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Declaration PAGE 1/12
ALAN SPRIGGS, SUMMIT COUNTY RECORDER
FEE 38.00 BY GORDON ONEIL

AMENDED AND RESTATED DECLARATION FOR ELKHORN RANCH SUBDIVISION, OAKLEY CITY, UTAH

THIS AMENDED AND RESTATED DECLARATION (this "**Declaration**") is made as of the 15 date of Nov, 2010, by and among the undersigned (each an "**Owner**", and collectively the "**Owners**").

Recitals

A. The Owners are the fee simple owners of the following-described real property, located in Summit County, Utah (the "**Property**"): Elkhorn. 1- 4- 2- 5- 3- 6

Lots 1, 2, 3, 4, 5 and 6 of the Elkhorn Ranch Subdivision, Oakley City, Utah, as they appear on the plat therefor, recorded in the records of the Summit County, Utah Recorder on August 17, 2001, as Entry No. 596033 (the "**Plat**").

B. The Property was subjected to a Declaration of Covenants, Conditions and Restrictions for Elkhorn Ranch Subdivision, dated September 20, 2001, and recorded in the records of the Summit County, Utah Recorder on September 21, 2001, as Entry No. 598790, Book 1396, and Page 801 (the "**Original Declaration**").

C. By this Declaration, the Owners desire to amend and restate the Original Declaration in its entirety to clarify and establish the rights and obligations of the Owners with respect to the Property.

Agreement

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is acknowledged, the Owners agree as follows:

Section I. The Property; Easements.

1.1 Original Declaration. The Original Declaration is amended and restated in its entirety by this Declaration such that the Original Declaration shall be of no further force or effect upon the recording of this Declaration.

1.2 Submission of the Property. The Property shall be held, used, and conveyed subject to the easements, restrictions, covenants, and conditions set forth in this Declaration.

1.3 Building Lots.

(a) Building Pad. Lots 1, 2, 3, 4, 5 and 6 of the Property (each a "**Lot**") are designated as building lots as shown on the Plat. Subject to the terms and conditions of this Declaration, one single family residential dwelling and one guest home appurtenant thereto may be constructed upon each Lot on the location designated on the Plat as the "**Buildable Area**." All improvements must be located entirely within the designated Buildable Area, except that underground improvements (such as septic systems), walkways, patios, and driveways connecting the dwelling and garages to the access road identified on the Plat need not be within such Buildable Area, provided they are approved by the Board (as defined below).

(b) Natural Area of Lot. All portions of a Lot located outside the Buildable Area are referred to as the "**Natural Area**." No above-ground buildings, structures, or improvements of any kind shall be constructed or placed in the Natural Area, including without limitation, sheds, storage buildings, garages, other buildings, tennis courts or non-natural surfaces of any kind (excepting only driveways, walkways, and patios). The Owner of each Lot shall maintain the Natural Area upon each Lot, at the Owner's sole expense, in such a manner as to provide privacy, prevent soil erosion, and preserve wildlife habitat. Lot Owners may construct ponds, trails, and other landscape features within the Natural Area.

1.4 Reciprocal River Frontage Easement and License. The Owners hereby create a reciprocal easement (the "**River Frontage Easement**") for the benefit of each Lot over the other Lots, which easement shall extend fifteen (15) feet north from and along the high water mark of the bank of the Weber River (the "**River Frontage Easement Area**"). The River Frontage Easement Area shall be used only for pedestrian access and non-commercial fishing during daylight hours only and for no other purpose, and the use of motor vehicles within the River Frontage Easement Area is specifically prohibited. No Owner shall construct, or permit to be constructed, any fences, walls, or other improvements or obstructions within the River Frontage Easement Area which might impede the proper use thereof. The River Frontage Easement (a) is not, and shall not be deemed to be, a public dedication, and the same shall be used solely by the Owners, their families, and the guests of the Owners; and (b) is and shall be appurtenant to the Lots and not severable or transferrable apart therefrom. The Owners hereby grant a personal license to Richard Maynes and his family (the "**Licensee**") over and upon the River Frontage Easement Area for the purposes set forth above, which license shall travel with the title to his property on Weber Canyon Road. The same personal license is issued to the Darby family on Weber Canyon Road.

