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DECLARATION OF RESTRICTIVE COVENANTS AND CONDITIONS

FOR

PINEBROOK SUBDIVISION NO. 11 (SUNBROOK)

AN SMW DEVELOPMENT COMPANY, SUBDIVISION PROJECT

Return Recorded Documents to:
SMW Development Company
505 South Main
Bountiful, Utah 84010

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DECLARATION OF RESTRICTIVE COVENANTS AND CONDITIONS

FOR

PINEBROOK SUBDIVISION NO. 11 (SUNBROOK)

AN SMW DEVELOPMENT COMPANY, SUBDIVISION PROJECT

THIS DECLARATION OF RESTRICTIVE COVENANTS ("Declaration") is made this 25th day of September, 1987, by SMW Development Company, A Utah General Partnership, 505 South Main, Bountiful, Utah 84010 (hereinafter referred to as "Declarant").

RECITALS

1. WHEREAS, Declarant, is the owner of the following described real property situated in Summit County, State of Utah, more particularly described in Exhibit "A" attached hereto and incorporated herein; and

2. WHEREAS, Declarant intends to subdivide, record and establish a subdivision within the boundaries of the above property to be known as Pinebrook Subdivision No. 11 (Sunbrook) (hereinafter referred to as "Sunbrook"); Sunbrook is part of a larger, master planned residential, commercial and recreational development known as PINEBROOK situated in Summit County, State of Utah (hereinafter referred to as the "Development") which now includes and will in the future include several residential subdivisions, multi-family dwelling units, commercial areas and other resort and recreational facilities. The Development is described in Exhibit "B", attached hereto and by reference made a part hereof; and

3. WHEREAS, Declarant desires to place certain conditions, covenants and restrictions on Sunbrook as part of a plan for the improvement and the benefit of the Development and Sunbrook and for the protection and benefit of Declarant and any and all future owners in Sunbrook or the Development; and

4. WHEREAS, Declarant may desire to expand Sunbrook development to include additional land and areas beyond the boundaries of the property described herein and include such expansions under this Declaration; and

5. WHEREAS, Declarant intends to execute, acknowledge and record in the office of the County Recorder of Summit County, State of Utah, a certain survey and plat map pertaining to Sunbrook, entitled "Pinebrook Subdivision No. 11 (Sunbrook)".

NOW, THEREFORE, Declarant hereby declares that Sunbrook is held and shall be held, conveyed, hypothecated, encumbered,

leased, rented, used, occupied, or improved subject to the following limitations, restrictions, covenants, conditions, and easements, all of which are declared and agreed to be in furtherance of a plan for the subdivision, improvement and sale of Sunbrook and expansions thereof and the Development, and are established and agreed upon for the purposes of enhancing and protecting the value, desirability and attractiveness of Sunbrook, any expansions of Sunbrook, the Development and every part thereof. These limitations, restrictions, covenants, conditions and easements shall run with Sunbrook and any additions or expansions thereto, and shall be binding on all parties having or acquiring any right title or interest in Sunbrook or any part thereof and shall inure to the benefit of each Owner thereof and to the benefit of Declarant or its successors or assigns and any future owners of Sunbrook or the Development. The limitations, restrictions, covenants, conditions and easements shall further constitute a servitude in favor of each parcel of land included within Sunbrook or within the Development as the dominant tenement or tenements, except as otherwise provided herein.

ARTICLE I

DEFINITIONS

Unless the context clearly indicates otherwise, certain terms as used in this Declaration shall have the meanings as set forth in this Article I.

1.1 Declarant shall mean SMW Development Company, and/or any of its successors or assigns which may acquire ownership of Sunbrook or any parts thereof and where SMW Development Company delegates or otherwise assigns its rights hereunder.

1.2 Development shall mean certain land situated in Summit County, State of Utah, and more particularly described in Exhibit "B" hereof.

1.3 Grantee shall mean any person receiving a conveyance, whether as an owner, lessee or mortgagee, of any lot or parcel of land within Sunbrook or any additions thereto.

1.4 Lot shall mean any parcel of property shown as a separate numbered lot on any recorded Plat of Sunbrook, or any additions thereto and any other parcels referred to therein.

1.5 Mortgage shall mean any mortgage, deed of trust, or other security instrument by which a Lot or any parcel within Sunbrook is encumbered.

1.6 Mortgagee shall mean (a) any person named as the mortgagee, beneficiary, or secured party under any Mortgage by which the interest of any Owner is encumbered, or (b) any successor to the interest of such person under such Mortgage.

1.7 Owner shall mean and refer to the person or persons (including Declarant) whether one or more person or entities, owning in fee simple any Lot or parcel of land which is a part of Sunbrook, including contract sellers and buyers, as such ownership is shown by the records of the County Recorder of Summit County, State of Utah, but excluding those having such interest merely as security for the performance of an obligation.

1.8 Residence shall mean any single-family dwelling unit constructed and maintained on a Lot within Sunbrook in compliance with the standards as set forth herein.

1.9 Sunbrook shall mean the property described in the above Recitals, Recital No. 1, and any additional subdivisions or parcels designated by Declarant in a recorded instrument to be a part of Sunbrook and subject to this Declaration, and including any property annexed under the provisions of Article IV herein.

ARTICLE II

FUTURE DEVELOPMENT

2.1 Consent and Acknowledgment of Master Plan and Zoning Changes. The property to be conveyed for Sunbrook will comprise of one or more subdivision projects which will be located within the Development. The developers of the land described in Exhibit "B", (surrounding Sunbrook) intend the development of single-family dwellings, multiple-family dwellings, commercial areas including but not limited to duplexes, fourplexes, apartments, condominiums, motels, hotels, shopping centers, retail outlets, service stations, theaters, restaurants, professional buildings, and the like, all within the Development. The acceptance by any Grantee of a Lot or any part or parcel of Sunbrook after recording of this Declaration shall constitute a covenant and agreement by such Grantee to execute any and all instruments requested by Declarant, its successors or assigns, or other owners within the Development to obtain zoning changes needed for such development and Grantee shall not object to any zoning change requested. Each Grantee specifically acknowledges the existence of the Pinebrook Master Plan for the Development as a five-year master plan approved by Summit County. Each Grantee hereby agrees to any extensions or renewals of the Pinebrook Master Plan with any amendments or changes as submitted.

2.2 Changes in Plans of Declarant. Declarant reserves the right to change at any time its plans and uses for Sunbrook, and the bounds and area of property within Sunbrook, provided such change will not adversely affect the access to Sunbrook and that such change will be approved by and is in accordance with, the various county, state and/or federal regulations controlling use of the Development.

2.3 No Amendment. The conditions and covenants set forth in this Article II may be amended, changed or waived only by the express written action of Declarant or its successors or assigns, notwithstanding any other provision of this Agreement.

ARTICLE III

COVENANTS TO RUN WITH LAND, AMENDMENTS

3.1 Binding Effect. The limitations, restrictions, covenants and conditions set forth herein shall run with Sunbrook and shall be binding on any Grantee acquiring any interest in Sunbrook or any part thereof for the benefit of all Grantees acquiring any interest in Sunbrook or any part thereof and for the benefit of Declarant and its successors and assigns.

3.2 Period of Effectiveness. The covenants, conditions, and restrictions described herein shall be binding for a period of forty (40) years from the date hereof at which time said conditions, covenants and restrictions shall be automatically renewed for successive periods of ten (10) years unless prior to any automatic renewal date, by a vote of a majority of the then Owners of Sunbrook it is agreed to change any of said restrictions, covenants, and conditions in whole or in part. The above time limitation shall not apply to any easements to be retained or reserved herein by Declarant, which easements, with all of their terms and conditions of use and maintenance shall run with Sunbrook as a permanent servitude.

