No. 4960); said point also being North 89°57'00" West 1308.94 feet and South 23°47'49" West 178.896 feet and South 29°21'25" West 614.15 feet and South 48°05'02" East 1499.70 feet and North 29°16'47" East 222.96 feet and 256.01 feet along the arc of a 520.71 foot radius curve to the right, said arc being the approximate edge of State Highway 152 (chord bears North 13°11'54" West 253.44 feet) from the Northeast corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian; and running thence South 87°43'00" West 87.46 feet; thence North 02°17'00" West 11.58 feet; thence South 87°43'00" West 38.88 feet; thence South 30°20'33" West 27.97 feet; thence South 02°17'00" East 39.02 feet; thence North 87°43'00" East 6.09 feet; thence South 02°17'00" East 17.48 feet; thence North 87°43'00" East 44.19 feet; thence North 02°17'00" West 12.06 feet; thence North 87°43'00" East 91.08 feet to a point on a 520.71 foot radius curve to the right, said arc being approximate edge of State Highway 152; thence along the arc of said curve 56.44 feet (chord bears North 02°13'08" West 56.42 feet) more or less to the point of beginning.

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BUILDING LOT-B:

Beginning at a point North 09°43'11.6" East 348.44 feet from the Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960), said point also being North 89°57'00" West 1308.94 feet and South 23°47'49" West 178.786 feet and South 29°21'25" West 614.151 feet and South 48°05'02" East 1499.701 feet and North 09°43'11.6" East 348.44 feet from the Northeast corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence South 75°00'58" West 90.61 feet; thence North 14°59'02" West 9.11 feet; thence South 75°00'58" West 44.53 feet; thence South 14°59'02" East 17.69 feet; thence South 75°00'58" West 9.86 feet; thence South 14°59'02" East 44.61 feet; thence North 75°00'58" East 5.48 feet; thence South 14°59'02" East 18.26 feet; thence North 75°00'58" East 44.29 feet thence North 14°59'02" West 9.69 feet to a point on a 520.708 foot radius curve to the right, said arc being approximate South edge of State Highway 152; thence along the arc of said curve 61.82 feet (chord bears North 13°20'15.8" West 61.786 feet) to the point of beginning.

Also Less and Excepting therefrom the following described property:

Beginning at a point North 04°57'39" East 670.59 feet from the Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960), said point also being North 89°57'00" West 1308.94 feet and South 23°47'49" West 178.786 feet and South 29°21'25" West 614.151 feet and South 48°05'02" East 1499.701 feet and North 04°57'39" East 670.59 feet from the Northeast corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence South 86°48'42" West 150.55 feet; thence South 15°30'30" West 34.10 feet; thence South 00°39'56" East 13.50 feet; thence South 07°23'28" West 36.86 feet; thence South 00°39'56" East 33.00 feet; thence North 89°20'04" East 159.04 feet to the approximate South edge of State Highway 152; thence along the approximate South edge of Highway 152 North 02°09'18" East 122.52 feet more or less to the point of beginning.

ALSO LESS AND EXCEPTING therefrom the following described property:

BEGINNING at a point that bears South 48°05'02" East, 687.65 feet and North 51°55'34" East, 214.49 feet from the most Westerly corner (No. 3) of Giles Flat Mine Claim (Survey No. 4960), said point also being North 89°57'00" West, 1308.94 feet, and South 23°47'49" West,

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178.786 feet, and South 29°21'25" West, 614.151 feet, and South 48°05'02" East, 687.65 feet and North 51°55'34" East, 214.49 feet from the Northeast Corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence North 45°44'46" East, 161.52 feet; thence North 72°35'32" East, 36.09 feet; thence South 74°02'29" East, 40.94 feet; thence South 44°15'14" East, 113.96 feet; thence South 10°44'46" West, 108.88 feet; thence North 79°15'14" West, 81.49 feet; thence South 49°38'41" West, 53.94 feet; thence South 58°41'49" West, 72.51 feet; thence North 44°15'14" West, 95.21 feet; thence North 00°44'48" East, 65.56 feet more or less to the point of BEGINNING.

ALSO LESS AND EXCEPTING an Easement 25 feet in width the centerline of which is as follows:

Beginning at a point that bears South 48°05'02" East, 687.65 feet, North 51°55'34" East, 214.49 feet, North 45°44'46" East, 161.52 feet, North 72°35'32" East 36.09 feet, South 74°02'29" East, 40.94 feet, and South 44°15'14" East, 22.07 feet from the most Westerly corner (No. 3) of Giles Flat Mine Claim (Survey No. 4960), said point also being North 89°57'00" West, 1308.94 feet, South 23°47'49" West, 178.786 feet, South 29°21'25" West, 614.151 feet, South 48°05'02" East, 687.65 feet, North 51°55'34" East, 214.49 feet, North 45°44'46" East, 161.52 feet, North 72°35'32" East, 36.09 feet, South 74°02'29" East, 40.94 feet and South 44°15'14" East, 22.07 feet from the Northeast corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence North 44°06'32" East, 19.11 feet to a point on a 28.00 foot radius curve to the right and running along the arc of said curve 8.56 feet (chord bears North 52°52'01" East, 8.53 feet); thence North 61°37'59" East, 23.42 feet more or less to a point which is the end of concrete driveway.

ALSO LESS AND EXCEPTING an Easement 25 feet in width for the purpose of access the centerline of which is as follows:

Beginning at a point which is North 41°54'58" East, 469.38 feet and South 48°05'02" East, 823.22 feet from the most Westerly corner (No. 3) of the Giles Flat Mine Claim (Survey No. 4960) said point also being the terminus point of the Powderhorn Driveway Easement and running thence, North 63°56'31" East, 18.66 feet; thence North 14°52'48" East, 63.48 feet; thence North 12°56'43" East, 87.25 feet; thence North 01°41'08" West, 80.21 feet; thence North 21°11'13" West, 136.87 feet; thence North 25°18'18" West, 114.99 feet; thence

BK8274PG8410

North 30°59'16" West, 69.71 feet; thence North
48°00'37" West 119.51 feet to a point on a 48.55 foot
radius curve to the right and running along said curve
70.94 feet (chord bears North 06°09'01" West, 64.80
feet) more or less to a point on the South Right of Way
line of State Highway 152.

/LS 504835A.5

BK8274PG8411

EXHIBIT C

(Attached to and forming a part of the Declaration of Covenants,
Conditions and Restrictions for Solitude Resort Village)

PLAT OF THE SOLITUDE RESORT VILLAGE

EXHIBIT E

(Attached to and forming a part of the Declaration of Covenants,
Conditions and Restrictions for Solitude Resort Village)

LEGAL DESCRIPTION OF THE RESORT'S PROPERTY

RESORT PARCEL

BEGINNING at a point that bears South 48°05'02" East 594.61 feet from the most Westerly corner (No. 3) of Giles Flat Mine Claim (survey No. 4960), said point also being North 89°57'00" West 1308.94 feet and South 23°47'49" West 178.786 feet and South 29°21'25" West 614.151 feet, and South 48°05'02" East 594.61 feet from the Northeast Corner of Section 27 Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence

North 21°35'43" East, 42.40 feet; thence South 32°30'22" East, 22.76 feet to the property line of the Creekside Condominiums; thence along the property line of the Creekside Condominiums the next three calls; South 75°02'08" East, 4.36 feet to a non-tangent curve to the left (included angle of .141°36'51"); thence along said curve an arc length of 115.79 feet; thence South 77°46'20" East, 5.57 feet; thence South 19°34'37" East, 21.39 feet to the property line of "The Inn"; thence along the property line of "The Inn" the next two calls; South 56°54'15" West, 30.27 feet; thence South 33°18'26" West, 33.60 feet to the Forest Service boundary; thence along the Forest Service boundary North 48°05'02" West, 113.50 feet more or less to the Point of Beginning.
Area contains 0.10 acres (4,244 sq.ft.)

BK8274P68415

WHEN RECORDED RETURN TO:

Solitude Village Master Association, Inc.
 Attn: Gary L. DeSeelhorst
 c/o 12000 E. Big Cottonwood Canyon
 Solitude, Utah 84121-9710

8841876
 10/02/2003 04:28 PM 64.00
 Book - 8892 Pg - 872-874
GARY W. OTT
 RECORDER, SALT LAKE COUNTY, UTAH
 SOLITUDE MOUNTAIN RESORT
 ATTN ERIC MORRIS
 12000 BIG COTTONWOOD CANYON
 SOLITUDE UT 84121
 BY: SBM; DEPUTY - WI 3 P.

NOTICE OF TRANSFER ASSESSMENTS

Notice is hereby given by the Solitude Village Master Association, Inc. (the "Association"), that a "Real Estate Transfer Assessment" equal to 2% of the "Fair Market Value" of any "Site" sold or otherwise transferred within the Solitude Resort Village (including condominium units), must be paid by the "Transferee" of any such "Site" concurrently with and upon such "Transfer." Reference is hereby made to Section 6.05 of the "Declaration of Covenants, Conditions and Restrictions For Solitude Resort Village," recorded May 5, 1999 as Entry No. 7344959 in Book 8274 at Page(s) 8334 et. seq., of the Official Records of the Salt Lake County, Utah Recorder's Office, as amended, (the "Master Declaration") for the particulars of the amount, manner of calculation, and reporting requirements with respect to the "Real Estate Transfer Assessment." The "Real Estate Transfer Assessment" is binding on all properties within the Solitude Resort Village which are now or hereafter subject to the Master Declaration, including without limitation, those properties described on Exhibit "A" attached hereto and incorporated herein by this reference. Capitalized terms used in this Notice shall have the same meaning as in the Master Declaration.

DATED this 1st day of October, 2003.

Solitude Village Master Association, Inc., a
 Utah non-profit corporation

By: 

Gary L. DeSeelhorst
 President

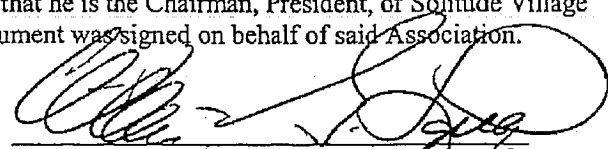
STATE OF UTAH)

: ss

COUNTY OF Salt Lake)

On the 2nd day of October, 2003, personally appeared before me Gary L. DeSeelhorst, who acknowledged to me that he is the Chairman, President, of Solitude Village Master Association, and that the foregoing instrument was signed on behalf of said Association.

SEAL


 Notary Public William G. Lapsley
 Residing at: Salt Lake City, Utah

My Commission Expires:

March 1, 2007

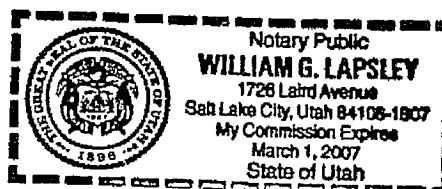


Exhibit "A"

The real property located in Salt Lake County, State of Utah, consisting of the following condominium Units and related common areas established by the **Eagle Springs East Condo.**, Record of Survey Map dated 5/21/2001, recorded on 5/21/2001, Document #7900834:

<u>Unit</u>	<u>Tax Parcel No.</u>
101	24-27-231-001
102	24-27-231-002
103	24-27-231-003
104	24-27-231-004
105	24-27-231-005
106	24-27-231-006
107	24-27-231-007
108	24-27-231-008
109	24-27-231-009
110	24-27-231-010
111	24-27-231-011
112	24-27-231-012
201	24-27-231-013
202	24-27-231-014
203	24-27-231-015
204	24-27-231-016
205	24-27-231-017
206	24-27-231-018
207	24-27-231-019
208	24-27-231-020
209	24-27-231-021
210	24-27-231-022
211	24-27-231-023
212	24-27-231-024
213	24-27-231-025
214	24-27-231-026
215	24-27-231-027
302	24-27-231-028
303	24-27-231-029
304	24-27-231-030
305	24-27-231-031
306	24-27-231-032
307	24-27-231-033
308	24-27-231-034
309	24-27-231-035
310	24-27-231-036
311	24-27-231-037
312	24-27-231-038
313	24-27-231-039
314	24-27-231-040
315	24-27-231-041

BK 8892 PG 0873

Eagle Springs East Condo. (Continued)

401	24-27-231-042
402	24-27-231-043
403	24-27-231-044
404	24-27-231-045
405	24-27-231-046
406	24-27-231-047
003	24-27-231-048
128	24-27-231-049
131	24-27-231-050
Common Area	24-27-231-051

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BK 8892 PG 0874

6935949

WHEN RECORDED MAIL TO:

SRV Development, LLC
Attention: Alexander R. Miller
4485 South 2700 East
Salt Lake City, Utah 84123

6935949
04/21/98 11:36 AM 80-00
NANCY WORKMAN
RECORDER, SALT LAKE COUNTY, UTAH
SRV DEVELOPMENT LLC
4485 S 2700 E
SLC, UT 84123
REC BY: R JORDAN DEPUTY - WI

**CONDOMINIUM DECLARATION
FOR THE CROSSINGS AT SOLITUDE PHASE I CONDOMINIUMS**

THIS DECLARATION is made on the date hereinafter set forth by SRV DEVELOPMENT, LLC., a Utah limited liability company ("DECLARANT").

**ARTICLE I
RECITALS**

1.01: Declarant is the owner of certain real property (the "Real Property") located in Salt Lake County, Utah, the legal description of which is set forth in the attached Exhibit "A", incorporated herein by reference.

1.02: Declarant is constructing a condominium project upon the Real Property, substantially in accordance with the plans and drawings set forth in the Survey Map filed concurrently herewith (a reduced copy of which is attached as Exhibit "B", incorporated herein by this reference). The condominium project shall be known as The Crossings at Solitude Phase I Condominiums. Declarant intends to establish said condominium project under and pursuant to the provisions of the Utah Condominium Ownership Act.