1.5 Access to River Frontage Easement Area. The Owners of (a) Lots 1 and 2 of the Property hereby grant to the other Owners and their successors and assigns an easement over and upon the area extending two and one-half (2.5) feet on each side from the common boundary line of such Lots; and (b) Lots 3 and 4 of the Property hereby grant to the Owners and their successors and assigns an easement over and upon the area extending two and one-half (2.5) feet on each side from the common boundary line of such Lots (collectively, the "**Access Easements**"). The Access Easements shall extend the length of such common boundary lines and shall be used solely for pedestrian access to and from the River Frontage Easement Area, subject to the same terms and conditions to which the River Frontage Easement is subject. Notwithstanding Section 1.3 or 1.4 above, the Owners of the Lots burdened by the Access Easements shall have the right to landscape and/or fence the Lots along and adjacent to the Access Easements.

1.6 Natural Water Course. A natural stream leaving and re-entering the Weber River is located upon portions of Lots 2, 3, 4, and 5 and the Owners of such Lots shall not interfere with the present, natural course thereof. Such Owners shall have no obligation to maintain such stream but should

take responsibility of removing debris from the natural stream to maintain good water flow. The cost of maintaining the entrance of the creek on Lot 2 shall be shared by Owners of Lots 2, 3, 4, and 5. The foregoing covenant does not, and shall not be deemed to; create any easement in favor of any other Owner or person with respect to such stream.

Section II. Use and Maintenance of Common Facilities; Association.

2.1 Location. The Owners hereby grant an easement (the "**Common Facilities Easement**") over and upon such Owners' Lots to and for the benefit of the Lots of the remaining Owners in those areas identified on the Plat as: "access and utility easement," "P.U.E.," "Oakley City Pathway and P.U.E.," "Drainage Easement," or other similar terms, and any other facilities, utilities lines, and other such matters existing as of the date of this Declaration, including, without limitation, the entry gate and adjacent landscaping; perimeter fences; electrical lines; telephone lines; culinary water system facilities; natural gas lines; and the irrigation system and pump serving the Property (collectively, the "**Common Facilities**"). Title to the Common Facilities, but excluding the easements underlying the same, shall be vested in the Association, as defined below.

2.2 Entry Road. The entry road for the Property, depicted on the Plat as Elkhorn Lane, consists of a 20 feet wide paved surface road and one paved circular access and utility easements. The Owners hereby grant an easement over and upon such Owners' Lots to and for the benefit of the Lots of the remaining Owners for such entry road as depicted on the Plat (the "**Roadway Easement**"). Such Roadway Easement shall not constitute, or be deemed to constitute, a public dedication, and the Roadway Easement shall inure to the benefit of the Owners. Such road and/or other facilities constructed within the Roadway Easement shall be maintained by the Association, including by providing for the regular removal of snow , the costs and expenses of which shall be included in Common Expenses (as defined below). Notwithstanding the foregoing, any maintenance, repair, or replacement to such facilities which becomes necessary as the result of the acts or omissions of a particular Owner or such Owner's licensees, invitees, guests, employees, or contractors, shall be performed by the Association at such Owner's sole cost and expense. The entry road shall be used solely for ingress and egress, and Owners shall not park vehicles on such roadway or otherwise impede access to the Lots.

2.3 Irrigation Water System. Four (4) shares of stock in the North Bench Water Users Association are appurtenant to each Lot, and such shares may not be conveyed, leased, or licensed apart from the Lot to which the same are appurtenant but shall automatically be transferred with and as an appurtenance to such Lot. Such shares permit the use of water for each of the Lots, and the water by which the same are represented is provided from a ditch and common pressurized system located on the Property. The Association will maintain a common irrigation system up to, but not including the stop and waste valve to each Lot.

2.4 Association. The Owners, or their predecessors in interest, have created Elkhorn Ranch HOA, a Utah non-profit corporation (the "**Association**") for the purposes set forth in this Declaration, including, without limitation, the authority to prepare the Estimated Budget, levy and collect assessments, and hold title to the Common Facilities. The Association shall be governed by the Association's bylaws and in accordance with the following:

(a) Membership/Voting. The Owner of each Lot shall be a member of the Association, entitled to one vote for each Lot owned. If any Lot is owned by multiple persons, the persons owning such Lot shall together constitute a single member with one vote. Membership in the Association shall at all times consist exclusively of the Owners, and each Owner shall, by taking title to or possession or occupancy of any Lot, immediately and automatically become a member of the Association.