3.3 Right to Amend. For so long as Declarant owns at least one-ninth (1/9) of all the Lots or other parcels within Sunbrook, including any additions thereto and any property properly annexed, Declarant retains the right to waive or amend any restriction, covenant, condition or easement, in its absolute discretion, including rights to enforce such restrictions, covenants, conditions or easements. Declarant shall have the right to assign this right to waive or amend to any of its successors or assigns by a written Declaration recorded with the Summit County Recorder's Office, and this right shall continue for so long as such successors or assigns shall continue to own the foregoing proportionate interest in Sunbrook. Such waiver or amendment shall be in writing and may be recorded. No amendment placed into effect by Declarant shall create additional limitations, restriction, covenants, conditions or easements.

ARTICLE IV

ANNEXATION OF ADDITIONAL PROPERTY

4.1 Annexation Without Approval and Pursuant to General Plan. Any property within the Development may be annexed to and become part of Sunbrook and subject to this Declaration without the approval, consent or vote of any Owner, Grantee,

Mortgagee or Lessee providing and on condition that a Supplementary Declaration of Restrictive Covenants and Conditions describing the property to be annexed shall be executed and recorded by Declarant, or its successors and assigns, and/or the owner of the property to be annexed. The recordation of said Supplementary Declaration with the Summit County Recorder shall constitute and effectuate the annexation of the property described therein, making said property subject to his Declaration and all of its restrictions, covenants, conditions and easements.

4.2 Annexation Pursuant to Approval. Upon approval in writing of the Owners within Sunbrook, including Declarant, pursuant to a two-thirds majority vote of those present at a meeting for this purpose that has been duly called, any owner or owners of single-family residential property and/or property for the common use of owners of such residential property who desire to add such property to this Declaration and to subject such property to this Declaration, may file of record a Supplementary Declaration describing the property to be annexed; except that, for so long as Declarant owns at least one-ninth (1/9) of all the Lots or other parcels within Sunbrook, including any additions thereto and any property properly annexed, Declarant, its successors or assigns, shall also have the right to file of record a Supplementary Declaration.

4.3 Supplementary Declarations. The additions authorized under the foregoing Sections shall be made by filing of record a Supplementary Declaration of Restrictive Covenants and Conditions, or similar instrument, with respect to the additional property which shall extend the plan and covenants and restrictions of this Declaration to such property.

Such Supplementary Declarations contemplated above may contain such complementary additions and modifications of the Declaration as may be necessary to reflect the different character, if any, of the added property and as are not inconsistent with the plan of this Declaration. In no event, however, shall any such Supplementary Declaration revoke, modify or add to the covenants, conditions, or restrictions established by this Declaration for Sunbrook, except as herein otherwise provided.

The recording of said Supplementary Declaration with the Summit County Recorder shall constitute and effectuate the annexation of the property described therein, and shall cause such property to be subject to this Declaration.

ARTICLE V

EASEMENTS AND RESERVATIONS

5.1 Utility. Declarant intends to retain in all future conveyances by Declarant, by reference to this Declaration of Restrictive Covenants and Conditions, an easement for the use and benefit of Declarant, successors or assigns, providing

for the installation, construction, maintenance and repair of utilities, including but not limited to, electrical power, gas, sewer, storm drainage, water, water lines, waterways, cable communication, transmission lines, telephone lines, pipelines and all other utility easements over, under or across all areas of Sunbrook wherever any such easement may be designated in the recorded plat for Pinebrook Subdivision No. 11 (Sunbrook).

5.2 Term for Easements. Notwithstanding the time limitations found elsewhere in this Agreement, Declarant or successors or assigns, shall retain and hold the above-described easements for an unlimited period of time, unless otherwise released and such easements shall constitute a permanent servitude on the land encumbered thereby.

5.3 Maintenance of Easements. Within the easement areas described herein, no structure, planting or other materials shall be placed, constructed, or permitted to remain by any Owner or Grantee, which may change the direction of, or retard the flow of drainage channels in the easement or interfere with the construction or maintenance of improvements within the easement. The easement area across each Lot or other parcel of land shall be maintained by the Owner, except for improvements for which a public authority or utility company is responsible.

5.4 Reservation of Mineral Rights. All oil, gas, coal and other minerals and mineral rights on or under Sunbrook, together with the right of ingress and egress to prospect for, mine, drill and remove any and all such minerals have been reserved by prior owners of Sunbrook or are hereby reserved and retained by Gorgoza Pines Ranch, Inc., a Utah Corporation, and all conveyances within Sunbrook are and shall be subject to such reservations.

ARTICLE VI

USE RESTRICTIONS

6.1 Intent of Restrictions, Covenants and Conditions. It is the intent of Declarant that Sunbrook is to be conveyed to Grantees for the ownership and maintenance of single-family residential homes. Compliance of all owners with this Declaration is essential to the continued development of Sunbrook and the Development and to the maintenance of property values within Sunbrook and the Development. It is intended to create an attractive environment for family living with quiet residential streets, well-kept lawns, trees and other landscaping.

6.2 Residential Uses. Each Lot shall be used exclusively for one private, single-family residence and shall be restricted to such use. No Lot shall be used for any business, industrial, or commercial purpose; provided, however, that (a) Declarant or its successors or assigns, may use any Lot or building thereon for sales models, sales offices, or property

management offices, and (b) Owners may rent or lease their Lots in accordance with the provisions of this Declaration.

6.3 Restriction on Leasing. No Owner shall lease or rent any Lot with a single family residence thereon for transient or hotel purposes, nor shall any Owner lease less than the entire single family residence. If an Owner leases such Owner's singlefamily residence, then the lease shall include or be deemed to include a covenant on the part of the tenant substantially as follows: "Tenant agrees with the landlord and with and for the benefit of Declarant hereunder and all Owners that during the term of this lease, tenant and tenant's family and guests from time to time will use and occupy the premises and all parts of Sunbrook in strict compliance with this Declaration, and all rules and regulations from time to time adopted by the Architecture Committee as fully as if tenant were an Owner." As used in this section, the term lease shall include a lease, rental arrangement, license, or other arrangement for third-party use of a Lot and single family residence. The OWNER also agrees to pay all costs incurred by a tenant for water used during the full term of a lease; it being the intent to encourage the tenant to use sufficient water to keep the landscaping well maintained.

6.4 Restriction on Residents. No Lot or single-family residence within Sunbrook shall at any time be occupied by more than two (2) persons for each finished bedroom on the main or upper floors within such residence, provided that in no case shall such residence be occupied by more than four (4) adult residents (except this amount may be exceeded if such residents include unmarried adult children of the Owner). For purposes of this section, the term resident means any person who resides in or occupies a residence for more than thirty (30) days in any ninety (90) day period; and the term adult means any person over the age of eighteen (18) years.

6.5 Zoning Regulations. The Lots and other land within Sunbrook shall not be occupied or used for any purpose or in any manner which is contrary to the zoning regulations applicable thereto.

6.6 Building Types. The following restrictions shall apply with respect to types of buildings to be erected on Lots or parcels in Sunbrook.

(a) Except as provided at paragraph (d) herein, no building shall be erected, altered, placed or permitted to remain on any Lot or parcel other than one detached single-family dwelling not to exceed two stories in height.

(b) No single-story dwelling shall be erected or placed on any Lot in the subdivision with floor space in said dwelling of less than 1000 square feet on the ground level, excluding basement, garage, carport and patio.

(c) Two-story dwellings shall have at least 550 square feet on the ground floor level, exclusive of basement, garage, carport and patio and at least 500 square feet on the second floor level.