1.03: The condominium project shall include up to ten (10) residential condominium units. The Declarant, by this Declaration, hereby establishes a plan for the ownership of real property estates whereby the owner of each such unit will receive title to his individual unit, an undivided interest in the Common Elements contained in said condominium project, as the same are defined herein. Each unit shall have appurtenant to it a membership in the association of unit owners known as the "The Crossings at Solitude Condominium Association" (the "Association"), which shall administer and control the Common Areas and Facilities located on the Real Property.

1.04: Declarant intends by this Declaration to impose upon the Real Property mutually beneficial restrictions under a general plan of improvement for the benefit of all of said condominium units and the owners thereof.

1.05: Declarant hereby declares that said Real Property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold, and improved, subject to the provisions and conditions of the following declarations, limitations, covenants, conditions,

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restrictions, and easements, all of which, pursuant to the provisions of the Utah Condominium Act, shall be enforceable equitable servitudes, where reasonable, and shall run with the land, and shall be binding upon Declarant and its successors and assigns, and all parties having or acquiring any right, title or interest in or to any portion of said real property.

1.06: Declarant further reserves the right, for a period of fifteen (15) years following recording of this Declaration, unilaterally and without notice to or consent of the Owners or the Association, to subject the Real Property and the Building to any master declaration establishing a common plan for the ownership of real property estates in the Real Property and adjacent property and/or to include the same in any master homeowners association to jointly administer and control the Common Areas and Facilities along with similar areas and facilities on adjacent property comprising part of the Solitude Village. Declarant further reserves the right, unilaterally and without notice to or consent of the Owners or the Association, for a period of fifteen (15) years following recording of this Declaration, to bind the Real Property and the Building to the utilization of the services of any Service Company Service District or Improvement District or any entity or organization acting in a similar capacity, including Declarant, its affiliates, successors and assigns (hereinafter collectively referred to as a "Service Company"), established under any Master Declaration or otherwise for the purpose of providing utility service or quasi-utility services or similar common services to the Real Property and/or other adjacent or proximate parcels of property, and to include the charges and assessments under such Master Declaration or from such Service Company as a "Common Expense" as that term is defined below.

ARTICLE II DEFINITIONS

2.01: **INTERPRETATIONS:** Those definitions contained in the Utah Condominium Act, to the extent they are not inconsistent with the foregoing definitions, shall be and are hereby incorporated herein by this reference and shall have the same effect as if expressly set forth herein and made a party hereof.

2.02: **DEFINITIONS:**

(a) The "Act" -- the Utah Condominium Ownership Act, Utah Code Annotated, Sections 57-8-1 through 57-8-36, as the same may be amended from time to time.

(b) "Assessment" -- that portion of the Common Expenses which are charged to each Unit Owner.

(c) "Association of Unit Owners" or "Association" -- shall mean and refer to all the The Crossings at Solitude Condominiums Owners taken as, or acting as, a group or an entity in accordance with this Declaration, and any By-Laws or similar documents from time-to-time adopted by or governing the Association.

(d) "Board" or "Board of Directors" -- the governing body of the Association, created and governed by the provisions and conditions of this Declaration and any By-Laws of the Association from time-to-time in effect. So long as the Declarant owns three Condominium Units or more in the Project, the Board of Directors shall consist of one or more Directors of the Declarant's selection.

(e) "Building" -- any building constructed on the Real Property.

(f) "Common Elements" --

(1) The Real Property;

(2) All structural parts of the Buildings contained in the Project, including, without limitation, foundations, columns, girders, joists, beams, supports, main walls, supporting walls, floors, ceilings and roofs;

(3) All common halls, corridors, utility rooms, crawl spaces and storage areas contained in said Building, if any;

(4) All driveways, outdoor parking areas, yards, gardens, lawns, shrubs, hot tubs or spas and associated facilities, exterior or common entrance ways and stairways and service areas;

(5) Any utility pipe or line or system servicing more than a single Unit, and all ducts, wires, conduits, and other accessories used therewith;

(6) All tanks, pumps, motors, fans, compressors, ducts, mechanical areas, garbage area, and in general all apparatus and equipment existing for common use; and

(7) All other parts of the Real Property necessary or convenient to its existence, maintenance and safety, or normally in common use, or which have been designated as Common Elements on the Map and which are not part of any Condominium Unit as defined herein;

All Common Elements shall be "General Common Elements", unless they are Limited Common Elements as herein defined.

(g) "Common Expenses" -- all expenses of administration, maintenance, repair or replacement of the Common Elements; expenses agreed upon as common expenses by the Association; and, expenses declared common expenses by the provisions of the Act, this Declaration, or any By-Laws duly adopted by the Association (including any expenses which the Association agrees to collect and pay under any Master Declaration or Service Company agreement.

(h) "Condominium Unit" or "Unit" -- a single Unit in the Project together with an undivided interest in common with other Unit Owners in the Common Elements.

(i) "Declarant" -- SRV Development, LLC, a Utah limited liability company.

(j) "Declaration" -- shall mean and refer to this Condominium Declaration for The Crossings at Solitude Phase I Condominiums.

(k) "Limited Common Elements" -- those Common Elements, as designated in the Map, reserved for the exclusive use of a certain Unit or Units to the exclusion of the other Units. Any doorsteps, porches, balconies or patios, permitted shutters, awnings or window boxes, or any other apparatus intended to serve a single Unit, but located outside the boundaries of such Unit shall nonetheless constitute Limited Common Elements and appertaining to that Unit exclusively, all notwithstanding anything in this Declaration or the Act to the contrary.

(l) "Manager" -- the person(s) or entity(s) selected by the Association to manage the affairs of the Condominium Project.

(m) "Map" -- the Survey Map of The Crossings at Solitude Phase I Condominiums recorded by Declarant.

(n) "Master Declaration" -- shall mean and refer to any common plan, if any, now existing or hereafter implemented for the administration and maintenance of the Real Property and any adjacent or proximate parcel or parcels of property comprising part of the Solitude Village.

(o) "Mortgage" -- any mortgage, deed of trust or other security instrument by which a Condominium Unit or any part thereof is encumbered.

(p) "Mortgagee" -- any person or entity named as the mortgagee, beneficiary or obligee under any Mortgage, and any successor-in-interest to any such person or entity.

(q) "Owner" or "Unit Owner" -- any person(s) or entity(s) owning a Unit in the Project, including the Declarant. The term Unit Owner or Owner shall exclude Mortgagees and other persons or entities having any interest merely as security for the performance of an obligation.

(r) "Project" -- the entire Real Property, all buildings and other improvements on the Real Property and all articles of personal property intended for use in connection therewith, together with all rights, obligations and organizations established by this Declaration. The Condominium Project shall be known as "The Crossings at Solitude Phase I Condominiums".



(s) "Real Property" -- the real property described in the attached Exhibit "A", together with all easements, rights and appurtenances belonging thereto and all articles of personal property intended for use in connection therewith.

(t) "Service Company" -- any public or private company or district or entity formed for the purpose of providing or engaged in providing utility services or quasi-utility services or quasi-municipal services or similar services in common to the Real Property (including such things as water, sewer, roads within or connecting to any area of master planned development, community parking facilities, community lighting, trash removal, snow removal, landscaping, maintenance, community recreation facilities, electricity, propane, telephone, security, transmission of television signals from any central antenna, satellite dish or central receiver and other such services and facilities), in conjunction with any adjacent and/or proximate parcel or parcels of property comprising part of the Solitude Village, including any entity formed for such purposes under a Master Declaration. Declarant or its successors, assigns, designees or affiliates may act as a Service Company in providing some or all of the foregoing services.

(u) "Service Company District" -- any district established for the purpose of receiving and sharing services or sharing the cost of services provided by any Service Company.

(v) "Unit" -- each separate physical part of the Property, as shown on the Map, which is intended for independent use. Each Unit shall include the enclosed rooms occupying such Unit's share of the building in which it is located and bounded by the interior surfaces of the walls, floors, ceilings, windows, doors and built-in fireplaces, if any, along the perimeter boundaries of the air space as said boundaries are shown on the Condominium Map, together with all fixtures and improvements therein contained. Notwithstanding the fact that they may be within the boundaries of such air space, the following are not part of a Unit in so far as they are necessary for the support or full use and enjoyment of another Unit: bearing walls, floors, ceilings and roofs (except the interior surfaces thereof), foundations, space heating equipment and central water heating equipment, if any, tanks, pumps, pipes, vents, ducts, shafts, flues, shoots, conduits, wires and other utility installations, except the outlets thereof when located within the Unit. The interior surfaces of a window or door means the points at which such surfaces are located when such windows or doors are closed.

(w) "Unit Number" -- the letter, number or combination thereof designating the Unit in this Declaration and in the Map.

(x) "Utility services" -- includes, but is not limited to, those services listed in section 2.02(t) above and any other services provided to the Units by any Service Company.

**ARTICLE III
APPLICABILITY OF ACT**

3.01: It is the intention of Declarant that the provision of the Act shall apply to the Project and that the provisions of this Declaration shall be construed in accordance therewith, unless expressly inconsistent therewith.

**ARTICLE IV
DESCRIPTION OF THE PROJECT**

4.01 LOCATION: The Project is located contiguous to the Solitude Village, Big Cottonwood Canyon, Salt Lake County, Utah, on the Real Property.

4.02: DESCRIPTION OF IMPROVEMENTS: The initial Building and appurtenant structures and improvements which constitute the Project shall contain three (3) Units and are of combined (steel, concrete, frame and block) construction. If expanded in accordance with Article V, the Project could contain up to ten (10) Units. Each Unit contains a living room, dining area, kitchen, and one or more bedrooms and bathrooms. Each Unit has fireplace, dishwasher, stove/microwave, refrigerator and garbage disposal. All Units are totally electric as to heating and appliances. Electricity (including each Unit's own separate heating system) is separately metered to each Unit. Each Unit has its own hot water heater (electric).

4.03: DESCRIPTION AND LEGAL STATUS OF UNITS: Each Unit, as described on the Map, shall include that part of the Building containing the Unit which lies within the boundaries of the Unit. Such boundary shall be determined in the following manner: the upper boundary shall be the plane of the lower surface of the ceiling; the lower boundary shall be the plane of the upper surface of the floor; and the vertical boundaries of the Unit shall be (a) the interior surface of the outside walls of the building bounding a Unit; (b) the center line of any non-bearing interior walls bounding a Unit; and (c) the interior surface of any interior bearing walls bounding a Unit. Each Unit includes the portions of the building so described and those things which are defined as Common Elements.

4.04: NO SEPARATE CONVEYANCE OR UNDIVIDED INTERESTS: Each Condominium Unit's undivided interest in the Common Elements, including Limited Common Elements, shall not be separated from the Unit to which they appertain and shall be deemed to be conveyed or encumbered or released from liens with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

**ARTICLE V
EXPANSION OF THE PROJECT**

5.01: EXPANSION OF CONDOMINIUM. The Project shall be a phased expandable Project consisting of at least one, and up to three (3) phases. The initial phase of the Project ("Phase I") shall consist of the real property and improvements legally described on Exhibit "A" attached hereto and incorporated herein, with Units as defined and depicted on the Record of Survey Map attached as Exhibit "B" hereto and incorporated herein. The Units and appurtenant undivided interest in common areas in Phase I shall be as set forth in Exhibit "C" attached hereto and incorporated herein.

5.02: RESERVATION TO EXPAND: In accordance with the provisions of Section 57-8-10(4) of the Act, the Declarant herewith expressly reserves the right and option to expand the Project by the addition of Additional Land, or portions thereof, and improvements to be constructed thereon, all in accordance with the provisions of this Section 5.

5.03: ADDITIONAL LAND: The Project may be expanded by the addition of all or a portion of the real property designated on Exhibit "D" attached hereto and incorporated herein by reference, such real property or portions thereof where applicable being referred to as "Additional Land."

5.04: NO LIMITATIONS UPON OPTION: Expansion of the Project by the Declarant is without limitation and shall be effective without the prior approval of the Association or the Unit Owners.

5.05: TERMINATION OF OPTION: Declarant's right to expand the Project as provided in this Section 5 shall expire seven (7) years from the date of recording of this Declaration (exclusive of any amendments or supplements) in the official records of the Office of the County Recorder of Salt Lake County, State of Utah.

5.06: ORDER OF ADDITION: The Additional Land designated on Exhibit "D" attached hereto and incorporated herein by reference, may be added in total or in part, and in any order as Declarant may determine. Such Additional Land (or any portion thereof constituting Additional Land) may be added at any time within the period allowed for expansion of the Project.

5.07: IMPROVEMENTS UPON ADDITIONAL LAND: All improvements upon Additional Land shall be made in such a manner as to conform to all governmental regulations appertaining thereto, but such improvements may be located upon the Additional Land, or any portion thereof, in such manner as the Declarant deems appropriate in its sole discretion, subject to the requirements contained herein. The maximum number of Units to be constructed upon the Additional Land shall be limited to seven (7). All of the additional Units to be constructed upon Additional Land will be constructed for or are to be designated exclusively for residential use.

5.08: COMPATIBLE CONSTRUCTION: All structures and improvements erected upon any Additional Land added to the Project will be compatible and consistent with the structures and improvements now upon or to be constructed upon Phase I of the Project, all such additional structures and improvements to be approximately equal or better in terms of quality of construction and materials to be used. Subject to the assurance of compatible and consistent quality set forth herein, no assurance can be made by the Declarant in every instance that such structures and improvements will be identical in all regards. Declarant specifically reserves the right to modify architectural style for structures and improvements to be erected upon Additional Land to be added to the Project.

5.09: DESCRIPTION OF IMPROVEMENTS: Although Declarant intends to construct upon the Additional Land two (2) buildings, no assurances can be made by the Declarant as to the description of improvements that will be made upon any Additional Land.

5.10: DESCRIPTION OF UNITS: Declarant intends, as of the date hereof, that any Unit constructed within a Building upon Additional Land will be compatible to and consistent with the Units presently contained within Building upon the Property and that the size of such Units may vary as the Declarant determines in its sole discretion. Therefore, no assurances can be made by the Declarant that any Units to be constructed upon Additional Land will be identical to the existing Units.