(b) Non-Liability of Officials. To the fullest extent permitted by law, Association officers shall not be liable to any Owner or the Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval, course of action, act, omission, error or negligence if such officer acted in good faith within the scope of his or their duties.

2.5 Assessments. The Lots are hereby subject to annual assessments for the costs and expenses of maintaining, repairing, replacing, and insuring the Common Facilities and easement areas identified above (the "**Common Expenses**"). On or about December 1 of each year, the President of the Association shall prepare an estimated annual budget of Common Expenses for the ensuing calendar year (the "**Estimated Budget**"). Upon approval by a majority of the Owners, assessments shall be levied according to the Estimated Budget to defray the budgeted Common Expenses and any reserves. If an Estimated Budget is not approved by January 15 of a particular year, the budget used for the previous calendar year shall be deemed to have been re-adopted. Assessments for Common Expenses shall be levied in connection therewith.

(a) Payment of Assessments. Owners shall pay all levied assessments no later than January 15 of each year following the adoption of the Estimated Budget (or such other date as may be set forth in this Declaration), and such assessments shall be paid in a single installment, unless the Estimated Budget provides otherwise. If any assessment is not paid in accordance with the foregoing within 30 days of due date, such assessment shall include interest on all amounts due at the rate of eighteen percent (18%) per annum until paid in full and reasonable attorneys' fees and other costs incurred in connection with the collection of such assessments. Special assessments (such as hay cutting), approved by each lot owner for his lot shall be made and prorated by the Association.

(b) Books and Accounts. The Association shall open a checking account in the name of the Association, from which account all Common Expenses shall be paid and into which account all assessments shall be deposited. The signatures of two owners shall be required on invoices above $500.00. The President or Treasurer shall maintain accurate records with respect to the Common Expenses and assessments and shall permit the Owners to inspect the records and records relating to the foregoing upon demand.

2.6 Purpose of Assessments. The assessments shall be used to pay the Common Expenses and such other costs as the Owners might have approved in the Estimated Budget, and unless set forth in the Estimated Budget, no Common Expense will be paid without approval of the Owners. Any assessments collected during a particular calendar year but not used during such year shall be retained and applied to the Estimated Budget for the following year. A mid-year notice of budget versus actual expenses to date will be sent to all owners. In the event the actual Common Expenses may exceed the amounts collected under the Estimated Budget for a given year, the Association, with approval of a majority of owners, may levy additional assessments against the Lots, on a pro-rata basis, as may be necessary to recover such additional Common Expenses, which additional amounts shall be paid by the Owners within thirty (30) days after written demand therefor.

2.7 Capital Improvements. The Estimated Budget may include capital repairs and improvements to the roadway or other jointly-owned elements of the Property. In the event capital repairs and improvements are not provided for in the Estimated Budget but become necessary as the result of an emergency, the Owners may cause such repairs and/or improvements to be made, the reasonable cost of which shall be reimbursed upon written demand made to the remaining Owners.

2.8 Liens for Assessments; Mortgagee Protections. If any Owner fails to pay the assessments when and as set forth herein, the Association, through the Owners, shall have the right to record a notice of claim of lien in the records of the Summit County, Utah Recorder pursuant to applicable statute, and the Association shall deliver a recorded copy thereof to the delinquent Owner. The Association shall have the right to foreclose upon such lien if any assessment remains unpaid for a period of more than 30 days following the filing of the notice of claim of lien and delivery of a copy thereof to the delinquent Owner. If the Association does not foreclose such lien, the same may be renewed from year to year by recording a new notice of claim of lien, which notice shall specify the interest accrued on all delinquent amounts as of the date of the filing of such notice. The lien evidenced by such new notice of claim of lien shall have priority from the date that the first notice of claim of lien remaining outstanding was recorded against such Lot in the office of the Summit County Recorder, and such lien shall be subordinate to any previously recorded liens or encumbrances filed against that Lot, specifically including any purchase money mortgage or trust deed. Notwithstanding the foregoing lien rights, the obligation to pay assessments is a personal obligation of the Owner of each Lot, and the Association may proceed to collect against the Owner in the event of a sale. No mortgagee under a mortgage or beneficiary under a trust deed recorded prior to the recordation of the claim of lien who takes title by foreclosure or non-judicial sale, or accepts a deed in lieu of foreclosure or non-judicial sale, shall be held liable for the unpaid assessments of the Owner whose Lot was acquired by the mortgagee or beneficiary under a trust deed except to the extent the unpaid assessments were identified in a claim of lien that was recorded prior to the recordation of said mortgage or trust deed.