(d) All single-family dwellings may include only the following accessory buildings and structures not used for residential occupancy: greenhouses for private use only; private swimming pools; pergolas and arbors; storage shed containing not more than 100 square feet of floor space.

(e) Every single-family dwelling must have a minimum of a two-car garage, which may be attached to or detached from the main residence as approved by the Architecture Committee.

(f) Driveways for single-family dwellings must be large enough to accommodate at least two parked automobiles.

(g) Front yard landscaping and fences shall be consistent with structures existing at the time of conveyance of a residence by Declarant or as approved by the Architecture Committee, which shall include, but shall not be limited to, front and side yard lawns, flower beds, trees and shrubs.

6.7 Building Location. No building shall be located on any Lot nearer than 20 feet to the front Lot line or nearer than 15 feet to the rear Lot line, nor nearer than 10 feet to any side Lot line except by approval of the Architecture Committee, or as may be allowed or restricted by Summit County.

6.8 Height Requirements. No single-family dwelling shall be erected to a height greater than thirty (30) feet above a point representing the average grade at the front set back line.

6.9 Recontouring. No lot shall be recontoured in excess of two feet without prior written approval of the Architecture Committee, after the residence has been built on the Lot.

6.10 Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to any Owner within Sunbrook or to Declarant. No automobile or other vehicle shall be parked in front of, or at the side of any Lot unless it is in running condition, properly licensed and regularly used.

6.11 Temporary Structures. No structure of a temporary character, trailer, mobile home, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence either temporarily or permanently. No temporary structure, housetrailer, mobile home, camper, or

non-permanent outbuilding shall ever be placed or erected on any Lot except with the approval of the Architecture Committee and only then during construction of a house on a Lot. No residence on any Lot shall be occupied in any manner prior to its completion without the written approval of the Architecture Committee or Declarant. No old or secondhand structures shall be moved onto any of the Lots, it being the intention hereof that all dwellings and other buildings to be erected on the Lots, or within Sunbrook, shall be new construction of good quality workmanship and materials. No structure may remain unfinished and under construction for more than 18 months.

6.12 Overnight Parking. No vehicle of any kind, including but not limited to, automobiles, trucks, buses, tractors, trailers, camping vehicles, boats, boat trailers, snowmobiles, mobile homes, two and three wheeled motor vehicles, or other wheeled vehicles shall be permitted to be parked on any public street within Sunbrook between the hours of 12:00 midnight and 10:00 a.m. of any morning or at any other time when it is snowing within Sunbrook.

6.13 Livestock and Poultry. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept provided that they are not kept, bred, or maintained for any commercial purposes. No dog, cat or other household pet shall be allowed to travel within Sunbrook except when accompanied by an Owner and on leash or other appropriate restraint. No more than two household pets of any type shall be allowed. Any household pet which shall become annoying or offensive to residences nearby shall be removed upon order of Declarant or the Architecture Committee.

6.14 Signs. No sign of any kind shall be displayed to the public view on any Lot except one sign of not more than five square feet advertising the Lot for sale or rent, or signs used by a builder or Declarant to advertise the Lot or Lots during any construction and sales period.

6.15 Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structures designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

6.16 Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste. Such trash, rubbish, garbage or other waste shall not be kept except in sanitary containers and shall be kept out of sight of neighboring Residences. Trash shall be removed on a regular basis. No rubbish, trash, papers, junk or debris shall be burned upon any Lot except that trash may

be burned inside Residences that are properly equipped with inside incinerator units.

6.17 Sewage Disposal and Water Supply. No individual sewage-disposal system or water supply system shall be permitted on any Lot.

6.18 No Re-Subdivision. No Lot shall be re-subdivided, and only one single-family residence shall be constructed or allowed to remain on any Lot.

6.19 Underground Utility Lines. All water, gas, electrical, telephone and television cables, other electronic pipes and lines and all other utility lines within the limits of Sunbrook must be buried underground and may not be exposed above the surfaces of the ground unless otherwise directed by Declarant in the recorded Plats for Sunbrook as provided under Article V of this Declaration.

6.20 Maintenance of Landscaping. All Lots and all improvements on any Lot shall be kept and maintained by the Owner thereof in clean, safe, attractive and sightly condition and good repair. This shall include re-painting all exterior wood surfaces once every 24 months. All landscaping, grass, trees and shrubs shall be maintained in a clean, safe, attractive and groomed condition. All Lots must be fully landscaped including an automatic sprinkling system within 24 months after completion of the residence.

6.21 No Hazardous Activities. No activities shall be conducted on any Lot and no improvements constructed on any Lot which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any Lot, and no open fires shall be lighted or permitted on any Lot except in a contained barbeque unit which is attended and in use for cooking purposes.

6.22 Dwelling Construction and Fence Restrictions. In order to promote a harmonious community development and protect the character of the neighborhood, all construction in Sunbrook shall conform to the following guidelines:

(a) Dwelling style, design, alterations or additions will conform to standards determined by the Architecture Committee.

(b) Exterior construction materials will be limited to stone, stone veneer, brick or brick veneer, wood siding, stucco or aluminum. Specifications regarding the color, texture, finish and quality for the above may be posted and made available by the Architecture Committee or determined at the time plans are reviewed.

(c) Roof design shall be limited to a minimum of a 4/12 pitch.

(d) All storage or utility buildings, garbage and refuse containers, air conditioning equipment, clothes drying lines, and utility pipes, etc., must be located at the rear of the dwelling and located on the Lot in such a manner as not to be conspicuous from the frontage street.

(e) Any lights to be installed by an Owner and used to illuminate garages, patios, parking areas or for any other purpose shall be so arranged as to reflect light away from adjacent Residences and away from the vision of passing motorists.

(f) Fences and walls shall be of wood or brick. No fence or walls of chain link, wire mesh or unpainted concrete block shall be allowed. Fences, walls or hedges shall not exceed six feet.

6.23 Off Road Vehicles. No automobiles, trucks, motorcycles, trail bikes, snowmobiles, four wheel drive vehicles or vehicles of any kind shall be operated on any Lot or on any of Declarant's property wherever the same may be situated or any place on Sunbrook or within the Development other than on the public roadways.

6.24 Mail Box and Yard Lamp. All Owners shall be required to furnish, install and maintain a mail box (as required) and a front yard lamp, the type and location of which shall be in accordance with specifications and requirements of the Architecture Committee.

6.25 Private Area: Uses, Restrictions. The Architecture Committee or its duly authorized agents, shall have the right, at any time, and from time to time, without any liability to the Owner for trespass or otherwise, to enter upon any private area for the purpose (a) of removing any improvement constructed, reconstructed, refinished, altered, or maintained upon such private area in violation of these covenants, (b) of restoring or otherwise reinstating such private areas, and (c) of otherwise enforcing without any limitation, all of the restrictions set forth in this Declaration. No improvement, excavation or other work which in any way alters any Lot or Residence from its natural or improved state existing on the date such Lot or Residence was first sold to an Owner by Declarant or its successors and assigns shall be made or done except upon strict compliance with this Declaration.

6.26 Rules and Regulations. No Owner shall violate the rules and regulations for the use of the Lots as adopted from time to time by the Architecture Committee. No such rules and regulations shall be established which violate the intention or provisions of this Declaration or which shall unreasonably restrict the use of any Lot by the Owner thereof.