5.11: DECLARANT'S RESERVED RIGHTS: Declarant hereby reserves the right with respect to any Additional Land, to create limited Common Areas and Facilities within any Additional Land added to the Project, and with respect thereto reserves the right to create such appropriate in its sole discretion. No assurances are made herein by Declarant with respect to the type, sizes or number of such areas, to be created, if any.

5.12: SUPPLEMENTAL MAP: The Declarant simultaneously with the submission of Additional Land to the Project shall prepare and record in the official records of the Office of the County Recorder of Salt Lake County, State of Utah, a Supplemental Record of Survey Map pertaining to such Additional Land to be added to the Project, and showing the location and dimensions (the vertical and horizontal boundaries), of each Unit located within a Building created from and located upon such Additional Land, and the Unit designation of each Unit so created.

5.13: SUPPLEMENTAL DECLARATION: Simultaneously with the recording of said Supplemental Map as required by the provisions of Section 5.12 above, the Declarant shall duly execute, acknowledge and record in the official records in the Office of the County Recorder of Salt Lake County, State of Utah, a supplemental Declaration setting forth that an expansion of the Project has occurred. Such supplemental Declaration shall include, in addition to any requirements of the Act, the following: (i) a legal description by metes and bounds of the Additional Land added to the Project; (ii) the designation of each Unit and Building created from and included within the Additional Land; and (iii) the square footage of and Percentage Interest allocated and appertaining to all Units within the Project.

5.14: QUALIFICATIONS: Each expansion of the Project by the addition of Additional Land shall be subject to the following additional qualifications:

5.14.1 Percentage Interest. The Percentage Interest appertaining to a Unit and each Unit shall be recomputed in accordance with the provisions of the Declaration taking into consideration the Units contained upon the Additional Land to be included within the Project. Such reallocations shall be effective as of the date of recordation of the supplemental Declaration.

5.14.2 Following the addition to the Project of Additional Land, the total of the Percentage Interest appertaining to all Units shall in all events equal 100%.

5.14.3 All improvements to be constructed upon portions of the Additional Land shall be substantially completed prior to the annexation of that phase to the Project.

5.15: AMENDMENT TO THIS ARTICLE: This Section 5 shall not be amended without the written consent of the Declarant.

ARTICLE VI STATEMENT OF PURPOSE AND RESTRICTION ON USE

6.01: PURPOSE: The purpose of the Project shall be to provide residential housing space for Unit Owners, their families, guests and lessees and to provide parking for use in connection therewith, all in accordance with the provisions of the Act.

6.02: RESTRICTIONS ON USE: In addition to all of the covenants contained herein, the use of the Units and Common Areas and Facilities are subject to the following:

(a) Each of the Units shall be occupied only as a residence and for no other purpose. No business shall be operated in or from any Residential Unit other than the rental of the Unit itself. No Unit shall be used for conducting the business of the rental of other Units. Areas of the Project designated for parking shall be used for the parking of operable motor vehicles, only, and for no other purpose.

(b) Nothing shall be done or kept in any Unit or in the Common Elements which would increase the rate of insurance on the buildings or contents thereof beyond that customarily applicable for residential use, or will result in the cancellation of insurance on said buildings, or the contents thereof, including without limitation propane tanks and electrical or other generators without the prior written consent of the Association. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which is in violation of any law or regulation of any governmental authority.

(c) No awning, canopy, deck, antenna, shutter, storm door, screen door or other item or object shall be hung, be displayed, be visible or otherwise be placed on the exterior walls or roof of any Building in the Project or any part thereof, or on the outside of windows, or doors, without the prior written consent of the Association, the Declarant, and if applicable, any association established under a Master Declaration, if any. No sign of any kind shall be displayed on Residential Unit doors or windows or elsewhere to the public view on or from any Residential Unit or the Common Elements except such signs as are approved by the Association. Any drapes, blinds, or other window coverings in a Unit which are visible from the exterior of a Building shall be medium beige or other neutral color in harmony with other window coverings in the Solitude Village.

(d) No noxious or offensive activity shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the Unit Owners or occupants.

(e) Nothing shall be done in any Unit or in, on or to the Common Elements which will impair the structural integrity or structurally change the same or any part thereof except as is otherwise provided herein.

(f) The Common Elements shall be kept free and clear of all rubbish, debris and other unsightly materials.

(g) No animals or birds of any kind shall be raised, bred, or kept in any Unit or on any portion of the Common Elements. This restriction extends to and includes usual and ordinary household pets, but excludes legitimate "assistance animals" used for the purpose of assisting the disabled or challenged, provided that Owners utilizing assistance animals must comply with all governmental requirements or Solitude Village requirements related to such animals including without limitation Salt Lake County Watershed regulations.

(h) No admission fees, charges for use, leases or other income-generating arrangement of any type shall be employed or entered into with respect to any portion of the Common Elements without the prior written consent of the Board of Directors.

(i) Each Unit Owner shall be liable to the Association for all damages to the Common Elements caused by such Unit Owner or any occupant of his Unit or invitee, except for that portion of said damage, if any, that is covered by insurance maintained in effect by the Association. The failure of the Association to continue any insurance in effect shall not be a defense to any such liability.

ARTICLE VII OWNERSHIP AND USE

7.01: OWNERSHIP OF A UNIT: Each Unit Owner shall be entitled to the exclusive, fee simple ownership, and possession of their Unit, to the exclusive possession of the Limited Common Elements appurtenant to their Unit and to the fee simple ownership of an undivided interest in the Common Elements in the percentage expressed in Exhibit "C" attached hereto. Units may and shall be owned as any other property rights by persons, corporations, partnerships, limited liability companies, or trusts and in the form of common or joint tenancy. The Unit Owners may lease or rent their Condominium Units subject only to those provisions and conditions chosen solely by the Unit Owner and his lessee; provided that all Unit Owners, their tenants, subtenants and other occupants or users of the Project, shall be subject to the Act, this Declaration and all rules and regulations of the Association (including but not limited to those contained in the By-Laws).

7.02: SUBDIVISION OR COMBINATION OF UNITS: No Unit Owner may subdivide or partition their Unit or their undivided share of the Common Elements. Nor may any part of a Condominium Unit be separated from any other part thereof during the period of condominium ownership prescribed herein, and each Unit and the undivided interest in the Common Elements appurtenant to such Unit shall always be conveyed, devised, encumbered, and otherwise affected only as a complete Condominium Unit. Every gift, devise, bequest, transfer, encumbrance, conveyance or other disposition of a Condominium Unit or any part thereof shall be construed to be a gift, devise, bequest, transfer, encumbrance, or conveyance, respectively, of the entire Condominium Unit, together with all appurtenant rights created by law or by this Declaration. With the written consent of the Association, two or more Units may be utilized by the Owner or Owners thereof as if they were one Unit. To the extent permitted in such written consent, any walls, floors or other structural separations between any two such Units, or any space which would be occupied by such structural separations but for the utilization of the two Units as one Unit, may, for so long as the two Units are utilized as one Unit, be utilized by the Owner or Owners of the adjoining Units as Limited Common Elements, except to the extent that any such structural separations are necessary or contain facilities necessary for the support, use or enjoyment of other parts of the Project. At any time, upon the request of the Owner of one of such adjoining Units, any opening between the two Units which, but for joint utilization of the two Units, would have been occupied by a structural separation, shall be closed, at the equal expense of the Owners of each of the two Units and the structural separations between the two Units shall thereupon become General Common Elements.

7.03: OWNERSHIP OF COMMON ELEMENTS: The Common Elements shall be owned by the Unit Owners as tenants in common. The Common Elements shall remain undivided. No Unit Owner or combination thereof or any other person shall bring any action for partition or division of any part thereof.

7.04: USE OF COMMON ELEMENTS: There shall be no obstruction of the Common Elements, nor shall anything be kept or stored on any part of the Common Elements without the prior written consent of the Association, except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from, the Common Elements except upon the prior written consent of the Association.

7.05: PROHIBITION OF DAMAGE AND CERTAIN ACTIVITIES: Nothing shall be done or kept in any Unit or in the Common Elements of any part thereof which would result in the cancellation of the insurance on the Project or any part thereof or increase the rate of the insurance on the Project or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Association. No noxious, destructive or offensive activity shall be carried on in any Unit or in the Common Elements of any part thereof, nor shall anything be done therein which may be or may become an annoyance or nuisance to any other Owner or to any person at any time lawfully residing in the Project.

Additionally, except as provided above for assistance animals, no dog, cat or other domesticated animal or pet shall be kept or allowed for any period of time in any Unit or in the Common Elements or any part thereof. In addition, all Owners and their respective guests and invitees shall comply with all rules and regulations of the United States Government, the State of Utah, the County of Salt Lake, Salt Lake City and the Solitude Village, dealing with or regulating or restricting the presence of animals in the Big Cottonwood Canyon watershed area.

ARTICLE VIII MEMBERSHIP-VOTING-MULTIPLE OWNERSHIP

8.01: MEMBERSHIP: Every Owner shall be entitled and required to be a member of the Association. If title to a Condominium Unit is held by more than one person or entity, the membership related to that Condominium Unit shall be as designated by such owners. An Owner shall be entitled to one membership for each Condominium Unit owned by him. Each such membership shall be appurtenant to the Condominium Unit upon which it is based and shall be transferred automatically by conveyance of that Condominium Unit and the Association shall record the transfer on its books upon being presented with evidence of the transfer of the Condominium Unit. No person or entity other than an Owner may be a member of the Association, and a membership in the Association may not be transferred except in connection with the transfer of a Condominium Unit; provided, however, that the rights of membership may be assigned to a mortgagee as further security for a loan secured by a lien on a Condominium Unit.

8.02: VOTING RIGHTS: The Association shall have one (1) class of voting membership. Each Unit shall have one (1) vote associated with such Unit.

8.03: VOTING: The vote of each Condominium Unit shall be cast by the Owner or Owners of such Condominium Unit or their proxy. In the event there is more than one Owner

of a particular Unit, the vote relating to such Unit shall be exercised by a majority of such Owners as may be determined among themselves. A vote cast at any meeting by any of such Owners shall be conclusively presumed to be the vote attributable to the Unit concerned unless an objection is immediately made by another Owner of the same Unit. In the event such an objection is made, the vote involved shall not be counted for any purpose whatsoever until the matter is resolved to the reasonable satisfaction of the Association. In such case, the Association may, but shall not be required to apportion such Condominium Unit's vote among the Owners thereof.

8.04: TRANSFER: The Association shall maintain records showing the name and address of each Owner, and the Unit which is owned by him. In the event of any transfer of a fee interest in a Unit, either the transferor or the transferee shall furnish the evidence establishing that the transfer has occurred. An Owner who fails to furnish such information shall continue to be liable for assessments of common expenses even after transferring ownership of their Unit, until the Association is advised of the transfer. At its option, the Association may act and rely on current ownership information respecting any Unit or Units which is obtained from the office of the County Recorder of Salt Lake County, Utah. The address of an Owner shall be deemed to be the address of the Unit owned by such Owner unless the Association is otherwise advised.

ARTICLE IX MANAGEMENT

9.01: INCORPORATION: The Association may but need not incorporate. Management of any such corporation shall substantially conform to this Article IX.

9.02: BOARD OF DIRECTORS: The business, property and affairs of the Association shall be managed, operated and maintained by the Board of Directors and such officers and agents as they may designate to be the agents or representatives of the Association. The Association, acting through the Board of Directors in connection with its exercise of any of the powers delineated in paragraphs (a) through (i) below, shall constitute a legal entity capable of dealing in its own name as the "The Crossings at Solitude Condominium Association." The Board of Directors shall have, and is hereby granted, the following authority and powers:

- (a) Without the vote or consent of the Owners or any other person(s), to grant or create, on such provisions as it deems advisable, utility and similar easements, over, under, across and through the Common Elements;
- (b) To execute and record, on behalf of all Owners, any amendment to the Declaration or Map which has been approved by the vote or consent necessary to authorize such amendment;
- (c) To bring suit in the name of the Association;

(d) To enter into contracts which in any way concern the Project, so long as any vote or consent of the Owners as necessitated by the subject matter of the agreement has been obtained;

(e) To adopt By-Laws of the Association;

(f) To promulgate from time to time such reasonable rules, regulations, and procedures as may be necessary or desirable to aid in carrying out the Association's functions or to insure that the Project is maintained and used in a manner consistent with the interests of the Owners;

(g) The power to maintain, repair, replace, restore, operate and manage the Common Elements and all property that may be acquired by the Association, and to establish an adequate reserve fund for repair, replacement and restoration thereof;

(h) The power and authority to secure fidelity bond coverage and such other policy or policies of insurance as the Board of Directors deems necessary or desirable in protecting the interests of the Association and the Owners;

(i) The power and authority to perform any other acts and to enter into any other transactions which may be reasonably necessary for the Board of Directors to perform its function.

Any instrument executed by the Board of Directors or officers appointed by it that recites facts which, if true, would establish the Board's power and authority to accomplish through such instrument what is purported to be accomplished thereby, shall conclusively establish said power and authority in favor of any person who in good faith and for value relies upon said instrument.

9.03: COMPOSITION OF BOARD OF DIRECTORS: Notwithstanding the provisions of Section 8.02 above, so long as the Declarant (and/or any Successor Declarant) owns one (1) or more of the Units in the Project, the Board of Directors shall consist of one (1) or more Directors designated by the Declarant. At such time as the Declarant ceases to own at least one (1) of the Units, and thereafter, the Board of Directors shall be composed of not less than three nor more than seven Directors, as determined by the Owners. Beginning in the year 1998, there shall be an annual Owners' meeting, the date and place to be set by the Board of Directors. At each annual Owners' meeting, Directors shall be elected for one year terms, unless the Owners, by majority vote, determine to provide for staggered terms not to exceed three (3) years (all subject to the provisions of the first sentence of this paragraph). Only Unit Owners, the beneficial owners of Units held in the names of fiduciaries, the spouses of such persons, and officers or agents of any Unit Owner who is not a natural person shall be eligible for directorship. At the annual meeting, the Owner(s) of each Unit shall be entitled to one (1) vote.