2.9 Advancement of Funds. In addition to the other rights and remedies set forth in this Declaration, in the event that any Owner fails to pay any assessments as set forth in this Declaration and such failure continues for thirty (30) days following notice thereof, the other Owner(s) shall have the right, but not the obligation, to pay the same on behalf of the defaulting Owner. The Owner advancing the funds will be entitled to a full reimbursement from the defaulting Owner (a) for the entire amount of the funds advanced; plus (b) interest at the rate of 1.5% per month (18% annual rate) until fully paid; plus (c) all reasonable costs of collecting the amounts owed, including without limitation, court costs and reasonable attorneys' fees (collectively, the "**Advanced Funds**"). The Owner paying the Advanced Funds shall be entitled to a lien against the defaulting Owner's Lot in the amount of the Advanced Funds.

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

Section III. Restrictions on Use of Property.

3.1 Applicable Law. The zoning regulations and building, fire, and health codes of Oakley City and Summit County are in full force and effect with respect to the Property, and no Lot may be occupied or used in violation of any local, state or federal statute, law, or ordinance now or hereafter in effect. If the covenants, conditions and restrictions in this Declaration are more stringent than applicable law, the provisions of this Declaration shall control. This Declaration does not authorize any uses, or activities that are prohibited by any local, state or federal law or regulation.

3.2 Prohibited Uses. The Property shall be used for residential purposes only. Without limiting the foregoing restriction, the following uses are hereby expressly prohibited: (a) mining, drilling, or quarrying activity; (b) commercial or business use, provided the foregoing shall not prevent the use by an Owner of its Lot for a home-based occupation in which the applicable Owner's employees (other than such Owner's immediate family members), clients, customers, patients, or others do not come to the Lot

to conduct business; (c) retail sales; (d) manufacturing, machinery, auto repair facilities, or other industrial-type uses; (e) warehousing; (f) sawmill uses; (g) transient lodging purposes, time shares, boarding houses, "corporate retreats," "bed and breakfasts," or other uses for providing accommodations to travelers; or (h) any lease of a Lot for a period of less than 90 consecutive calendar days.

3.3 Restrictions on Signs. Signs are prohibited on all Lots except for signs stating the address or the name of the Owner of the Lot, provided such signs shall be (a) no larger than six (6) square feet, and (b) of a uniform design approved by a majority of the owners. An entry sign may be installed at the intersection of the private road with the highway, with the design approved by a majority of the owners, and the installation and maintenance of such sign shall constitute a Common Expense.

3.4 Completion Required Before Occupancy; Order of Construction. No trailer, mobile home, basement of any incomplete dwelling, tent, truck camper, shack, garage, barn, or temporary structure of any kind shall be used at any time for a dwelling on the Property on a temporary or permanent basis; provided however that if a conditional use permit is obtained from Oakley City and/or Summit County, a temporary structure may be occupied during the actual construction of the permanent dwelling provided the same is promptly removed upon the earlier of the completion of the permanent dwelling or the expiration of such conditional use permit. Temporary building or structures for office use or storage during the actual construction of any approved improvement shall not be placed on the Property until a building permit has been issued by Summit County and shall be removed promptly upon the completion of construction and the issuance of the certificate of occupancy, or upon the expiration of the building permit, which ever occurs first. No dwelling may be occupied prior to its completion and the issuance of any and all required permits and approvals, including without limitation a certificate of occupancy, by all governmental authorities having jurisdiction with respect thereto. Further, no guest house, garage, barn, storage unit, or other out building may be constructed prior to the construction of the primary residential dwelling on the Lot unless approved by a majority of owners.