ARTICLE VII

ARCHITECTURE CONTROL

7.1 Architecture Committee. In order to minimize the disruption to the natural land forms and vegetation cover, and to provide harmony in the design, contour, shape, and general character of improvements, both within Sunbrook and within the Development, and to provide that the landscape and the improvements on Sunbrook be maintained for the preservation of a clean, attractive and safe environment, an Architecture Committee may be established by Declarant or successors which it may appoint in accordance with this Declaration of Restrictive Covenants and Conditions, and upon written notice of the creation thereof to Owners. The Architecture Committee, if established, shall consist of three (3) members. Members of the Architecture Committee need not be Owners. Prior to the establishment of the Architecture Committee, Declarant shall have all powers granted herein to the Architecture Committee.

7.2 Approval of Architecture Committee. As a further restriction on the use of Lots and other property within Sunbrook, and notwithstanding any other provision of this Declaration, no improvements of any kind, including, but not limited to, swimming pools, ponds, parking areas, fences, walls, tennis courts, garages, storage sheds, drives, antennae (including satellite dishes), flag poles, curbs, walks, landscaping, utilities, or any other improvement of whatever nature, shall ever be installed, constructed, rebuilt, modified, removed, replaced, or permitted to remain on or in any part of Sunbrook nor shall any excavating, clearing, removal of trees, or shrubs, or landscaping be performed on or in any part of Sunbrook, unless the complete plans and specifications therefor are approved by Declarant, or successors it may designate, or by the Architecture Committee, if established, prior to the commencement of such work. However, approval shall not be required for any improvements of landscaping or other such work unless the cost of such work shall exceed the sum of \$200 so long as this exclusion is not used to circumvent the general terms of this Declaration of Restrictive Covenants and Conditions. In deciding whether to grant such approval, Declarant, or successors it may designate, or the Architecture Committee, if established, shall consider the materials to be used on the external features of any buildings or structures, including exterior colors, harmony of external design with existing structures within Sunbrook and the Development, location with respect to topography and finished grade elevations and harmony of landscaping with the natural setting and surrounding landscape, and shall ascertain whether the architecture, design and specifications of the proposed modifications or improvements on landscaping are acceptable to Declarant or successors it may designate, or to the Architecture Committee, if established, for all improvements to be constructed or installed on the premises and whether all such improvements, modifications, removals or replacements are consistent with the original design

for and appearance of Sunbrook and the Development and consistent with all governmental regulations. To obtain such approval, one complete copy of the plans and specifications shall be signed for identification and delivered to the Declarant, or successors it may designate, or to the Architecture Committee, if established. In the event the Declarant, or successors it may designate, or the Architecture Committee, if established, fails to take any action within twenty-one (21) days after complete plans for such work have been submitted to it, then all of such submitted plans shall be deemed to be approved.

7.3 Deviations From Standards. The Architecture Committee, if established, or if not established then the Declarant, or successors it may designate, in its absolute discretion, shall have the authority to deviate from the requirements contained herein in extenuating circumstances, when following these covenants would create an unreasonable hardship or burden for any Owner of part or all of Sunbrook. An affirmative vote of a majority of the members of the Architecture Committee must be obtained for a variance to be granted or to approve any plans submitted to it. The Architecture Committee shall not vote to allow deviation beyond governmental restrictions.

7.4 Insufficient Plans. Declarant or the Architecture Committee, if established, may disapprove any plans submitted to it which are not sufficient to allow for review and evaluation of the proposed project in terms of the restrictions and covenants set forth in this Declaration.

7.5 Liability of Architecture Committee. Neither Declarant nor the Architecture Committee shall be liable in damages to any person submitting any plans for approval, or to any Owner by reason of its action, failure to act, approval, disapproval, or failure to approve or disapprove, any such plans submitted to it with regard to the enforcement of the provisions of this Declaration. Any Owner who submits plans to Declarant, or successors it may designate, or the Architecture Committee if established, for approval, by so doing shall be deemed to have agreed and covenanted that such person or entity will not bring any action or suit to recover damages against Declarant, its successors, or the Architecture Committee, if established, its members as individuals, or its advisors, employees, or agents. The decision of the Architecture Committee shall be final, binding and conclusive on all of the parties affected thereby.

7.6 Change of Boundaries. Declarant reserves the right to change at any time the bounds and area of any Lot owned by it provided such change does not adversely affect the access to any Lot sold to a third party, and that such change has been approved by and is in accordance with, the various county, state and/or federal regulations controlling Sunbrook.

7.7 Non-Waiver. The approval of the Architecture Committee of any plans, drawings or specifications for any work done or proposed, or in connection with any other matter, requiring the approval of the Architecture Committee under these restrictions, shall not be deemed to constitute a waiver of any right to withhold approval as to any similar plan, drawing, specification or matter whenever subsequently or additionally submitted for approval. Upon approval or disapproval of the plans by the Architecture Committee, one set of plans shall be retained by the Architecture Committee.

7.8 Architecture Committee Rules. The Architecture Committee may, from time to time and in its sole discretion adopt, amend and repeal by majority vote, rules and regulations to be known as "Architecture Committee Rules" which, among other things interpret or implement the provisions of this Article VII. A copy of the Architecture Committee Rules as they may from time to time be adopted, amended or repealed, certified by any member of the Architecture Committee shall be available from the Architecture Committee.

7.9 Expenses of Committee. The Architecture Committee may set any charges or fees as it may deem reasonable which shall be paid by any Owner requesting a review of plans or specification in advance. Such charges or fees shall pay for the time of committee members and/or any professionals engaged to review plans and specifications.

7.10 Actions of Committee. All actions taken by members of the Architecture Committee shall be by majority vote of committee members unless otherwise provided herein.

7.11 Establishment of Committee and Meetings. For so long as Declarant owns one-ninth (1/9) or more of the Lots or other parcels of land within Sunbrook, Declarant shall have the right to elect at least two of the members of the Architecture Committee. Declarant may act for and in behalf of the Architecture Committee to enforce the terms of this Declaration at any time for so long as Declarant owns any interest in Sunbrook or the Development. The Architecture Committee shall be elected by a majority of votes of Owners appearing in person or by proxy at a meeting called for that purpose. Members of the Architecture Committee shall serve for a period of two (2) years or until their successors are elected. Members of the committee may be removed at any time by a majority of votes of Owners appearing in person or by proxy at a meeting called for that purpose; provided, that a member of the Architecture Committee may not be removed against the wishes of Declarant, if Declarant, pursuant to this Section 7.11 could elect said member.

A meeting of Owners may be called at any time by Declarant, the Architecture Committee or Owners of at least ten percent (10%) of the Lots within Sunbrook, upon fifteen (15) days

written notice to all Owners and to Declarant and the Architecture Committee. Notice may be given by mail or by personal delivery to each Lot or to the residence of each Owner.

7.12 Rights of Architecture Committee to Enforce. Declarant, or the Architecture Committee, if established, shall have the right to act as attorney-in-fact for all Owners and to enforce all rights, duties and powers of Owners or Declarant under this Declaration. Declarant, or the Architecture Committee, if established, shall have the power to make assessments and create liens against the Lots where appropriate and in accordance with this Declaration.

ARTICLE VIII

COVENANT FOR MAINTENANCE ASSESSMENTS

8.1 Creation of the Lien and Personal Obligation of Assessments. Each Owner, by acceptance of a real estate contract or deed for any Lot, whether or not it shall be so expressed in any such contract or deed, is deemed to covenant and agree to pay such assessments as may be fixed, established and collected from time to time as hereinafter provided. The assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of the Lot at the time when the assessment was made. The personal obligation shall not pass to Owner's successors in title unless expressly assumed by them.