Until two years after the recordation of this Declaration, the following persons, as hereby appointed by the Declarant, shall act as the Directors and shall hold office as provided for below:

Alexander R. Miller
Rena L. Miller

President-Treasurer
Vice President-Secretary

9.04: OPERATION OF BOARD OF DIRECTORS: Directors shall serve until their successors have been duly elected and qualified. Any Director who fails on three successive occasions to attend Board of Directors meetings (whether regular or special) shall automatically forfeit his seat. In the event a seat becomes vacant, whether by reason of forfeiture or due to another cause, the remaining Directors shall elect a replacement to sit on the Board of Directors until the expiration of the term for which the member being replaced was elected. Directors shall be reimbursed for all expenses reasonably incurred in connection with Association business, but shall receive no additional compensation for their services as Board members. Meetings of the Board of Directors may be held in person or telephonically, within or without the State of Utah. Regular meetings shall be fixed by the Board. Special meetings shall be convened at the request of the President of the Association, the Manager or upon the request of any two Directors.

9.05: APPROVAL REQUIRED: The Board of Directors shall not, without the prior favorable vote or the written consent of the Owners as provided for in this Declaration, have the authority to purchase or sell any real property or add any property to or remove any property from the Common Elements, provided, however, that nothing herein shall affect Declarant's right to expand the Project in accordance with the provisions of Article V above.

9.06: MANAGER: The Association may carry out through a project manager any of its functions which are properly the subject of delegation. Any Manager so engaged shall be responsible for managing the Project for the benefit of the Unit Owners, and shall, to the extent permitted by law and the provisions of the agreement with the Association, be authorized to perform any of the functions or acts required or permitted to be performed by the Association or its Board of Directors. Any agreement for professional management of the Project which may be entered into by the Association shall call for a term not exceeding three (3) years and shall provide that such management agreement may be terminated by the Association for cause upon not in excess of thirty (30) days written notice.

ARTICLE X EASEMENTS

10.01: RECORDED EASEMENTS: The Project shall be subject to all easements as shown on any recorded plat affecting the Project or the Real Property and to any other easements of record or use as the date of recordation of this Declaration.

10.02: REPAIR OF COMMON ELEMENTS: Each Unit shall be subject to such easements as may be necessary for the installation, maintenance, repair or replacement of any Common Elements located within the boundaries of each Unit.

10.03: EASEMENTS FOR CONSTRUCTION FACILITIES: Until the conveyance by Declarant of the last Unit within the Project, or December 31, 2001, whichever first occurs, Declarant reserves for itself and any designated Successor Declarant an easement on, over and across the General Common Elements in conjunction with the development and construction of the Project.

10.04: EASEMENTS FOR ENCROACHMENTS: If any part of the Common Elements encroaches or shall hereafter encroach upon a Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Elements, or upon an adjoining Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered to be encumbrances either on the Common Elements or the Units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of any Building to be constructed on the Real Property, by error in the Map, by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

10.05: OWNER'S EASEMENT OF ENJOYMENT AND RIGHT TO INGRESS AND EGRESS AND SUPPORT: Each Owner shall have the right to ingress and egress over, upon and across the Common Elements necessary for access to his Unit, and to any Limited Common Elements designated for use in connection with his Unit, and shall have the right to the horizontal and lateral support of his Unit, and such rights shall be appurtenant to and pass with the title to each Condominium Unit.

10.06: EXTERIOR OF THE BUILDING: The architectural appearance of the exterior of the building has been designed to conform to a master planned development of the Real Property and certain adjacent and proximate parcels of property. Except as required to conform to safety and health regulations, the exterior of the building and its appurtenances shall not be altered, modified or removed without the written authorization of the Board of Directors, Salt Lake County, and the Solitude Ski Resort, its successors and assigns. This restriction shall constitute an easement/covenant running with the land and shall be binding upon the Real Property and the owners thereof, notwithstanding that Declarant ceases to be the owner of any other interest in the Real Property.

ARTICLE XI ASSESSMENTS

11.01: ASSESSMENTS: The Declarant, for each Unit within the Condominium Project, hereby covenants, and each Unit Owner by acceptance of a deed therefor, whether or

not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (a) Annual assessments or charges; and (b) Special assessments for capital improvements as hereafter set forth. Such assessments to be established and collected as hereafter provided. Such assessments may include charges and assessments under a Master Declaration if any, and charges and assessments from any Service Company providing services to the Project and the Solitude Village in common.

11.02: PURPOSE OF ASSESSMENTS: The assessments levied by the Association shall be used to manage, maintain and care for the Common Elements and to perform the responsibilities of the Association as set forth in this Declaration.

11.03: DETERMINING ANNUAL ASSESSMENTS: Within ninety (90) days before the close of each fiscal year of the Association (which unless otherwise designated by the Board shall be a calendar year), the Board of Directors shall determine the common expenditure budget for the Association for the next succeeding fiscal year. The common expenditure budget shall include all expenses of the Association, including reasonable adequate reserve funds for contingencies and for maintenance, repairs and replacements of the Common Elements and other property administered by the Association. Such budget may include, among other things, expenses of management; taxes upon Common Elements; premiums for insurance; common lighting and heating; water charges; trash collection; sewer service charges; landscaping charges; common television and satellite charges; repairs and maintenance; wages for Association employees; legal and accounting fees; any deficit remaining from a previous period; the creation of a reasonable contingency reserve, surplus and/or sinking fund; and any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under or by reason of this Declaration. The Board of Directors shall also have discretion to establish reserves for anticipated future capital repairs and improvements. The amount so determined (less any surplus expected to be on hand from the prior year's expenditure budget, plus amounts required to fund any reserves that had been established) shall be the Project's total annual assessment. The Board may appoint a Finance Committee to assist in the determination of the expenditure budget. A copy of the common expenditure budget shall be distributed to each Unit Owner not less than sixty (60) days before the beginning of the fiscal year, commencing with the 1999 fiscal year. Written notice of the annual assessment shall be sent to each Unit Owner subject thereto at least thirty (30) days in advance of each annual assessment period.

11.04: APPORTIONMENT OF ANNUAL ASSESSMENTS: Expenses attributable to the Common Elements and to the Project as a whole shall be apportioned ratably among all Owners in proportion to their respective undivided interests in the Common Elements as set forth in Exhibit "C" hereto.

11.05: INITIAL ANNUAL ASSESSMENT: PROCEDURE FOR INCREASING ANNUAL ASSESSMENTS: Within 120 days following substantial completion of the Building (as determined by the state, county, or local government authority issuing the building permit for the construction of the Building), the members of the Association shall fix the annual assessment for the Association's first full fiscal year and for any interim period between the date

of such meeting and the fiscal year date. For each succeeding year of operation of the Project, the maximum annual assessment may be increased by not more than 20% above the annual assessment for the previous year without the affirmative vote of the Unit Owners.

11.06: SPECIAL ASSESSMENTS: In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment or assessments payable over such a period as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Project or any part thereof, or for any other expense incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections hereof.

Any amounts assessed pursuant hereto shall be assessed ratably among all Owners in proportion to their respective undivided interests in the Common Elements as set forth in Exhibit "C" hereto. Notice in writing of the amount of such special assessments, and the time for payment thereof, shall be given promptly to the Owners, and no payment shall be due fewer than thirty days after such notice shall have been given. Special assessments must be approved by the affirmative vote of the Unit Owners.

11.07: PAYMENT OF ASSESSMENTS: All assessments (regular and special) shall be due and payable quarterly or otherwise as the Association may determine on notice to each Owner. Each quarterly assessment shall bear interest at such rate (which shall be not less than the rate of eight percent (8%) per annum nor more than the rate of eighteen percent (18%) per annum; but in no event more than the maximum rate permitted by law) as may be fixed by the Association, from the date it becomes due and payable if not paid by such date. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the Owner of any Condominium Unit for such assessment, but the date when payment shall become due in such case shall be deferred to a date thirty days after such notice should have been given.

11.08: LIEN FOR ASSESSMENTS: All sums assessed to any Condominium Unit pursuant to this Article, together with interest thereon as provided herein, shall be secured by a lien on such Condominium Unit in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Condominium Unit, except only for: (a) valid tax and special assessment liens on the Condominium Unit in favor of any governmental assessing authority; and (b) a lien for all sums unpaid on a first Mortgage, or on any Mortgage to Declarant, duly recorded in the Salt Lake County, Utah real estate records prior to such assessment, including all unpaid obligatory advances to be made pursuant to such Mortgage and all amounts advanced pursuant to such Mortgage and secured by the lien thereof in accordance with the terms of such instrument. All other lien holders acquiring liens on any Condominium Unit after this Declaration shall have been recorded in said records shall be deemed to consent that such liens shall be inferior to future liens for assessments, as provided herein, whether or not such consent be specifically set forth in the instruments creating such liens.

To evidence a lien for sums assessed pursuant to this Article, the Association may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Condominium Unit and a description of the Condominium Unit. Such a notice shall be signed by or on behalf of the Association and may be recorded in the real estate records of Salt Lake County, Utah. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed. Additionally and alternatively, such delinquent lien may be enforced by power of sale by the Association; provided, however, that no proceeding or action shall be instituted to foreclose the lien, either judicially or under the power of sale granted herein, unless a notice stating an intention to proceed to foreclose the lien has been delivered by the Association to all designated Owners of the Unit affected by the lien at least thirty (30) days prior to the commencement of any such action or proceeding. Such sale shall be conducted in accordance with the provisions of law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any manner permitted by law.

The Association shall have the power to bid at foreclosure or other sale, and to hold, lease, mortgage and convey the same.

In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding, the costs and expenses of filing the notice of lien and all reasonable attorneys' fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owners shall also be required to pay to the Association any assessments against the Condominium Unit which shall become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the same as the Owner thereof.

A release of notice of lien shall be executed by the Association and appropriately recorded, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of lien.

Any encumbrancer holding a lien on a Condominium Unit may pay, but shall not be required to pay, any amounts secured by the lien created by this Section, and upon such payment such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including priority.

11.09: PERSONAL OBLIGATION OF OWNER: The amount of any annual or special assessment against any Condominium Unit shall be the personal obligation of the Owner thereof to the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish any personal obligation by waiver of the use and enjoyment of any of the Common Elements or by abandonment of his Condominium Unit.

11.10: EFFECT OF CONVEYANCE: In any conveyance, except to a mortgagee as hereinafter set forth, the grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee.

11.11: CERTIFICATE OF INDEBTEDNESS: The Association shall, upon written request of any Unit Owner or any encumbrancer or prospective encumbrancer of a Unit, upon payment of a reasonable fee not to exceed Ten Dollars (\$10.00), issue to the person or persons requesting, a written statement setting forth the unpaid assessments with respect to the Unit covered by the request, which statement shall be conclusive upon the remaining Unit Owners and Board of Directors in favor of all persons who rely thereon in good faith.

11.12: TENANT RECOVERY: If a Unit Owner shall at any time let or sublet his Unit and default for a period of two (2) quarters or more in the payment of any assessments, the Association may, at its option, so long as such default shall continue, demand and receive from such tenant or subtenant or property manager the rent due or becoming due under such tenancy. The payment of such sum shall, to the extent of such payment, discharge such tenant or subtenant's or property manager's rental obligation to the Unit Owner and shall, to the extent of such payment, discharge said Unit Owner's obligation for unpaid assessment(s) and costs to the Association.

11.13: STATEMENT OF ACCOUNT: Upon payment of a reasonable fee and upon written request of any Owner or any Mortgagee, prospective Mortgagee or prospective purchaser of a Condominium Unit, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such Condominium Unit; the amount of the current yearly assessment and the date that such assessment becomes or became due; credit for advanced payments or prepaid items, including, but not limited to, an Owner's share of prepaid insurance premiums; and such statement shall be conclusive upon the Association in favor of persons who rely thereon in good faith.

11.14: PERSONAL LIABILITY OF PURCHASER FOR ASSESSMENTS: A purchaser of a Unit shall be jointly and severally liable with the seller for all unpaid assessments against the Unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amounts paid by the purchaser for such assessments.

11.15: ASSESSMENTS FOR MASTER DECLARATION: In the event the Real Property, the Project or the Building are now or in the future included in any area covered by a Master Declaration or other common plan for the administration and maintenance of the Real Property and adjacent property, or are included in any agreement establishing a Service Company, the assessments proposed under this Declaration shall be in addition to and not in lieu of any assessments under such Master Declaration or Service Company agreement.

**ARTICLE XII
TAXES**

12.01: AD VALOREM TAXATION: Each Condominium Unit shall be assessed separately for all taxes, assessments and other charges of the State of Utah or any political subdivision or of any special improvement district or of any other taxing or assessing authority. For the purpose of such assessment, the valuation of the Common Elements shall be apportioned among the Units in proportion to the fractional interests in Common Elements appurtenant to such Units, to the maximum extent permitted by law. The Association shall furnish to the assessor all necessary information with respect to such apportionment. No forfeiture or sale of any Condominium Unit for delinquent taxes, assessments or other governmental charges shall divest or in any way affect the title to any other Condominium Unit.

**ARTICLE XIII
DESTRUCTION OR DAMAGE**

13.01: REPAIR; REBUILD; INSURANCE: In the event of destruction or damage of part or all of the improvements in the Project, the provisions of this Article shall apply:

(a) If proceeds of the insurance maintained by the Association are alone sufficient to repair or reconstruct the damaged or destroyed improvement, such repair or reconstruction shall be promptly carried out.

(b) If less than 75% of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance maintained by the Association are not alone sufficient to accomplish repair or reconstruction, restoration shall be carried out and all of the Unit Owners shall be subject to a special assessment for any deficiency.

(c) If 75% or more of the Project's improvements are destroyed or substantially damaged, and if proceeds of the insurance are not alone sufficient to accomplish restoration, and if the Unit Owners within 100 days after the destruction or damage by a vote of a 75% majority of the affected Unit Owners elect to repair or reconstruct the affected improvements, restoration shall be accomplished in the manner directed under subsection (b) above.