3.5 Animals. No animals may be kept on any Lot except ordinary household pets and two horses without the approval of a majority of owners. No kennel or dog run may be placed closer than 200 feet of the property lines. Dogs and barking noises must be kept under control by the Owner so as to not be an irritant to other Owners. Dogs shall not be permitted to run at large on the Lots of the other Owners. Horse paddocks and corrals must be out of view from the roadways and other common areas.

3.6 No Subdivision. No Lot may be further subdivided. No Lot may be owned, leased, or otherwise held in a manner that divides either the legal title or the legal right of use into formal or informal time intervals or timeshare ownership, or any other contract, trust, partnership, or other arrangement that permits, allows, or as a practical matter, creates or establishes time interval ownership or rotating legal right of use of the Lot that is indistinguishable from time interval ownership.

3.7 Underground Utilities. All gas, electrical, telephone, television, and any other utility lines located within the Property shall be underground. Propane tanks, if used, must be buried.

3.8 Maintenance of Property and Activities. All Lots, and the improvements on them, shall be maintained in a clean, sanitary, attractive and marketable condition at all times. No Owner shall permit his Lot or the improvements on it to fall into disrepair, including unsightly deadfall. No noxious or offensive activity shall be carried out on any Lot, including the creation of loud or offensive noises or odors that detract from the reasonable enjoyment of any other Lot. Speakers or other noise making devices which unreasonably interfere with the use and enjoyment of any other Lot or are otherwise not in keeping with a natural environment similar to the Property are hereby prohibited. No activity may be conducted on any Lot that is, or would be considered by a reasonable person to be, unreasonably dangerous or hazardous, or which would cause the cancellation of, or increase of premium for,

conventional property casualty insurance. This includes, without limitation, the storage of caustic, toxic, flammable, explosive or hazardous materials in excess of those reasonable and customary for household uses (and then only in compliance with applicable laws), unlawful discharge of firearms or fireworks, and setting open fires (other than properly supervised and contained barbecues). Notwithstanding the foregoing and not in limitation thereof, each Owner may conduct periodic, supervised burnings upon such Owner's Lot(s) in conformity with the regulations of the Summit County Fire Department.

3.9 No Unsightliness. No unsightliness is permitted on any Lot, and without limiting the foregoing, the following are expressly prohibited: (a) open storage of any building materials (except during the construction of any dwelling unit or addition); (b) open storage or parking of farm or construction equipment, inoperable motor vehicles, boats, campers, trailers, trucks larger than pick-up trucks (except during periods of actual loading and unloading); (c) accumulations of lawn or tree clippings or trimmings; (d) accumulation of trash, debris, or waste, including, without limitation, construction debris or waste; (e) accumulation of household refuse or garbage, except as stored in tight containers in an enclosure (such as a garage); (f) lawn or garden furniture, except during the season of use thereof; and (f) the storage or accumulation of any other material, vehicle, or equipment on the Lot in a manner that it is visible from any other Lot or any right of way.

3.10 Lights. All outdoor lighting shall be subject to approval by the Board, and no outdoor lighting shall be permitted except for lighting designed to aim downward and limit the field of light to the confines of the Lot on which it is installed.

3.11 Septic Systems. Unless and until a public sewer system becomes available to a Lot, such Lot shall contain, and each building thereon shall be connected to, a septic system for sewage disposal. The design, placement, and capacity of the septic system must first be approved by the Summit County Health Department and any other governmental authorities having jurisdiction with respect thereto. Each Owner shall maintain its Lot's septic system in good operating condition.

3.12 Vegetation Removal. The natural vegetation of both the woodland areas and the meadow areas of the Property are important features of the Property and shall be preserved. No commercial harvesting of forest products, including cutting of firewood for commercial purposes, shall be allowed on the Property.

Section IV. Restrictions on Improvements.

4.1 General Provisions. To ensure a high quality of construction and compatible design among the Lots, all improvements on any Lot shall be subject to the restrictions and architectural design standards set forth in this Section IV. Further, no buildings or other improvements shall be constructed upon any Lot, nor shall the exterior of the same be altered, until the improvements or alterations have first been approved by a majority of owners. The Association may appoint an architectural committee of three (3) owners for preliminary review of all drawings and renderings for proposed construction. Final approval is by a majority of owners and is to be given within a reasonable time period of no more than 30 days from submittal..