8.2 Purpose of Assessments. The assessments levied hereunder shall be used exclusively for the purpose of promoting the health, safety and welfare of the Owners and Declarant, in particular, for the continued maintenance of Lots within Sunbrook, and services and facilities devoted to this purpose. Assessments may be made against Owners for services provided for the maintenance of any Lot where such Owner fails to maintain the Lot or any improvements thereon in accordance with this Declaration. Any costs or expenses incurred by Declarant, the Architecture Committee, or any Owner, including attorney's fees, may be assessed by the Architecture Committee against the Lot and Owner as provided herein, where such costs or expense was incurred in enforcing the provisions of this Declaration, and the Owner to whom the assessment was made was in breach of this Declaration.

8.3 Assessments. The amount and time of payment of assessments shall be determined by the Architecture Committee after giving due consideration to the current maintenance costs

and needs and the specific maintenance problem to be dealt with. Written notice of the amount of an assessment shall be sent to the Owner or Owners affected thereby and the due date for the payment of same shall be set forth in said notice.

ARTICLE IX

NON-PAYMENT OF ASSESSMENTS

9.1 Delinquency. Any assessment provided for in this Declaration, which is not paid when due, shall be delinquent. If any such assessment is not paid within fifteen (15) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of twenty-one percent (21%) per annum, and a late charge shall be assessed equal to five percent (5%) of the assessment. The Architecture Committee may, at its option, bring an action at law against the Owner personally obligated to pay the same, or, upon compliance with the notice provisions set forth in Section 9.2 hereof, to foreclose the lien (provided for in Article VIII hereof) against the Lot, and there shall be added to the amount of such assessment the late charge, interest, the costs of preparing and filing the complaint in such action, and in the event a judgement is obtained, such judgement shall include said interest and a reasonable attorney's fee, together with the costs of action. Each Owner vests in the Architecture Committee or its assigns, the right and power to bring all actions at law or in equity or lien foreclosure against all proper parties for the collection of such delinquent assessments.

9.2 Notice of Lien. No action shall be brought to foreclose said assessment lien or to proceed under the power of sale herein provided less than thirty (30) days after the date a notice of claim of lien is deposited in the United States mail, certified or registered to the Owner of said Lot.

9.3 Foreclosure Sale. Any such foreclosure and subsequent sale provided for above is to be conducted in accordance with the laws of the State of Utah relating to the foreclosure of mortgages. The Architecture Committee, through its duly authorized agents, shall have the power to bid on the Lot at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.

9.4 Curing of Default. Upon the timely curing of any default for which a notice of claim of lien was filed by the Architecture Committee, the Architecture Committee is hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting Owner of a fee, to be determined by the Architecture Committee, to cover the costs of preparing and filing or recording such release, together with the payment of such other costs, interest or fees as shall have been incurred to that date and to pay for

time spent by members of the Architecture Committee up to the time of cure.

9.5 Cumulative Remedies. The assessment lien and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Architecture Committee and all Owners may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments, as above provided.

ARTICLE X

MORTGAGEE PROTECTION

10.1 Notice to Mortgagee. From and after the time a Mortgagee makes written request to the Architecture Committee therefor, the Architecture Committee shall notify such Mortgagee in writing in the event that the Owner of the Lot encumbered by the Mortgage held by such Mortgagee neglects for a period of sixty (60) days or more to cure any failure on the part of such Owner to perform any of Owner's obligations under this Declaration.

10.2 Subordination of Assessment Lien. The lien or claim against a Lot for unpaid assessments or charges levied by the Architecture Committee pursuant to this Declaration shall be subordinate to a prior recorded Mortgage affecting such Lot. A Mortgagee who comes into possession of the Lot pursuant to a 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 after recordation of the Mortgage and prior to foreclosure of the Mortgage, exercise of power of sale available thereunder, or deed or assignment in lieu of foreclosure. No assessment, charge, lien, or claim which is described in the preceding sentence as being subordinate to a Mortgage or as not a burden to a Mortgagee coming into possession pursuant to his Mortgage or a deed or assignment in lieu of foreclosure shall be collected or enforced against a Mortgagee, a successor in title to a Mortgagee, or the Lot 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 Lot).

ARTICLE XI

WATER COMPANY ASSESSMENTS

11.1 Creation of the Lien for Water Company and Personal Obligation for Water Assessments. Each Owner or the Owner's successors and assigns, by acceptance of a real estate contract or deed for a Lot, whether or not it shall be so expressed in any such contract or deed, is deemed to covenant and

agree to pay to the Gorgoza Mutual Water Company hereinafter "Water Company") or its successors or assigns: (a) regular assessments or charges for water services; (b) special assessments for capital improvements and other purposes, such assessments to be fixed, established and collected from time to time as hereinafter provided; and (c) other expenses incurred by the Water Company. The regular and special assessments and expenses together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each such assessment or charge is made. Each such assessment or charge together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment or charge fell due. The personal obligation shall not pass to such Owner's successor in title unless expressly assumed by them and approved by the Water Company. No membership in the Water Company may be transferred to a subsequent Lot Owner until all due charges, assessments, interest and penalty charges have been paid in full.

11.2 Purpose of Assessments. The assessments levied by the Water Company shall be used for providing potable water to the Owners and to construct, build and maintain an adequate supply and an adequate water system for the health, safety, security and welfare of the Owners, including, but not limited to, water for fire protection and the like.

11.3 Regular Assessments. The amount and time of payment of regular assessments shall be determined by the Board of Directors of the Water Company pursuant to the Bylaws of said Water Company after giving due consideration to the current costs and future needs of the Water Company. Written notice of the amount of an assessment, regular or special, shall be sent to every Owner, and the due date for the payment of same shall be set forth in said notice, in accordance with the provisions of Utah law regarding assessable stock.

11.4 Special Assessments for Capital Improvements. In addition to the regular assessments, the Water Company may levy in any fiscal year, special assessments applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement within the water system.

11.5 Uniform Rate of Assessment. Except as otherwise provided herein, both regular and special assessments shall be fixed at a uniform rate for each Lot, plus an additional charge based upon actual usage of water by an Owner, and may be collected on a monthly, quarterly or annual basis as determined by the Board of Directors of the Water Company. Declarant or its successor in interest, for all purposes shall not be

considered an Owner unless or until Declarant actually constructs a building on a Lot which becomes occupied by residents and shall not be subject to assessment by the Water Company until considered an Owner.

11.6 Date of Commencement of Regular Assessments and Fixing Thereof. The regular assessments provided for herein shall commence as to all Lots on the first day of the month following the closing of the first Lot sold by Declarant or its successors or assigns.

11.7 Certificate of Payment. The Water Company shall, upon demand, furnish to any Owner liable for said assessments, a certificate in writing signed by an officer of the Water Company, setting forth whether the regular and special assessments on a specified Lot have been paid, and the amount of the delinquency, if any. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

11.8 Assessments and Liens Not Exclusive. The right of assessment and lien provided herein shall not be the exclusive remedy of the Water Company nor shall these provisions limit or restrict the rights of the Water Company to make other charges, assessments or perform its services in any degree. This shall not impose a continuing duty on the Water Company to provide water service or any specific level or degree of service. Simultaneous with its assessment or charge of lien, the Water Company may pursue the sale of membership stock, personal actions against the Owner and the remedies provided herein until obligations to the Water Company are fully satisfied.

11.9 Delinquencies and Method of Payment. Any assessments and charges allowed under this Article XI shall be paid in accordance with the rules, regulations, Bylaws and assessments of the Water Company. The Water Company may include in such assessments a date for delinquency, late payment charges, interest charges at rates it shall determine, and its costs and expenses incurred in collection of delinquent amounts, including attorney's fees.