(d) If 75% or more of the Project's improvements are destroyed or substantially damaged, if proceeds of the insurance are insufficient to accomplish restoration, and if the Unit Owners do not, within 100 days after the destruction or damage and by a vote of a 75% majority-in-interest of the Unit Owners, elect to repair or reconstruct the affected improvements, the Association shall promptly record with the Salt Lake County Recorder a notice setting forth such facts. Upon the recording of such notice the provisions of subsections (1) through (4) of Section 57-8-31, of the Act shall

apply and shall govern the rights of all parties having an interest in the Project or any of the Units.

(e) Any reconstruction or repair which is required to be carried out by this Article shall be accomplished at the instance and direction of the Association. Any determination which is required to be made by this Article regarding the extent of damage to or destruction of the Project shall be made as follows: The Association shall select three appraisers; each appraiser shall independently estimate the percentage of Project improvements which have been destroyed or substantially damaged; the percentage which governs the application of the provisions of this subparagraph shall be the median of three estimates.

(f) The term "reconstruction, as used in this Article, shall mean restoring the damaged building to substantially the same condition in which it existed prior to the fire or other disaster, with each Unit and the Common Elements having the same vertical and horizontal boundaries as before.

(g) The Association or its authorized agent shall notify all of the holders of first Mortgages on Condominiums whenever damage to the Common Elements exceeds \$10,000.00. The Association shall also notify the individual holder(s) of a first Mortgage on a Condominium whenever damage to that Condominium exceeds \$3,000.00.

ARTICLE XIV INSURANCE

14.01: TYPES OF INSURANCE: The Association shall obtain and shall maintain and keep in full force and effect at all times, to the extent reasonably available, the following insurance coverage provided by companies duly authorized to do business in Utah. The provisions of this Article shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage, in addition to any insurance coverage required hereunder, in such amounts and in such forms as the Association may deem appropriate from time to time.

(a) Casualty Insurance. The Association shall obtain broad form casualty insurance on the Project in such amounts as shall provide for full replacement thereof (exclusive of items normally excluded from property policies) in the event of damage or destruction from the casualty against which such insurance is obtained, all in the manner in which a corporation owning similar multiple family residential buildings in the vicinity of the Project would, in the exercise of prudent business judgment, obtain such insurance. Such insurance shall include fire and extended coverage, vandalism and malicious mischief, war risk insurance if available and if deemed appropriate by the Association, and such other risks and hazards against which the Association shall deem it appropriate to provide insurance protection. The Association may comply with the

above requirements by the purchase of a blanket coverage and may elect such "deductible" provisions as in the Association's opinion are consistent with good business practice.

(b) Public Liability and Property Damage. The Association shall purchase broad form comprehensive general liability (including libel, slander, false arrest and invasion of privacy) coverage in such amounts and in such forms as it deems available to provide adequate protection. Coverage shall extend to the Association, each member of its Board of Directors, each of its officers and employees, and each Owner, against any liabilities to the public or to Owners or their guests, invitees, tenants, agents, and employees, arising out of or incidental to the ownership or use of any of the Common Elements.

(c) Workmen's Compensation and Employer's Liability Insurance. The Association shall purchase workmen's compensation and employer's liability insurance and all other similar insurance in respect to any employees of the Association in the amounts and in the forms now or hereafter required by law.

(d) Fidelity Insurance. The Association may purchase, in such amounts and in such forms as it shall deem appropriate, coverage against dishonesty of employees, destruction or disappearance of money or securities, and forgery.

(e) Other. The Association may obtain insurance against such other risk, of a similar or dissimilar nature, as it shall deem appropriate with respect to the Project, including any personal property of the Association located thereon.

14.02: FORM: Casualty insurance shall be carried in a form or forms naming the Association the insured, as trustee for the Owners and for Declarant, whether or not it is an Owner, which policy or policies shall specify the interest of each Condominium Unit Owner (Owner's name, Unit number, the appurtenant undivided interest in the Common Elements), and which policy or policies shall provide a standard, noncontributory mortgagee clause in favor of each first Mortgagee which from time to time shall give notice to the Association of such first Mortgage. Each policy also shall provide that it cannot be canceled by either the insured or the insurance company until after not less than ten days' prior written notice is first given to each Owner, to Declarant and to each first Mortgagee. The Association shall furnish to each Owner a true copy of such policy together with a certificate identifying the interest of the Owner. All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Owner guilty of breach of warranty, act, omission, negligence or non-compliance with any provisions of such policy, including payment of the insurance premium applicable to that Owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy. All policies of insurance shall provide further that the insurance under any such policy, as to the interest of all other insured Owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

Public liability and property damage insurance shall name the Association the insured, as trustee for the Owners and for Declarant, whether or not it is an Owner, and shall protect each Owner and Declarant against liability for acts of the Association in connection with the ownership, operation, maintenance or other use of the Project.

14.03: INSURANCE PROCEEDS: The Association shall receive the proceeds of any casualty insurance payment received under policies obtained and maintained pursuant to this Article. To the extent that reconstruction is required herein, the proceeds shall be used for such purpose. To the extent that reconstruction is not required herein and there is a determination that the Project shall not be rebuilt, the proceeds shall be distributed in the same manner herein provided in the event of sale of obsolete Units.

14.04: OWNER'S OWN INSURANCE: Notwithstanding the provisions hereof, each Owner may obtain insurance at his own expense providing coverage upon his Condominium Unit, his personal property, including but not limited to any personal property of Owner in the Limited Common Elements for his personal liability, and covering such other risks as he may deem appropriate, but each such policy shall provide that it does not diminish the insurance carrier's coverage for liability arising under insurance policies which the Association obtains pursuant to this Article. All such insurance of the Owner's Condominium Unit shall waive the insurance company's right of subrogation against the Association, the other Owners, and the servants, agents, guests of any of them, if such insurance can be obtained in the normal practice without additional premium charge for the waiver or rights of subrogation.

14.05: DIRECTORS AND OFFICERS LIABILITY: The Association may obtain and continue in effect, insurance for the protection of the Directors and Officers of the Association from personal liability in the management of the Association's affairs.

ARTICLE XV MORTGAGEE PROTECTION

15.01: OWNER DEFAULT: From and after the time a Mortgagee makes a written request to the Association, the Association shall notify such Mortgagee in writing in the event that the Owner of the Condominium encumbered by the mortgage held by such Mortgagee neglects for a period of thirty (30) or more days to cure any failure on their part in the performance of any of their obligations.

15.02: PRIORITY OF MORTGAGE: The lien against a Unit for unpaid assessments or charges by the Association pursuant to this Declaration or the Act shall be subordinate to the first lien Mortgage encumbering such Unit at the time such assessment is levied. A Mortgagee or other party who comes into possession of the Unit pursuant to a foreclosure under its first lien Mortgage, pursuant to an exercise of the power of sale under such Mortgage or a deed or assignment in lieu of foreclosure shall take the same free of such lien or claim for unpaid assessments or charges, but only to the extent of assessments or charges which

accrue subsequent to the recordation of such Mortgage and prior to the acquisition of title to such Unit pursuant to such Mortgage foreclosure, exercise of a power of sale available thereunder, or deed or assignment in lieu of foreclosure (except for claims for a pro rata share of such prior assessments or charges resulting from a pro rata reallocation thereof to the Unit including the Unit in which the Mortgagee or other party is so interested). No assessment, charge, lien or claim which is described in the preceding sentence as being subordinate to said Mortgage or as not a burden to a Mortgagee coming into possession pursuant to said Mortgage or a deed or assignment in lieu of foreclosure shall be collected or enforced by the Association from or against a Mortgagee, a successor in title to a Mortgagee, or the Unit affected or previously affected by the Mortgage concerned (to the extent any such collection or enforcement would prejudice the interests of the Mortgagee or successor in title to the Mortgagee interested in such Unit).

15.03: MORTGAGEE APPROVAL: Unless all of the Mortgagees who possess first lien Mortgages on the individual Units have given their prior written approval, the Association shall not be entitled, by act, omission, or otherwise:

(a) To abandon or terminate the Project or to abandon or terminate the arrangement which is established by this Declaration and the Map (except as provided in Article XIII hereof in the event of certain destruction or damage);

(b) To abandon, partition, subdivide, encumber, sell or transfer all or any portion of the Common Elements and (except for the granting of easements for facilities and similar purposes consistent with the intended use of the Common Elements and except as elsewhere provided in Article XIII hereof in the event of certain destruction or damage);

(c) To use hazard insurance proceeds resulting from damage to any part of the Project (whether to Units or to the Common Elements) for purposes other than the repair, replacement or reconstruction of such improvements, except as provided in Article XIII in the event of certain destruction or damage; or

(d) To fail to maintain the insurance coverage described therein.

15.04: LIMITED MORTGAGEE APPROVAL: Unless those Mortgagees who possess first lien Mortgages on the specific, affected Units have given their prior written approval, the Association shall not be entitled, by act, omission, or otherwise:

(a) To partition or subdivide any Unit; or

(b) To change the pro rata interests or obligations of any Unit which apply for (1) purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards and for (2) determining the pro rata share of ownership of each Unit in the Common Elements.

15.05: BOOKS AND RECORDS: Any Mortgagee under a first lien Mortgage encumbering a Unit shall have the right, at its request and expense and upon reasonable notice, to examine the books and records of the Association, or of the Project. From and after the time such Mortgagee makes such written request, the Association shall furnish to such Mortgagee copies of annual operating reports and other reports or writings summarizing or reflecting the financial position or history of the Project as may be prepared for distribution to the Unit Owners.

15.06: NOTICE: From and after the time a Mortgagee under a first lien Mortgage encumbering a Unit makes written request to the Association, the Association shall notify such Mortgagee in writing in the event that there occurs any damage or loss to, or taking or anticipated condemnation of: (a) The Unit encumbered by such mortgage; (b) The Common Elements involving an amount in excess of, or reasonably estimated to be in excess of, Ten Thousand Dollars (\$10,000.00); or (b) any other Unit involving an amount in excess of, or reasonably estimated to be in excess of, Ten Thousand (\$10,000.00). Said notice shall be given within ten (10) days after the Association learns of such damage, loss, taking or anticipated condemnation.

15.07: INTERPRETATION: In the event another provision or condition of this Declaration deals with the same subject matter as is dealt with in any provision or condition of this Article, the provision or condition which results in the greatest protection and security for a Mortgagee shall control the rights, obligations, or limits of authority as the case may be, applicable to the Board of Directors, the Management Committee and the Association with respect to the subject concerned.

15.08: AMENDMENT: No amendment to the Declaration which affects the rights, protection or security afforded to Mortgagees shall be accomplished or effected as to Mortgagees holding Mortgages of record prior to such amendment, unless and until said Mortgagees have given their prior written approval to such amendment.

ARTICLE XVI EMINENT DOMAIN

16.01: In the event that eminent domain proceedings are commenced against the Project or any portion thereof, the provisions of Section 57-8-32.5, of the Act shall apply. The Association shall give written notice of such proceedings to all Mortgagees holding first lien Mortgages on Condominiums. No first lien priority of any Mortgagee shall be diminished or otherwise disturbed by virtue of such proceedings. Notwithstanding anything herein to the contrary, those proceeds payable to a Unit Owner because of an eminent domain proceeding relating to all or a portion of the Condominium Project or said Unit Owner's Condominium Unit shall first be applied to the interest of any Mortgagee as required under the mortgage instruments applicable to the Condominium Unit of such Unit Owner.

ARTICLE XVII MAINTENANCE

17.01: OWNER'S RESPONSIBILITY: For purposes of maintenance, repair, alteration and remodeling, an Owner shall be deemed to own the interior non-supporting walls, the materials (such as, but not limited to, plaster, gypsum drywall, paneling, wallpaper, paint, wall and floor tile and flooring) making up the finished surfaces of the perimeter walls, ceilings, and floors within the Unit, including any non-exterior Unit doors and nonexterior windows. The Owner shall not be deemed to own lines, pipes, wires, conduits, or systems (which for brevity are herein and hereafter referred to as utilities) which serve one or more other Units except as tenant in common with the other Owners. Such utilities shall not be disturbed or relocated by an Owner without the written consent and approval of the Association. Such right to repair, alter and remodel is coupled with the obligation to replace any finished or other materials removed with similar or other types or kinds of materials. An Owner shall maintain and keep in repair the interior of his Unit, including the fixtures thereof. All fixtures and equipment installed within the Unit commencing at a point where the utilities enter the Unit shall be maintained and kept in repair by the Owner thereof. An Owner shall do no act nor any work that will or may impair the structural soundness or integrity of the Building, impair any easement or hereditament, nor violate any laws, ordinances, regulations and codes of the United States of America, the State of Utah, the County of Salt Lake, or any other agency or entity which may then have jurisdiction over said Unit; without the written consent of the Association after first proving to the satisfaction of the Association that compliance with this section's requirements will be maintained during and after any such act or work shall be done or performed. Any expense to the Association for investigation under this Article shall be borne by the relevant Owner. However, nothing herein contained shall be construed to permit structural modification and any decision relating thereto shall be in the absolute discretion of the Board of Directors, including, but not limited to the engaging of a structural engineer at the Owner's expense for the purpose of obtaining his opinion. An Owner shall also keep the Limited Common Elements appurtenant to his Unit in a well-repaired, maintained, clean and sanitary condition; and free and clear of snow, ice, dirt, debris, and any accumulation of water, at his own expense. An Owner shall be obligated to reimburse the Association promptly upon receipt of its statement of any expenditures incurred by it in repairing or replacing any Unit elements or Limited Common Element for which the Owner is responsible, or for the repairs of another's Unit or any General Common Element damaged by any act or failure to act of the Unit Owner, his tenants, guests, invitees or agents.

17.02: ASSOCIATION'S RESPONSIBILITY: The Association shall have the duty of maintaining and repairing all of the General Common Elements within the Project and the cost of said maintenance and repair shall be a Common Expense of all of the Owners. The Association shall not need the prior approval of its members to cause such maintenance or repairs to be accomplished, notwithstanding the cost thereof; subject, however, to Article XIII hereof.