4.2 Number of Buildings. Only one main dwelling unit may be constructed on any Lot, and all dwellings shall have an attached garage for at least 2 cars. Subject to the provisions of this Declaration, reasonable storage buildings or out-buildings are permitted on any Lot, and guest houses and/or staff quarters may be constructed provided that they are connected to or within 150 feet of the primary dwelling and do not exceed 1,000 square feet in gross floor area. The dwelling unit, guest house, storage buildings, garage, and any above grade decks or balconies must be confined to the buildable area shown on the Plat and must first be approved by the as to location and exterior design.

4.3 Building Height. The maximum ridgeline height will be 33 feet above finished grade, with the intention being to have the building mass follow the natural, existing contour of the land.

4.4 Roof Design. Roof pitches must be within a range of 5/12 to 8/12 slopes. More than one roof pitch may be used. Eaves and roofs must overhang by at least twenty-four inches. Roofing must consist of medium shake shingles, colored metal roofing or asphalt shingles, which roofing (including the color and design thereof) shall be in keeping with the character of the surrounding natural environment and must first be approved by the Architectural Committee. Mansard, fake mansard, A-frame, gambrel, curvilinear, and domed roof designs are prohibited. All fascia boards must be at least twelve inches in width. Special attention will be paid to the south facing roof overhang to allow for adequate sun protection. All roof metal such as flashing, vent stacks, gutters and chimney caps will be made of anodized aluminum or painted galvanized metal, and in either case, will be painted an earth tone color.

4.5 Siding Materials. The following exterior wall surface materials are allowed: cedar siding, redwood siding, log, stone, and wood shingles. Stucco, textured plywood, metal, vinyl, masonite or similar manufactured siding materials are prohibited. Exterior wall colors must harmonize with the site and surrounding buildings and predominantly be of earth tone colors, whether in the natural color or patina of the weathered color of the wall surface itself or the color of the stain or other coatings. Fascia and trim shall be matching or complementary earth tones.

4.6 Windows. Windows must be vinyl, wood, bronze-tone aluminum clad wood, bronze tone aluminum, or dark metal. All windows must be double glazed. Any trapezoidal windows must parallel the shape of the walls or roofs surrounding them. No mirrored or reflective glass may be used.

4.7 Chimneys. Chimneys must be enclosed in a material approved by the Board. No exposed metal flues are permitted.

4.8 Antennas, Solar Panels. All antennas must be enclosed within the dwelling. Any satellite dishes larger than 24 inches in diameter must be located and screened so they are not visible from adjoining Lots or from outside the Property. Solar panels will be permitted only if they lie flat against the roof and may not differ in pitch or color from the roof surface on which they are mounted.

4.9 General Design. Dwellings, garages, storage buildings, guests houses, fences, and other improvements located upon the Property shall be designed and constructed with a "ranch," "country" or "mountain" home appearance and shall avoid extremes in color, design, and materials. All exterior materials and designs are subject to review and approval of a majority of owners and shall be in keeping with the character of the surrounding environment.

Section V. General Provisions.

5.1 Insurance. The Owners will maintain such policy or policies of insurance as the Owners deem necessary for the purposes and protection of the commonly held property and the Owners in such amounts as are customary and commercially reasonable for projects of this type in this area.

(a) At the minimum, the Association will obtain insurance that complies with the following (the cost of which shall be included as Common Expenses):

(1) Hazard Insurance. Multi-peril type property insurance covering the Common Facilities. This policy shall be equal to the full replacement cost of these facilities, as determined by the Association and insurance carriers, with provisions for automatic increases in coverage to cover any increases in the costs of replacement. Such

policy will cover losses by fire and such other hazards covered by the standard extended coverage endorsement, and debris removal, demolition, damage by vandalism, malicious mischief, windstorm, hail, water damage (excluding flood insurance), and such other risks as are customarily covered in community ownership projects in this location, of this construction and use.