11.10 Notice of Lien. No action shall be brought by the Water Company to foreclose any assessment lien or to proceed under the power of sale herein provided less than thirty (30) days after the date a notice of claim of lien is deposited in the United States mail, certified or registered, addressed to the Owner of said Lot and such notice is recorded in the Summit County Recorder's Office.

11.11 Foreclosure Sale. If the unpaid charges are not paid within the cure period provided for in Section 11.10

above, foreclosure of the lien against the Lot or other property shall be allowed. Any such foreclosure and subsequent sale provided for is to be conducted in accordance with the laws of the State of Utah relating to foreclosure of mortgages. The Water Company, through its duly authorized agents, shall have the power to bid on the lot at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.

11.12 Curing of Default. Upon the timely curing of any default for which a notice of claim of lien was filed by the Water Company, the officers of Water Company are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting owner of a reasonable fee to be determined by the Water Company to cover the costs of preparing and filing or recording such release, together with the payment of such other costs, interest or fees as shall have been incurred.

11.13 Subordination of Assessment and Charge Liens. If any Lot subject to a monetary lien created by any provision hereof shall be subject to the lien of a first mortgage or first deed of trust: (a) the foreclosure of any lien created by anything set forth in this Declaration shall not operate to affect or impair the lien of such first mortgage or first deed of trust; and (b) the foreclosure of the lien of a first mortgage or deed of trust shall extinguish the lien of assessments which were due and payable prior to such foreclosure or conveyance in lieu of foreclosure. However, no foreclosure or acceptance of a deed in lieu of foreclosure shall relieve the new Owner, whether it be the former beneficiary of the first encumbrance or another person, for liability for any assessments thereafter becoming due, or from the lien thereof.

ARTICLE XII

GENERAL PROVISIONS

12.1 Enforcement. Declarant, the Architecture Committee, any Owner, or Summit County, Utah, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Architecture Committee or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

12.2 Equitable Remedies. It is hereby acknowledged and agreed that many of the restrictions, covenants and conditions expressed herein benefit Declarant and Owners in such a way that specific enforcement of such restrictions, covenants and conditions is necessary in nearly all cases of enforcement. Therefore, mandatory or prohibitive injunctive relief and other equitable remedies are expressly provided for, in addition to

any action for damages, assessments, costs or fees and any action at law.

12.3 Severability. Invalidation of any one of these covenants by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

12.4 Amendment. Except as may be otherwise provided at Article III, Section 3.3 herein, at any time while any provision, covenant, condition or restriction contained in this Declaration or amendment thereto, is in force and effect, it may be amended or repealed by the recording of a written instrument specifying the amendment or repeal, executed by Owners representing a majority of the combined votes of all Owners entitled to vote; provided, that, no such amendment may be made except with the consent of Declarant for so long as Declarant or its successor or assigns own any interest in Sunbrook or the Development. No amendment placed into effect hereunder shall create additional limitations, restrictions, covenants, conditions or easements without the unanimous consent of all Owners.

12.5 Limited Liability. Neither Declarant, the Architecture Committee, nor any member, agent, representative, officer, director, or employee of any of the same shall be liable to any party for any action or for any failure to act with respect to any matter pertaining to or contemplated by this Declaration.

12.6 Nuisance. The result of every act or omission, whereby any provision, conditions, restriction, covenant, easement or reservation contained in this Declaration is violated in whole or in part, is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result, and may be exercised by the Architecture Committee, or any other Lot Owner in the subdivision. Such remedy shall be deemed cumulative and not exclusive.

12.7 Cost of Legal Proceedings. If legal proceedings are initiated in a court of law to enforce the terms of this Declaration of Restrictive Covenants and Conditions, the prevailing party shall, in addition to any other relief, be entitled to recover its costs and attorney's fees associated with such legal proceedings.

Executed the day and year first above written.

SMW DEVELOPMENT COMPANY
A Utah General Partnersip

By Richard L. McGillis
Richard L. McGillis,
Managing General Partner

EXHIBIT "A"

Beginning at a point which is South 430.55 feet along the Section line and West 1378.83 feet from the East Quarter corner of Section 11, Township 1 South, Range 3 East, Salt Lake Base and Meridian, said point also being on the boundary line of Pinebrook Subdivision No. 1, Phase 1, and running thence long the boundary of said Subdivision the following (5) courses: S 11° 00' 00" W 85.00 feet, S 79° 00' 00" E 50.00 feet S 11° 00' 00" W 80.00 feet to a point on a 445.00 foot radius curve to the right (radius point bears N 79° 00' 00" W), thence Southwesterly along the arc of said curve 407.75 feet, and S 63° 32' 00" W 24.31 feet; thence N 26° 30' 00" W 100.00 feet; thence N 27° 09' 32" W 60.00 feet; thence N 49° 27' 46" W 60.00 feet; thence N 30° 07' 34" E 104.53 feet; thence N 36° 00' 52" E 60.30 feet; thence N 30° 03' 24" E 90.00 feet; thence N 56° 35' 51" W 57.79 feet; thence N 35° 37' 34" E 174.43 feet to a point on a 420.00 foot radius curve to the left (radius bears N 35° 37' 34" E); thence Southeasterly along the arc of said curve 180.52 feet to the point of beginning.

Containing 2.837 Acres

EXHIBIT "B"

PARCEL 1:

All of Lot 4, also known as the Southeast quarter of Section 10, Township 1 South Range 3 East, Salt Lake Base and Meridian, less and excepting therefrom that portion known as Pinebrook Subdivision Nos. 2 and 3, according to the official plat thereof on file and of record in the Summit County Recorder's office.

PARCEL 2:

The North one-half of Section 11 Township 1 South, Range 3 East, Salt Lake Base and Meridian, less and excepting that portion lying North of the South right of way boundary line of Interstate Highway Project I-80.

Also less and excepting that portion deeded to Wallace A. Wright, et al, in that certain Warranty Deed recorded December 19, 1977, as Entry No. 143113, in Book M-106, at Page 312, and that certain Warranty Deed recorded December 19, 1977, as Entry No. 143114, in Book M-106, at Page 314, more particularly described as follows:

Commencing at the West quarter corner of Section 11, Township 1 South, Range 3 East, Salt Lake Base and Meridian; and running thence North 0 Degrees 33 Minutes West 1741.52 feet to the South right of way line of a frontage road; thence Northeasterly 778.50 feet along the arc of a 4533.66 foot radius curve to the right, which arc is the Southerly right of way line of the frontage road; thence North 75 Degrees 30 Minutes East, 150.00 feet; thence Easterly 1771.50 feet along the arc of a 3234.04 foot radius curve to the right, said arc being the South frontage road right of way line; thence South 45 Degrees 36 Minutes West 1100.00 feet; thence South 450.00 feet; thence East 390.79 feet; thence South 16 Degrees 21 Minutes West 433.30 feet; thence South 36 Degrees 01 Minutes West, 947.40 feet; thence North 89 Degrees 23 Minutes West, 163.78 feet; thence South 88 Degrees 57 Minutes West, 135.07 feet; thence South 01 Degrees 03 Minutes East, 79.17 feet; thence North 89 Degrees 37 Minutes 30 Seconds West, 89.63 feet; thence North 01 Degrees 03 Minutes West, 65.00 feet; thence North 79 Degrees 48 Minutes West, 482.06 feet; thence South 65 Degrees 45 Minutes West, 93.86 feet; thence South 58 Degrees 43 Minutes West, 67.60 feet; thence North 86 Degrees 57 Minutes West, 65.03 feet; thence North 07 Degrees 17 Minutes West, 108.02 feet; thence South 89 Degrees 13 Minutes West, 168.59 feet; thence South 77 Degrees 26 Minutes West 123.81 feet; thence South 69 Degrees 46 Minutes West, 177.54 feet; thence North 0 Degrees 33 Minutes West, 352.00 feet to the point of beginning.