The Association shall, on its own or through its Manager, provide to the Owners the following services which shall be paid for out of the Common Expense Assessment, to-wit:

- (1) maintaining the General Common Elements, including without limitation the parking areas (and including the specifically designated parking spaces which are otherwise Limited Common Elements), the landscaping, and sidewalks;
- (2) administering and managing the Condominium Project;
- (3) providing common utilities;
- (4) setting aside reserves for future maintenance, repairs and replacements;
- (5) providing site maintenance, including snow and trash removal;
- (6) providing fire, life and safety monitoring;
- (7) obtaining the insurance required in Article XIV hereof;
- (8) acting as attorney-in-fact in the event of damage or destruction as provided for in Article XIII hereof; and
- (9) performing all other acts required by this Declaration, or the Articles of Incorporation and By-Laws of the Association.

The Association reserves the right to hire one or more persons or entities including a manager, contractors, and employees to perform such services; provided, however, that any such hiring shall be subject to the provisions set forth herein.

ARTICLE XVIII ADMINISTRATIVE RULES AND REGULATIONS

The Association, by its Board of Directors, shall have the power to adopt and establish by resolution, such Project management and operational rules as it may deem necessary and proper for the maintenance, operation, management and control of the Project. The Association may, from time to time by resolution, alter, amend and repeal such rules. Unit Owners shall at all times obey such rules and see that they are faithfully observed by their respective tenants, subtenants and any other occupant or user of their Unit.

**ARTICLE XIX
OBLIGATION TO COMPLY HEREWITH**

Each Unit Owner, tenant, subtenant or other occupant or user of a Unit shall comply strictly with the provisions of the Act, this Declaration, the By-Laws of the Association from time to time in effect, the rules and regulations promulgated by the Association or its Board of Directors from time to time and all agreements and determinations lawfully made and (or) entered into by the Association. Any failure to comply with the foregoing shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Association in its own name and/or on behalf of the Unit Owners, or in a proper case, by an aggrieved Unit Owner.

**ARTICLE XX
INDEMNIFICATION OF DIRECTORS AND OFFICERS**

Each member of the Board of Directors and all officers and agents of the Association shall be indemnified and held harmless by the Association against all costs, expenses and liabilities whatsoever, including, without limitation, attorneys' fees, reasonably incurred by him in connection with any proceeding in which he may become involved by reason of his being or having been such Director or officer, all to the maximum extent permitted by law; provided, however, the foregoing indemnification shall not apply if the loss, expense or liability involved resulted from the willful misconduct of such individual.

**ARTICLE XXI
AMENDMENT**

Subject only to the restrictions on amendment elsewhere contained herein, this Declaration and (or) the Map may be amended upon the affirmative vote or approval and consent of a two-thirds (2/3) majority of the Unit Owners. Any amendment so authorized shall be accomplished by recordation of an instrument executed by the appropriate officers at the Association. In said instrument the Committee shall certify that the vote or consent required by this Article XXI has occurred. In addition to the amendment procedure set forth above, for a period of one year after the date of recording of this Declaration, Declarant may make and record such minor amendments as it deems necessary to clarify or amend this Declaration, without the necessity of any vote or approval by any party other than Declarant, provided that such right of amendment in Declarant shall not be exercised in any manner which would adversely affect the substantive right of any Unit Owner or Mortgagee.

**ARTICLE XXII
PERSON TO RECEIVE SERVICE OF PROCESS**

The initial person to receive service of process in the cases provided herein or in the Act is Alexander R. Miller whose address is c/o SRV Development, LLC, 4485 South 2700 East, Salt Lake City, Utah 84123. Said person may be changed by the filing by the Association with the State of Utah of an appropriate instrument.

**ARTICLE XXIII
MARKETING BY DECLARANT**

Until such time as the Declarant ceases to be a Unit Owner or the expiration of four (4) years after the date on which this Declaration is filed for record in the office of the County Recorder of Salt Lake County, Utah, whichever first occurs (hereinafter referred to as the "Occurrence"), Declarant, or its designee, successors or assigns shall have the following rights in furtherance of any sales, promotional, or other activities designed to accomplish or facilitate the sale of Units owned by Declarant.

(a) Declarant shall have the right to maintain a model Unit on or about the Project.

(b) Declarant shall have the right to maintain a reasonable number of promotional, advertising, and (or) directional signs, banners or similar devices at any place or places on or about the Project, but any such device shall be of a size and in a location as is reasonable and customary.

**ARTICLE XXIV
(Intentionally Omitted)**

**ARTICLE XXV
SEPARABILITY**

The invalidity of any one or more phrases, sentences, subparagraphs, paragraphs, sections or articles hereof shall not affect the remaining portions of this instrument nor any part thereof, and in the event that any portion or portions of this instrument should be invalid or should operate to render this instrument invalid, this instrument shall be construed as if such invalid phrase or phrases, sentence or sentences, subparagraph or subparagraphs, paragraph or paragraphs, section or sections, or article or articles had not been inserted.

**ARTICLE XXVI
DECLARANT'S RIGHTS ASSIGNABLE**

All of the rights of Declarant under this Declaration may be assigned or transferred either by operation of law or through a recorded voluntary conveyance, transfer or assignment. Any Mortgage covering Condominiums in which title is vested in the Declarant, shall, at any given point in time and whether or not such Mortgage does so by its provisions, automatically cover, encumber, and include all of the then unexercised or then unused rights, powers, authority, privileges, protections and controls which are accorded to Declarant thereunder.

**ARTICLE XXVII
WAIVERS**

No provision contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.

**ARTICLE XXVIII
TOPICAL HEADINGS**


The topical headings contained in this Declaration are for convenience only and do not define, limit or construe the contents of the Declaration.

**ARTICLE XXIX
EFFECTIVE DATE**

This Declaration shall take effect upon recordation.

IN WITNESS WHEREOF, the undersigned has caused this Declaration to be executed on its behalf this 20th day of April, 1998.

SRV DEVELOPMENT, LLC, a Utah
limited liability company

By: 
Alexander R. Miller
Its: Manager

STATE OF UTAH

)
: ss.
)

COUNTY OF SALT LAKE

On the 20TH day of April, 1998, the foregoing was acknowledged before me by Alexander R. Miller, in his capacity as manager of SRV Development, LLC, a Utah limited liability company.

Linda K. Hansen
Notary Public

My Commission Expires:

11/22/99

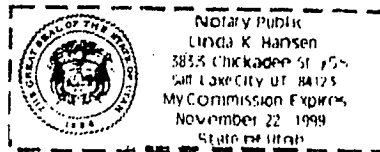


Exhibit "A"

BEGINNING at a point North 04°57'39" East, 670.59 feet from the Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960), said point also being North 89°57'00" West, 1308.94 feet and South 23°47'49" West, 178.786 feet and South 29°21'25" West, 614.151 feet and South 48°05'02" East, 1499.701 feet and North 04°57'39" East, 670.59 feet from the Northeast corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence

South 86°48'42" West 150.55 feet; thence
South 15°30'30" West 34.10 feet; thence
South 00°39'56" East 13.50 feet; thence
South 07°23'28" West 36.86 feet; thence
South 00°39'56" East 33.00 feet; thence
North 89°20'04" East 159.04 feet to the approximate South edge of State Highway 152; thence
Along the approximate South edge of Highway 152 North 02°09'18" East 122.52 feet more or less to the point of beginning.

RESERVING UNTO THE GRANTOR THE FOLLOWING DESCRIBED EASEMENT:

A strip of land 20 feet wide, the boundaries of which are parallel to and 10 feet distant at right angles on each side of the following described center line:

Beginning at a point North 01°19'54" West, 545.02 feet from the above described Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960), said point being on the arc of a 300.00 foot radius curve to the left and running thence Northerly

Along the arc of said curve 4.51 feet (chord bears North 4°20'8" West, 4.51 feet); thence
North 5°12'51" West, 114.64 feet more or less.

* * *

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BK7688PG12

Exhibit "C"
To the Condominium Declaration
for The Crossings at Solitude, Phase I

percentage of ownership

	<u>Approximate Square Footage</u>	<u>Share of Ownership of Common Areas and Facilities</u>
Unit 101	2174.4 square feet	.333
Unit 201	2195.9 square feet	.336
Unit 301	<u>2160.5 square feet</u>	<u>.331</u>
Total	6530.8	1.000

DK795162966

DU 707 1 00000

Exhibit "C"
To the Condominium Declaration
for The Crossings at Solitude, Phase I

percentage of ownership

	<u>Approximate Square Footage</u>	<u>Share of Ownership of Common Areas and Facilities</u>
Unit 101	2174.4 square feet	.333
Unit 201	2195.9 square feet	.336
Unit 301	<u>2160.5 square feet</u>	<u>.331</u>
Total	6530.8	1.000

BK7951F82966

EXHIBIT "D "
To the Condominium Declaration
for The Crossings at Solitude, Phase I

EXPANSION PARCEL

Building Lot Site 2

Beginning at a point North 00°45'02" East, 813.26 feet from the Southeast corner (No. 4) of Giles Flat Mine Claim (survey No. 4960), said point also being North 89°57'00" West, 1308.94 feet and South 23°47'49" West, 178.786 feet and South 29°21'25" West, 614.151 feet and South 48°05'02" East, 1499.701 feet and North 00°45'02" East, 813.26 feet from the Northeast Corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence South 79°40'29" West 144.81 feet; thence South 04°22'15" East 36.45 feet; thence South 04°15'53" East 27.97 feet; thence South 13°08'21" East 28.33 feet; thence South 10°53'09" East 35.02 feet; thence South 86°31'14" East 21.61 feet; thence North 86°48'42" East 150.55 feet to a point on the arc of a 427.95 foot radius curve to the left, said arc being approximate south edge of State Highway 152; thence Northerly along the arc of said curve 92.73 feet (chord bears North 03°59'07" West, 92.55 feet) to a point on the northeasterly line of Giles Flat mining claim survey No. 4960; thence North 48°07'27" West 48.08 feet along said northeasterly line to a point on the southerly right-of-way line of Utah State Highway No. 152 as determined from right-of-way deed F.H.E.C. 28 A1, C-14, said point being on the arc of a 522.96 foot radius curve to the left; thence Northerly along the arc of said right-of-way curve 21.31 feet (chord bears North 13°51'11" West, 21.31 feet) more or less to the POINT OF BEGINNING.

Area: 23,885 sq. ft. 0.55 acres

Said parcel includes the following two utility easements:

Easement 1: A strip of land 20 feet wide, the boundaries of which are parallel to and 10 feet distant at right angles on each side of the following described center line: Beginning at a point North 02°01'19" West 663.96 feet from the above described Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960) and running thence North 05°12'51" West 76.20 feet to a point on the arc of a 580.00 foot radius curve to the left; thence Northerly along the arc of said (580.00 foot radius) curve 65.27 feet more or less (chord bears North 08°56'28" West, 65.23 feet).

Easement 2: A strip of land 20 feet wide, the boundaries of which are parallel to and 10 feet distant at right angles on each side of the following described center line: Beginning at a point North 09°30'19" West, 798.19 feet from the above described Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960) and running thence North 79°40'29" East, 134.81 feet; thence South 13°51'16" East, 25.04 feet; thence South 48°07'27" East, 63.48 feet more or less.

EX7951F82967

Building Lot Site 3

Beginning at a point North $01^{\circ}51'13''$ West, 917.91 feet from the Southeast corner (No. 4) of Giles Flat Mine Claim (survey No. 4960), said point also being North $89^{\circ}57'00''$ West, 1308.94 feet and South $23^{\circ}47'49''$ West, 178.786 feet and South $29^{\circ}21'25''$ West, 614.151 feet and South $48^{\circ}05'02''$ East, 1499.701 feet and North $01^{\circ}51'13''$ West, 917.91 feet from the Northeast Corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence South $79^{\circ}51'26''$ West 109.04 feet; thence South $12^{\circ}28'14''$ West 47.12 feet; thence South $10^{\circ}08'34''$ East 28.00 feet; thence South $15^{\circ}36'36''$ East 38.86 feet; thence North $79^{\circ}40'29''$ East 144.81 feet to a point on the southerly right-of-way line of Utah State Highway No. 152 as determined from right-of-way deed F.H.E.C. 28 A1, C-14, said point being on the arc of a 522.96 foot radius curve to the left; thence Northerly along the arc of said right-of-way curve 112.00 feet (chord bears North $21^{\circ}09'21''$ West, 111.78 feet) more or less to the POINT OF BEGINNING.

Area: 14,917 sq. ft. 0.34 acres

Said parcel includes the following two utility easements:

Easement 1: A strip of land 20 feet wide, the boundaries of which are parallel to and 10 feet distant at right angles on each side of the following described center line: Beginning at a point North $02^{\circ}53'00''$ West, 804.89 feet from the above described Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960), said point being on the arc of a 580.00 foot radius curve to the left and running thence Northerly along the arc of said curve 111.01 feet more or less (chord bears North $17^{\circ}38'52''$ West, 110.84 feet).

Easement 2: A strip of land 20 feet wide, the boundaries of which are parallel to and 10 feet distant at right angles on each side of the following described center line: Beginning at a point North $00^{\circ}45'02''$ East, 813.26 feet from the above described Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960) and running thence South $79^{\circ}40'29''$ West, 144.81 feet more or less.

BK7951FS2968

7594840

WHEN RECORDED MAIL TO:

SRV Development, LLC
Attention: Alexander R. Miller
4485 South 2700 East
Salt Lake City, Utah 84123

7594840
03/14/2000 11:03 AM 27.00
NANCY WORKMAN
RECORDER, SALT LAKE COUNTY, UTAH
SRV DEVELOPMENT LLC
ALEXANDER MILLER
4485 S 2700 E
SLC UT 84123
BY: RDJ, DEPUTY - WI 6 P.

**AMENDMENT TO CONDOMINIUM DECLARATION
FOR THE CROSSINGS AT SOLITUDE CONDOMINIUMS**

This Amendment to Condominium Declaration is made and entered into this 7th day of March, 2000, by SRV Development, LLC, a Utah limited liability company.

RECITALS

A. Declarant recorded a Condominium Declaration on April 21, 1998, as Entry No. 6935949 in the Official Records of the Salt Lake County, Utah Recorder's Office (the "Declaration") relating to The Crossings at Solitude Phase I Condominiums (the "Project"). A Record of Survey Map for the Project was concurrently filed with the Declaration. Except as indicated herein, all capitalized terms have the same meaning as set forth in the Declaration.

B. Pursuant to Article V of the Declaration, the Project is an expandable Project to be constructed in up to three phases in accordance with the Utah Condominium Ownership Act, Utah Code Ann. 57-8-1 *et seq.* (the "Act").

C. Declarant has now substantially completed the construction of Phase II of the Project, consisting of four (4) additional Units on part of the real property designated as Additional Land in the Declaration, and more particularly described on Exhibit "A" hereto (the "Phase II Land"). Such Units were constructed substantially in accordance with the plans and drawings set forth on the Survey Map filed concurrently herewith (a reduced copy of which is attached hereto as Exhibit "B" and incorporated herein).

D. Declarant is executing this Amendment in accordance with the terms of Section 5.13 of the Declaration, and the provisions of the Act.

NOW THEREFORE, Declarant does hereby amend and clarify the Declaration as follows:

1. Expansion of the Project. Declarant hereby confirms that an expansion of the Project has occurred. The Phase II Land, as described in Exhibit "A" attached hereto and incorporated herein, is hereby added to the Project and shall be known as "The Crossings at Solitude Phase II." The Project shall be collectively known as "The Crossings at Solitude Condominiums."

2. Designation of Additional Units. Units 401, 501, 601 and 701 are shown on the Survey Map filed concurrently herewith and are hereby designated as such.

BK8348PG1606

3. Allocation of Percentage Interest. All Units within Phase I and Phase II of the Project shall have the Percentage Interests as shown on Exhibit "C" attached hereto.

4. Effective Date. This Amendment to Declaration, and the Record of Survey Map relative to Phase II shall take effect upon their being filed for record in the office of the County Recorder of Salt Lake County, Utah.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Amendment to Declaration this 7th day of March, 2000.

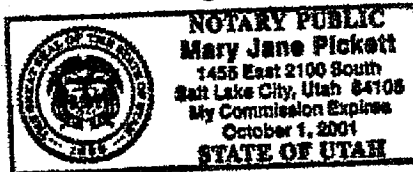
SRV Development, LLC, a Utah limited liability company

By Alexander R. Miller
Alexander R. Miller
Its: Manager

STATE OF UTAH)

: ss.

COUNTY OF SALT LAKE)



On the 7 day of March, 2000, the foregoing was acknowledged before me by Alexander R. Miller, in his capacity as Manager of SRV Development, LLC, a Utah limited liability company.

Mary Jane Pickett
Notary Public
Residing at Salt Lake County, Utah

My Commission Expires:

10-1-01

518315v1/ibr

EXHIBIT A

The surface rights only in and to the following described Parcel, of land:

Beginning at a point North $00^{\circ}45'02''$ East 813.26 feet from the Southeast corner (No. 4) of Giles Flat Mine Claim (survey No. 4960), said point also being North $89^{\circ}57'00''$ West 1308.94 feet and South $23^{\circ}47'49''$ West 178.786 feet and South $29^{\circ}21'25''$ West 614.151 feet and South $48^{\circ}05'02''$ East 1499.701 feet and North $00^{\circ}45'02''$ East 813.26 feet from the Northeast Corner of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian and running thence
South $79^{\circ}40'29''$ West 144.81 feet; thence
South $04^{\circ}22'15''$ East 36.45 feet; thence
South $04^{\circ}15'53''$ East 27.97 feet; thence
South $13^{\circ}08'21''$, East 28.33 feet; thence
South $10^{\circ}53'09''$ East 35.02 feet; thence
South $86^{\circ}31'14''$ East 21.61 feet; thence
North $86^{\circ}48'42''$ East 150.55 feet to a point on the arc of a 427.95 foot radius curve to the left, said arc being the approximate South edge of pavement of State Highway 152; thence Northerly along the arc of said curve 92.73 feet (chord bears North $03^{\circ}59'07''$ West 92.55 feet) to a point on the Northeasterly line of the Giles Flat mining claim survey No. 4960; thence North $48^{\circ}07'27''$ West 48.08 feet along said Northeasterly line to a point on the Southerly right-of-way line of Utah State Highway No. 152 as determined from right-of-way deed F.H.E.C. 28 AL, C-14, said point being on the arc of 522.96 foot radius curve to the left; thence Northerly along the arc of said right-of-way curve 21.31 feet (chord bears North $13^{\circ}51'11''$ West 21.31 feet) more or less to the point of beginning. Subject to the following two utility easements:

1. A strip of land 20 feet wide, the boundaries of which are parallel to and 10 feet distant at right angles on each side of the following described center line:
Beginning at a point North $02^{\circ}01'19''$ West 663.96 feet from the above described Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960) and running thence North $05^{\circ}12'51''$ West 76.20 feet to a point on the arc of a 580.00 foot radius curve to the left; thence Northerly along the arc of said 580.00 foot radius curve 65.27 feet more or less (chord bears North $08^{\circ}56'28''$ West 65.23 feet) to the center line of an existing private road and the terminus of this easement.
2. A strip of land 20 feet wide, the boundaries of which are parallel to and 10 feet distant at right angles on each side of the following described center line:
Beginning at a point North $09^{\circ}30'19''$ West 798.19 feet from the above described Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960) and running thence North $79^{\circ}40'29''$ East 134.81 feet; thence South $13^{\circ}51'16''$ East 25.04 feet; thence South $48^{\circ}07'27''$ East 63.48 feet more or less to the property line.

Together with the following utility easement:

A strip of land 20 feet wide, the boundaries of which are parallel to and 10 feet distant at right angles on each side of the following described center line:

BK8348PG1608

Beginning at a point North $02^{\circ}53'00''$ West 804.89 feet from the above described Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960) said point being on the arc of a 580.00 foot radius curve to the left and running thence Northerly along the arc of said curve 111.01 feet more or less (chord bears North $17^{\circ}38'52''$ West 110.84 feet) to the terminus of this easement.

The Crossings at Solitude Phase II Land Description

EXHIBIT B

The Crossings at Solitude Survey Map – Phase II

DK8348PG1610

EXHIBIT C

The Crossings at Solitude

Phase I Unit	Approximate Square Footage	Percentage Interest
101	2174.4	.129
201	2195.9	.130
301	2160.5	.128

Phase II Unit	Approximate Square Footage	Percentage Interest
401	2587.6	.155
501	2555.7	.153
601	2515.3	.151
701	2580.8	.154

1.000 Phase I and II

BK8348PG1611

7915318

WHEN RECORDED MAIL TO:

SRV Development, LLC
Attention: Alexander R. Miller
4485 South 2700 East
Salt Lake City, Utah 84123

7915318
06/06/2001 11:25 AM 25.00
Book - 8465 Pg - 6309-6315
GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
SRV DEVELOPMENT LLC
ATTN: ALEXANDER R MILLER
485 S 2700 E
SLC UT 84123
BY: ZJM, DEPUTY - WI 7 P.

**SECOND AMENDMENT TO CONDOMINIUM DECLARATION
FOR THE CROSSINGS AT SOLITUDE CONDOMINIUMS**

This Second Amendment to Condominium Declaration is made and entered into this 1st day of June, 2001, by SRV Development, LLC, a Utah limited liability company.

RECITALS

A. Declarant recorded a Condominium Declaration on April 21, 1998, as Entry No. 6935949 in Book 7951 at Page 2933, *et seq.* in the Official Records of the Salt Lake County, Utah Recorder's Office (the "Declaration") relating to The Crossings at Solitude Phase I Condominiums (the "Project"). A Record of Survey Map for the Project was concurrently filed with the Declaration. Except as indicated herein, all capitalized terms have the same meaning as set forth in the Declaration.

B. An Amendment to Condominium Declaration dated March 7, 2000, relating to Phase II of the Project was recorded March 14, 2000 as Entry No. 7594840 in Book 8348 at Page 1606, *et seq.* in the Official Records of the Salt Lake County, Utah Recorder's Office.

C. Pursuant to Article V of the Declaration, the Project is an expandable Project to be constructed in up to three phases in accordance with the Utah Condominium Ownership Act, Utah Code Ann. 57-8-1 *et seq.* (the "Act").

D. Declarant has now substantially completed the construction of Phase III of the Project, consisting of three (3) additional Units on part of the real property designated as Additional Land in the Declaration, and more particularly described on Exhibit "A" hereto (the "Phase III Land"). Such Units were constructed substantially in accordance with the plans and drawings set forth on the Survey Map filed concurrently herewith (a reduced copy of which is attached hereto as Exhibit "B" and incorporated herein).

E. Declarant is executing this Amendment in accordance with the terms of Section 5.13 of the Declaration, and the provisions of the Act.

NOW THEREFORE, Declarant does hereby amend and clarify the Declaration as follows:

1. Expansion of the Project. Declarant hereby confirms that an expansion of the Project has occurred. The Phase III Land, as described in Exhibit "A" attached hereto and incorporated herein, is hereby added to the Project and shall be known as "The Crossings at

BK8465PG6309

Solitude Phase III." The Project shall be collectively known as "The Crossings at Solitude Condominiums."

2. Designation of Additional Units. Units 801, 901 and 1001 are shown on the Survey Map filed concurrently herewith and are hereby designated as such.

3. Allocation of Percentage Interest. All Units within Phase I, Phase II and Phase III of the Project shall have the Percentage Interests as shown on Exhibit "C" attached hereto.

4. Effective Date. This Amendment to Declaration, and the Record of Survey Map relative to Phase III shall take effect upon their being filed for record in the office of the County Recorder of Salt Lake County, Utah.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Amendment to Declaration this 1 day of June, 2001.

SRV Development, LLC, a Utah limited liability company

By Alexander R. Miller
Alexander R. Miller
Its: Manager

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

On the 01 day of JUNE, 2001, the foregoing was acknowledged before me by Alexander R. Miller, in his capacity as Manager of SRV Development, LLC, a Utah limited liability company.

Sina A. Hutchinson
Notary Public
Residing at SALT LAKE County, Utah

My Commission Expires:

12-16-2002

589249v1

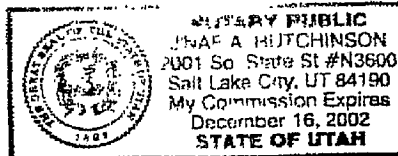


EXHIBIT A

THE CROSSINGS AT SOLITUDE PHASE III
LAND DESCRIPTION

(Legal Description of Property)

A parcel of land lying and situate in the Northeast Quarter of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian, Salt Lake County, Utah. Comprising 0.34 acres, 0.22 acres out of the Giles Flat Mining Claim (record of survey S-01050285 certified by David E. Hawkes, PLS #356548 and recorded in the office of the Salt Lake County Surveyor) and 0.12 acres out of the Little Dollie Mining Claim (United States Mineral Survey 4960), Said parcel being owned in fee simple by SRV Development, LLC a Utah Corporation, evidenced by that certain Special Warranty Deed recorded as Entry Number 7696438 in book 8380, at pages 5094-5095 of the Salt Lake County Records. Basis of bearing for subject parcel being North 89°48'56" West 1309.22 feet (measured) (North 89°57'00" West 1308.94 feet per said Deed Entry #7769438) between the brass cap monuments monumentalizing the North line of the Northeast Quarter of the Northeast Quarter of said Section 27; Subject parcel being more particularly described as follows:

Beginning at a point on the Southwesterly Right of Way line of State Highway 152 as determined from Right of Way Deed F.H.E.C. 28 A1, C-14, said point being located South 89°48'56" East 716.04 feet along said quarter section line and South 00°11'04" West 784.99 feet from the brass cap monument monumentalizing the Northwest corner of the Northeast Quarter of the Northeast Quarter of said Section 27, said point also being located North 01°53'08" West 917.84 feet (North 01°51'13" West 917.91 feet per said deed) from the iron pipe monument set in a mound of stones monumentalizing the Southeast Corner (corner No. 4) of said Giles Flat Mining Claim; Thence South 79°51'26" West 109.04 feet; Thence South 12°28'14" West 47.12 feet; Thence South 10°08'34" East 28.00 feet; Thence South 15°36'36" East 38.86 feet to the Northwest corner of The Crossings at Solitude Phase 2, recorded as Entry Number 7594839 in book 2000P, at Page 069 of the Salt Lake County Records; Thence North 79°40'29" East 144.81 feet coincident with the North boundary line of said Phase 2 to a point on the Southerly right of way line of said highway and a point on the arc of a 522.96 foot radius curve; Thence Northerly 112.00 feet, coincident with said right of way line and along the arc of said 522.96 foot radius curve to the left (center bears South 74°58'56" West) (Chord bears North 21°09'21" West 111.78 feet per said deed) through a central angle of 12°16'13" to the point of beginning.

Area: 14,917 sq. ft. 0.34 acres

Granting a 20.00 foot wide non-exclusive easement for ingress, egress purposes 10.00 feet each side of the following described center line:

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Beginning at a point on the South boundary line of The Crossings At Solitude Phase 3 and a point on the arc of a 580.00 foot radius curve, said point also being the terminus point of utility easement number 1 of said Crossing Phase 2, said point lying North 02°55'11" West 804.83 feet from the Southeast corner (corner number 4) of said Giles Flat Mine Claim; Thence Northwesterly 111.01 feet along the arc of said 580.00 foot radius curve to the left (center bears South 77°50'17" West) through a central angle of 10°57'56" to a point on the North boundary line of said Phase 3 and the terminus of easement.