AND

Commencing at a point on the East property line and the Southerly right of way line of a frontage road which point is 1860.40 feet North and 3044.55 feet East from the West quarter corner of Section 11 Township 1 South, Range 3 East, Salt Lake Base and Meridian; and running thence North 70 Degrees 30 Minutes West, 460.64 feet along the Southerly frontage road right of way line; thence South 45 Degrees 36 Minutes West, 1100.00 feet; thence South 450.0 feet; thence East 390.79 feet; thence North 16 Degrees 21 Minutes East, 355.65 feet; thence North 45 Degrees 36 Minutes East, 1009.66 feet to the point of beginning.

PARCEL 3:

All of lot 1 and the East one-half of the Southwest quarter of Section 11, Township 1 South, Range 3 East, Salt Lake Base and Meridian, less and excepting that portion deeded to Wallace A. Wright by that certain Warranty Deed recorded December 19, 1977, as Entry No. 143113, in Book M-106, at Page 312 and described hereinabove and less and excepting that portion lying within Pinebrook Subdivision No. 1, Phase I, and Pinebrook Subdivision No. 2, Phase I, according to the official plat thereof on file and of record in the Summit County Recorder's office. All of the Southeast quarter of Section 11, Township 1 South, Range 3 East, Salt Lake Base and Meridian, less and excepting that portion lying within Pinebrook Subdivision No. 2, Phase I, all of Pinebrook Subdivision No. 8, and all of that portion lying within the Ranch Condominiums, Phase I.

PARCEL 4:

Beginning at a point at the West quarter corner of Section 12, Township 1 South, Range 3 East, Salt Lake Base and Meridian, and running thence North along the West Section line of Section 12, a distance of 300 feet, more or less, to the Southwesterly right of way boundary line to Interstate Highway Project I-80; thence South 43 Degrees 00 Minutes East 88.00 feet along said boundary line to a point of curve; thence Southeasterly 307 feet, more or less, along a 2824.8 foot radius curve to the right to a point on the center 1/16 line of said Section 12; thence West along said 1/16 line 262 feet to the point of beginning, less and excepting that portion lying within the Ranch Condominiums, Phase I.

PARCEL 5:

Beginning at the Southwest corner of Section 12, Township 1 South, Range 3 East, Salt Lake Base and Meridian; and running thence North 0 Degrees 03 Minutes 20 Seconds East 2638.45 feet, more or less, to the South boundary line of Parcel 4, hereinabove described; thence East along said South boundary line 262.00 feet more or less, to the Westerly right of way boundary line of Interstate Highway Project I-80; thence South 35 Degrees 42 Minutes 54 Seconds East along said Westerly boundary line, 909.12 feet, more or less, to the most Northeasterly corner of the Larry James Kilby property, as described in Book M-82, at Page 835, of the Summit County Records; thence South 52 Degrees 28 Seconds West along the Northwesterly boundary line of said Kilby Property 330.0 feet, more or less, to the most Northwesterly corner of said Kilby Property; thence South 35 Degrees 42 Minutes 54 Seconds East along the Southwest boundary line of said Kilby Property, 660.0 feet, more or less, to the most Southwesterly corner of said Kilby Property; thence North 52 Degrees 28 Minutes East along the Southeast boundary line of said Kilby Property, 330.0 feet, more or less, to the Westerly boundary line of said Highway Project I-80; thence South 35 Degrees 42 Minutes 54 Seconds East along said Westerly boundary line 304.94 feet, more or less; thence South 0 Degrees 03 Minutes 20 Seconds West 1034.21 feet, more or less, to the South line of Section 12; thence North 89 Degrees 24 Minutes 05 Seconds West 1435.83 feet, more or less, to the point of beginning, less and excepting that portion lying with the Ranch Condominiums, Phase I.

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PARCEL 6:

Beginning at a point on the South line of Section 12, Township 1 South, Range 3 East, Salt Lake Base and Meridian, being South 89 Degrees 24 Minutes 05 Seconds East 1435.83 feet from the Southwest corner of said Section 12; thence North 00 Degrees 03 Minutes 20 Seconds East 1034.21 feet to the Westerly right of way line of the frontage road as shown on State Highway Project No. I-80-4 (31) 141; thence along said Westerly right of way line as follows: South 35 Degrees 42 Minutes 54 Seconds East 739.92 feet to a State right of way marker (Engineer's Station 200 + 24.26), said point also being a point of a 612.96 foot radius curve to the left; thence Southeasterly along the arc of said curve 106.98 feet to a point of tangency; thence South 45 Degrees 52 Minutes 54 Seconds East 14.92 feet to a point of a 532.96 foot radius curve to the right; thence Southeasterly along the arc of said curve 93.02 feet to a point of tangency; thence South 35 Degrees 42 Minutes 54 Seconds East 50.00 feet to a point of a 778.51 foot radius curve to the right; thence Southeasterly along the arc of said curve 266.485 feet to the South line of said Section 12; thence North 89 Degrees 24 Minutes 05 Seconds West along said South line 718.99 feet to the point of beginning.

Less and excepting that portion deeded to Park City Fire Protection District by that certain Special Warranty Deed recorded April 30, 1982, as Entry No. 190902, in Book M-218, at Page 521, in the Summit County Recorder's Office.

PARCEL 7:

Those certain parcels of property lying within Section 14, Township 1 South, Range 3 East, Salt Lake Base and Meridian described as follows:

All of the South one-half, all of the Northeast quarter, all of the Northwest quarter, less and excepting those portions lying within Pinebrook Subdivision No. 1, Pinebrook Subdivision No. 3, Pinebrook Subdivision No. 4, Pinebrook Subdivision No. 6A, Pinebrook Subdivision No. 8, and Pinebrook Subdivision No. 3-B, according to the official plat thereof on file and of record in the Summit County Recorder's office.

PARCEL 8:

All of the Northeast quarter and the Southeast quarter of Section 15, Township 1 South, Range 3 East, Salt Lake Base and Meridian, lying East of the following described line:

Beginning at the Northwest corner of the Northeast quarter of the Northeast quarter of Section 15, Township 1 South, Range 3 East, Salt Lake Base and Meridian; and running thence South 400.0 feet; thence West 350.0 feet; thence South 200.0 feet; thence South 44 Degrees 00 Minutes East 60.0 feet; thence South 46 Degrees 00 Minutes West 510.00 feet; thence South 02 Degrees 00 Minutes East 200.0 feet; thence South 31 Degrees 00 Minutes East 290.0 feet; thence South 67 Degrees 00 Minutes East 250.00 feet; thence South 11 Degrees 00 Minutes West 300.0 feet; thence South 49 Degrees 00 Minutes East 300.0 feet; thence South 12 Degrees 00 Minutes East 620.0 feet; thence South 46 Degrees 00 Minutes East 150.0 feet; thence South 47 Degrees 00 Minutes West 680.0 feet; thence South 16 Degrees 00 Minutes West 170.0 feet; thence South 05 Degrees 00 Minutes East 970.0 feet; thence South 32 Degrees 00 Minutes East 200.0 feet; thence South 11 Degrees 00 Minutes West 700.0 feet; thence South 20 Degrees 00 Minutes East 208.6 feet, more or less to the South line of said Section 15, said point being South 89 Degrees 52 Minutes 54 Seconds West, along the Section Line, 1699.80 feet, from the Southeast corner of said Section 15.