Subject to the following 2 (two) utility easements recorded June 07, 1999 as Entry Number 7377175 in book 8284, at page 1606 of the Salt Lake County Records:

Easement #1: A strip of land 20 feet wide, the boundaries of which are parallel with (to per deed) and 10 feet distant at right angles on each side of the following described center line: Beginning at a point North 02°55'11" West 804.83 feet (North 02°53'00" West 804.89 feet deed) from the above described Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960) said point being on the arc of a 580.00 foot radius curve to the left and running thence Northerly Along the arc of said curve 111.01 feet more or less (chord bears North 17°38' 52" West, 110.84 feet).

Easement #2: A strip of land 20 feet wide, the boundaries of which are parallel with (to per deed) and 10 feet distant at right angles on each side of the following described center line: Beginning at a point North 09°32'33" East 798.19 feet (North 09°30'19" East 798.19 feet deed) from the above described Southeast corner (No. 4) of Giles Flat Mine Claim (Survey No. 4960) and running Thence North 79°40'29" East 134.81 feet; thence South 13°51'16" East 25.04 feet; thence South 48°07'27" East 63.48 feet, more or less.

Together with the following described Access Easement: (Recorded as Entry #7880267, Book 8450, Pages 298-303)
A 20 foot wide non-exclusive Easement for ingress and egress, being 10 feet on each side of the following described centerline:

Beginning at a point that is South 58°15'08" East 436.34 feet from the Northwest corner of the Northeast quarter of the Northeast quarter of Section 27, said point also being North 89°48'56" West, 1309.22 feet along the North line of the Northeast Quarter of Section 27, and South 58°15'08" East 436.34 feet from the Northeast corner of Section 27, Township 2 South, Range 3 East Salt Lake Base and Meridian and running Thence;

Said point of beginning being on the South Right-of-way line of State Road 152, and also on a 61.94 foot radius curve to the left, Thence along the arc of said curve 85.89 feet (chord bears South 11°13'19" East, 79.17 feet); Thence South 50°56'43" East, 89.29 feet, to a point on a 93.62 foot radius curve to the right,

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Thence along the arc of said curve 28.57 feet (chord bears South 40°02'01" East, 28.46 feet); Thence South 31°17'23" East, 60.07 feet; Thence South 25°36'29" East, 87.08 feet to a point on a 300.00 foot curve to the right, Thence along the arc of said curve 20.23 feet (chord bears South 23°12'27" East, 20.23 feet); Thence South 21°16'32" East, 145.98 feet to a point on a 100.00 foot radius curve to the right, Thence along the arc of said curve 55.08 feet (chord bears South 05°29'44" East, 54.39 feet) to a point on a 2315.41 foot radius curve to the right, Thence along the arc of said curve 139.72 feet (chord bears South 12°00'47" West, 139.70 feet) to a point on a 100.00 foot radius curve to the left, Thence along the arc of said curve 52.34 feet (chord bears South 01°15'12" East, 51.75 feet); Thence North (South) 74°23'24" East, 27.72 feet to the Southwest property line of the Crossings at Solitude Phase 3 and Thence along the said crossings property boundary which line defines the easterly boundary of a 10 foot total width access easement and may overlap the previous courses, North 15°36'36" West, 25.72 feet; Thence North 10°08'34" West, 28.00 feet; Thence North 12°28'14" East, 47.12 feet more or less to the Northerly Property Line of The Crossings Phase 3 and the Terminus of this Easement.

EXHIBIT B

The Crossings at Solitude Survey Map – Phase III

BK8465P66314

Exhibit C
The Crossings at Solitude

Phase I	Square Feet	Percentage	Total
Unit 101	2174.5	.084	
Unit 201	2195.9	.085	
Unit 301	2160.5	.084	
Phase II			
Unit 401	2587.6	.100	
Unit 501	2555.7	.099	
Unit 601	2515.3	.097	
Unit 701	2580.8	.100	
Phase III			
Unit 801	3017	.117	
Unit 901	3029.3	.117	
Unit 1001	3042.2	.118	
			25858.78
			100%

24-27-226-028

BK8465PG6315

WHEN RECORDED MAIL TO:

SRV Development, LLC
 Attention: Alexander R. Miller
 4485 South 2700 East
 Salt Lake City, Utah 84123

9017247
 03/30/2004 12:38 PM 34.00
 Book - 8964 Pg - 6064-6070
 GARY W. OTT
 RECORDER, SALT LAKE COUNTY, UTAH
 SRV DEVELOPMENT LLC
 ATTN: ALEXANDER R MILLER
 4485 S 2700 E
 SLC UT
 BY: ZJM, DEPUTY - WL 7 P.

**THIRD AMENDMENT TO CONDOMINIUM DECLARATION
 FOR THE CROSSINGS AT SOLITUDE CONDOMINIUMS
 (INCORPORATING PHASE IV)**

This Third Amendment to Condominium Declaration is made and entered into this 30th day of March, 2004, by SRV Development, LLC, a Utah limited liability company.

RECITALS

A. Declarant recorded a Condominium Declaration on April 21, 1998, as Entry No. 6935949 in Book 7951 at Page 2933, *et seq.* in the Official Records of the Salt Lake County, Utah Recorder's Office (the "Declaration") relating to The Crossings at Solitude Phase I Condominiums (the "Project"). A Record of Survey Map for the Project was concurrently filed with the Declaration. Except as indicated herein, all capitalized terms have the same meaning as set forth in the Declaration.

B. An Amendment to Condominium Declaration dated March 7, 2000, relating to Phase II of the Project was recorded March 14, 2000 as Entry No. 7594840 in Book 8348 at Page 1606, *et seq.* in the Official Records of the Salt Lake County, Utah Recorder's Office.

C. A Second Amendment to Condominium Declaration dated June 1, 2001, relating to Phase III of the Project was recorded June 6, 2001, as Entry No. 7915318 in Book 8645 at Page 6309, *et seq.* of the Official Records of the Salt Lake County, Utah Recorder's Office.

D. Pursuant to Article V of the Declaration, the Project is an expandable project to be constructed in up to three (3) phases in accordance with the Utah Condominium Ownership Act, Utah Code Ann. 57-8-1 *et seq.* (the "Act").

E. Declarant has now completed the construction of three phases of the Project, consisting of ten (10) Units.

F. Declarant has acquired an additional approximately .33 acre parcel adjacent to the Project, and desires to construct three additional condominium units, to be added to the Project as an additional phase. As Section 5.01 of the Declaration calls for a phased expandable Project consisting of up to three (3) phases, an amendment of the Declaration, pursuant to Article XXI of the Declaration and the Act, is necessary to allow for one (1) additional phase, which shall be known as Phase IV.

G. This Amendment is executed in accordance with the terms of Article XXI of the Declaration, and the provisions of the Act.

NOW THEREFORE, the Declaration is amended as follows:

1. Expansion of the Project. The first sentence of Section 5.01 of the Declaration is hereby amended to read as follows:

The Project shall be a phased expandable Project consisting of at least one (1), and up to four (4) phases.

2. Additional Land. Section 5.03 of the Declaration is hereby amended such that "Exhibit D" to the Declaration, which describes the "Additional Land," shall include the property described on Exhibit "A" attached hereto and incorporated herein.

3. Additional Units. Section 5.07 of the Declaration is amended such that the maximum number of Units to be constructed upon the Additional Land shall be limited to ten (10), for a total of up to thirteen (13) Units in the Project.

4. Substantial Completion. The additional Units are substantially complete in accordance with the requirements of the Declaration, and SRV Development, LLC as Declarant is authorized to record a Supplemental Map pursuant to Section 5.12 of the Declaration, and this Amendment to the Declaration pursuant to section 5.13 of the Declaration confirming that an expansion of the Project has occurred. Exhibit "C" attached hereto and incorporated herein sets forth the Unit numbers, square footage, and percentage of undivided interest in the Common Elements, after incorporation of Phase IV, and supersedes and replaces the existing Exhibit "C" to the Declaration.

5. Authority. The undersigned is the President of The Crossings at Solitude Condominium Association, Inc., a Utah non-profit corporation (the "Association"). By his signature below, the undersigned confirms, pursuant to the requirements of Article XXI, that (i) this Amendment is executed pursuant to an affirmative vote or approval and consent of a two-thirds (2/3) majority of the Unit Owners; and (ii) that the undersigned has been duly authorized to execute this Third Amendment pursuant to the Bylaws of the Association.

6. Effective Date. This Third Amendment shall be effective upon recording with the Salt Lake County, Utah Recorder's Office.

IN WITNESS WHEREOF, the undersigned has executed this Third Amendment to Declaration this 30 day of March, 2004.

The Crossings at Solitude Condominium Association, Inc., a Utah non-profit corporation

By Alexander R. Miller

Name: Alexander R. Miller
Title: President

STATE OF UTAH)

: ss.

COUNTY OF SALT LAKE)

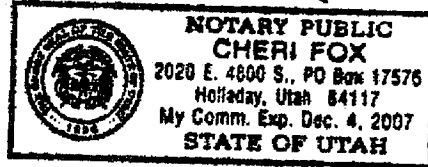
On the 30th day of March, 2004, the foregoing was acknowledged before me by Alexander R. Miller, in his capacity as President of The Crossings at Solitude Condominium Association, Inc., a Utah non-profit corporation.

Cheri Fox
Notary Public

Residing at Salt Lake County, Utah

My Commission Expires:

12-4-07



IN WITNESS WHEREOF, the undersigned has executed this Third Amendment to Declaration this 30 day of March, 2004.

SRV Development, LLC
A Utah limited liability company

By Alexander R. Miller

Name: Alexander R. Miller
Title: Managing Member, SRV Development, LLC

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the 30th day of March, 2004, the foregoing was acknowledged before me
by Alexander R. Miller, in his capacity as Managing Member of SRV Development, LLC, a
Utah limited liability company

Cheri Fox
Notary Public
Residing at Salt Lake County, Utah

My Commission Expires:

12-4-07

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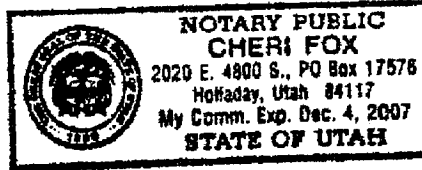


EXHIBIT A

The Crossings at Solitude Phase IV Land Description To Be Added To "Additional Land"

Tax ID No(s). a portion only of Tax ID #24-27-226-019-0000 and 24-27-221-021-0000.

Legal Description:

A parcel of land lying and situate in the Northeast Quarter of Section 27, Township 2 South, Range 3 East, Salt Lake Base and Meridian, Salt Lake County, Utah. Comprising 0.33 acres out of those certain parcels of land owned in fee simple by Solitude Ski Corporation, known as the Giles Flat Mining Claim, (United States Mineral Survey Number 4960). Basis of bearing for subject parcel being North 89°48'56" West 1309.22 feet between the brass cap monuments monumentalizing the North line of the Northeast Quarter of the Northeast Quarter of said Section 27, Subject parcel being more particularly described as follows:

Beginning at the Northeast corner of the Alpine Creek Condominiums, Building A, said point being located South 32°09'31" East 1492.26 feet from the G.L.O. brass cap monument monumentalizing the Northwest corner of the Northeast Quarter of the Northeast Quarter of said Section 27; Thence the following 2 (two) courses coincident with the North line of said Condominiums (1) South 87°43'00" West 87.46 feet; (2) North 02°17'00" West 11.58 feet; Thence South 87°43'00" West 54.56 feet coincident with said North line and the prolongation thereof; Thence North 04°34'00" West 34.46 feet; Thence North 21°13'38" East 34.47 feet; Thence North 04°34'00" West 30.34 feet to a point on the South property line of The Crossings at Solitude-Phase 1, Building A; Thence coincident with said property line North 89°20'04" East 137.34 feet to the southeast corner of said Crossings parcel; Thence South 01°15'20" West 104.26 feet to the Point of Beginning.

RESERVING there upon a utility easement across the following described parcel: Beginning at the Southwest corner of the above described parcel; Thence North 04°34'00" West 6.56 feet; Thence North 85°26'00" East 65.62 feet; Thence South 00°35'51" East 20.75 feet to a point on the south line of said Grantors parcel; Thence coincident with said line the following 2 (two) courses, (1) South 87°43'00" West 10.13 feet; (2) North 02°17'00" West 11.58 feet; Thence South 87°43'00" West 54.56 feet coincident with said South line and the prolongation thereof to the Point of Beginning.

RESERVING there upon an easement for access and utility purposes, being 25 feet wide the centerline of which is described as follows: Beginning at a point South 87°43'00" West 65.32 feet from the point of beginning for the above described parcel said point being on the South property line running thence and North 01°23'31" West 7.17 feet to a point on a 300.0 foot radius curve to the right and along the arc of said curve 19.95 feet (center bears North 88°36'29" East); thence North 02°25'03" East 45.95 feet to a point on a 300.0 foot radius curve to the left and along said arc 33.07 feet (center bears North 87°34'57" West) to a point on the North property line of the above described parcel and the point of terminus.

BK 8964 PG 6068

The above described parcel shall include such non-exclusive easements and licenses held by the Seller for ingress and egress from the parcel to be sold (regardless of whether such rights are included in the above legal description), including, but not limited to non-exclusive vehicular and pedestrian access and utility easements. Seller shall retain rights of ingress and egress for pedestrians, skiers, vehicles and utilities and otherwise over the Subject Property for the benefit of Seller's adjacent property at the Resort and skiways around and within the Subject Property. Without limiting the generality of the foregoing, Purchaser agrees that Seller shall have non-exclusive rights of ingress and egress for pedestrians, skiers, vehicles and utilities over and off of the roads constructed by Purchaser, and Seller shall be entitled to a non-exclusive easement for a road constructed to Seller's other property at the Resort.

EXHIBIT "C"

<u>Unit</u>	<u>Square Feet</u>	<u>% of Common Elements</u>
101	2174	6.48%
201	2196	6.54%
301	2160	6.43%
401	2588	7.71%
501	2556	7.61%
601	2515	7.49%
701	2581	7.69%
801	3017	8.99%
901	3029	9.02%
1001	3042	9.06%
1101	2572	7.66%
1201	2572	7.66%
<u>1301</u>	<u>2572</u>	<u>7.66%</u>
Total	13	33,575
		100.00%