Less and excepting portions lying within Pinebrook Subdivision No. 1, Pinebrook Subdivision No. 3, and Pinebrook Subdivision No. 3-B, according to the official plat thereof on file and of record in the Summit County Recorder's Office.

PARCEL 9:

All of Lots 3, 4, 6, 8, and 9, Pinebrook Subdivision No. 1, Phase 1, Plat "A", according to the official plat thereof on file and of record in the Summit County Recorder's Office.

PARCEL 10:

All of Lots 51, 53, 54, 55, 58, 59, 60, 61, 78, and 100, Pinebrook Subdivision No. 2, Phase 1, according to the official plat thereof on file and of record in the Summit County Recorder's Office.

PARCEL 11:

All of Lots 103, 104, 105, 106, 107, 112, Lots 115 through 120, inclusive, and 122 through 126, inclusive, and Lots 130, 131, and 133, through 142, inclusive, Pinebrook Subdivision No. 3, according to the official plat thereof on file and of record in the Summit County Recorder's Office.

Less and excepting those portions of Lots 103, 104 and 105 deeded to W. Meeks Wirthlin Investment Company by that certain Special Warranty Deed recorded June 24, 1981, as Entry No. 180940, in Book M-190, at Page 705, more particularly described as follows:

PARCEL A:

Beginning at the Northeast corner of Lot 103, Pinebrook Subdivision No. 3, as filed with the Summit County Recorder; said point also being South 0 Degrees 18 Minutes 31 Seconds East, 1274.21 feet and West, 115.93 feet and South 86 Degrees 00 Minutes 00 Seconds West, ~~207.17 feet from the West~~ quarter course of Section 11, Township 1 South, Range 3 East, Salt Lake Base and Meridian; and running thence South 39 Degrees 00 Minutes 00 Seconds East, 50.00 feet; thence South 44 Degrees 22 Minutes 40 Seconds West 80.37 feet; thence North 37 Degrees 15 Minutes 00 Seconds West 112.81 feet to the Northwest corner of said lot; thence North 86 Degrees 00 Minutes 00 Seconds East 93.25 feet to the point of beginning.

PARCEL B:

Beginning at the Northeast corner of Lot 104, Pinebrook Subdivision No. 3, as filed with the Summit County Recorder, said point also being South 0 Degrees 18 Minutes 31 Seconds East 1274.21 feet and West, 115.93 feet and South 86 Degrees 00 Minutes 00 Seconds West 300.42 feet from the West quarter corner of Section 11, Township 1 South, Range 3 East, Salt Lake Base and Meridian; and running thence South 37 Degrees 15 Minutes 00 Seconds East 112.81 feet; thence South 44 Degrees 22 Minutes 40 Seconds West 99.96 feet; thence North 39 Degrees 00 Minutes 00 Seconds West 84.32 feet; thence North 8 Degrees 30 Minutes 00 Seconds West 91.95 feet; thence North 86 Degrees 00 Minutes 00 Seconds East 68.45 feet to the point of beginning.

PARCEL C:

Beginning at the North corner of Lot 105, Pinebrook Subdivision No. 3, as filed with the Summit County Recorder, said point also being South 0 Degrees 18 Minutes 31 Seconds East 1274.21 feet and West 115.93 feet and South 86 Degrees 00 Minutes 00 Seconds West 368.87 feet and South 8 Degrees 30 Minutes 00 Seconds East 91.95 feet from the West quarter corner of Section 11, Township 1 South, Range 3 East, Salt Lake Base and Meridian; and running thence South 39 Degrees 00 Minutes 00 Seconds East 84.32 feet; thence South 44 Degrees 22 Minutes 40 Seconds West 53.67 feet; thence North 8 Degrees 30 Minutes 00 Seconds West 105.04 feet to the point of beginning.

PARCEL 12:

All of Lots 143 through 151, inclusive, Lots 154, 155, 156, 157, 161, 164, 165, 166, 167, 168, 170, 171, 172, 173, 177, 207, 211, 213, 214, 215, 217, 221, 222, 228, and 229, Pinebrook Subdivision No. 4, according to the official plat thereof on file and of record in the Summit County Recorder's Office.

PARCEL 13:

All of Lots 291 through 296, inclusive, Pinebrook Subdivision No. 6A, according to the official plat thereof on file and of record in the Summit County Recorder's Office.

PARCEL 14:

All of Pinebrook Subdivision No. 8, less and excepting Lots 348, and 350, thereof according to the official plat thereof on file and of record in the Summit County Recorder's Office.

PARCEL 15:

All of Pinebrook Subdivisions No. 3-A, and Pinebrook No. 3-B, less and excepting Lot 369, thereof according to the official plat thereof on file and of record in the Summit County Recorder's Office.

PARCEL 16:

Toll Canyon Property:

The Northwest quarter of Section 22, Township 1 South, Range 3 East, Salt Lake Base and Meridian.

All of Section 16, Township 1 South, Range 3 East, Salt Lake Base and Meridian, Lying within Summit and Salt Lake Counties.

All of that portion of Section 15, Township 1 South, Range 3 East, Salt Lake Base and Meridian, West of the following described boundary line:

Beginning at the Northwest corner of the Northeast quarter of the Northeast quarter of Section 15, Township 1 South, Range 3 East, Salt Lake Base and Meridian; and running thence South 400.0 feet; thence West 350.0 feet; thence South 200.0 feet; thence South 44 Degrees East 60.0 feet; thence South 46 Degrees West 510.0 feet; thence South 2 Degrees East 200.0 feet; thence South 31 Degrees East 290.0 feet; thence South 67 Degrees East 250.0 feet; thence South 11 Degrees West 300.0 feet; thence South 49 Degrees East 300.0 feet; thence South 12 Degrees East 620.0 feet; thence South 46 Degrees East 150.0 feet; thence South 47 Degrees West 680.0 feet; thence South 16 Degrees West 170.0 feet; thence South 5 Degrees East 970.0 feet; thence South 32 Degrees East 200.0 feet; thence South 11 Degrees West 700.0 feet; thence South 20 Degrees East 208.6 feet, more or less, to the South line of said Section 15, said point being South 89 Degrees 52 Minutes 54 Seconds West along the Section Line, 1699.80 feet from the Southeast corner of said Section 15.

Excluding that portion of said Sections 15 and 16, Township 1 South, Range 3 East, deeded to Summit Park Company, a Utah Corporation, and described in that certain Warranty Deed recorded July 5, 1960, as entry No. 91905, in Book W of Warranty Deeds, at page 150, in the Summit County Recorder's Office.

TOGETHER WITH the water rights represented in that certain contract between Weber Basin Water Conservancy District and Gorgoza Pines Ranch, Inc. dated June 3, 1974, and recorded as Entry Number 129931 in Book M75 at Page 398 - 408 in the Summit County Recorder's Office on December 26, 1975, and together with the water rights represented in the Exchange Application No. 763 (35 Area).

TOGETHER WITH all and singular the tenements, hereditaments, rights, rights of way, easements, privileges and appurtenances thereunto belonging, or in anywise appertaining (all as part of the premises hereby conveyed) which shall be deemed to include but not to be limited to (1) all mineral rights, rents, issues, profits, damages, royalties, revenue and benefits therefrom; (2) all improvements, fixtures and equipment (whether or not annexed thereto) now or hereafter used in connection therewith; (3) all water and water rights hereafter relating to or used in connection with said property; together with all shares of stock evidencing any such water rights, and all fixtures and equipment for irrigation or drainage. Household appliances are deemed to be fixtures and a part of the realty, and a portion of the security for the indebtedness herein mentioned. All of which aforementioned property, whether real, personal or mixed, shall be hereinafter collectively referred to as "subject property."