(2) Liability Insurance. A comprehensive public liability policy covering all Common Facilities. The coverage will include coverage for non-owned automobiles, damages to property of third parties, and such other liability exposures as are reasonable and customary for projects of this type, nature, and use. The limits of liability coverage will not be less than $2 million for all claims arising from a single occurrence.

(3) Named Insured. The Association will be the named insureds under the above policies.

(4) Waiver of Subrogation. The Owners and the Association hereby waive and release each other, and their respective guests, licensees, invitees, and contractors, of and from any and all rights of recovery, claim, action or cause of action against each other, their partners, officers, agents and employees, for any injury or death or any loss or damage that may occur to the Property, any improvements thereto, or any of the contents thereof, to the extent that such loss or damage would be covered, without regard to any deductible, by the insurance required to be carried by under this subsection (a) regardless of whether such insurance is actually carried, and regardless of cause or origin, including but not limited to negligence of the Owners, the Association, or their guests, licensees, invitees, and contractors.

(b) Individual Owners' Insurance. The Owners are solely responsible for property, casualty and liability insurance on the contents of their respective Lots and improvements, which shall not be treated as Common Expenses.

5.2 Remedies.

(a) The terms and condition of this Declaration shall inure to the benefit of each of the Owners. Any single or continuing violation of the covenants contained in this Declaration may be enjoined in an action brought by the Association. In any action brought to enforce this Declaration, the prevailing party shall be entitled to recover as part of its judgment all of the reasonable costs of enforcement, including reasonable attorneys' fees and court costs.

(b) Nothing in this Declaration shall be construed as limiting the rights and remedies that may exist as common law or under applicable federal, state, or local laws and ordinances for the abatement of nuisances, health and safety, or other matters. The remedies in this Declaration are cumulative and are in addition to any and all remedies available at law and in equity.

(c) Any Owner's or the Association's failure to take enforcement action shall not be construed as a waiver of the covenants contained in this Declaration in the future or against other similar violations.

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

5.4 Term of Covenants, Renewal. This Declaration shall expire 50 years from the date it is first recorded with the Summit County, Utah Recorder, provided however that the Owners may, by written notice which is recorded with the Summit County Recorder prior to the expiration hereof, agree to extend this Declaration for an additional period of 20 years.

5.5 Approval. Any matter under this Declaration which requires the approval of the Owners, which must be agreed to by the Owners, or which otherwise requires the Owners' consent shall be deemed approved if the Owners of at least four of the six Lots comprising the Property shall vote in favor thereof, unless a different number is otherwise specifically required under this Declaration. All Owners must cast their votes for or against such matters as may be requested by another Owner within 30 days of such Owner's receipt of a demand for a vote, and the failure of any Owner to cast a vote within such 30 day period shall be deemed a vote in favor of the matter requested by the requesting Owner.

5.6 Amendment. The Owners may amend this Declaration at any time, provided that any amendment shall require the approval of a majority of Owners. No such amendment will be binding upon the holder of any mortgage or trust deed on any Lot unless the mortgage or trust deed holder joins in the amendment.

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

5.8 Reservation of Easements. Each Owner grants the right to public utilities to enter upon each Lot for purposes of utility installation, meter reading, and maintenance, and the right to public agencies providing utility-type services and emergency and public safety services to enter on to the Lot as needed to perform their functions.

5.9 Notices. All notices under this Declaration shall be effective upon receipt or refusal of receive if hand-delivered or delivered via pre-paid, first-class, U.S. certified mail or nationally recognized overnight courier, if properly addressed to the party identified in the Summit County, Utah tax records.

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

5.11 Additional Services. Upon approval of the Owners, the Association or individual Owners may provide additional services to the Property not specifically mandated by this Declaration as Common Expenses, or may agree to provide services such as snow removal as an individual Owner's expense rather than through the assessments for Common Expenses. Such additional services may be added or discontinued from time to time as the Owners may approve, without requiring amendment of this Declaration.

5.12 Arbitration of Disputes. In the event of a dispute between the Owners concerning any matter covered by this Declaration, Common Expenses or assessments therefor, or any other matter concerning the use, occupation, and maintenance of the Property or Common Facilities, which the Owners are not able to resolve themselves, the Owners agree to binding arbitration under the rules of the American Arbitration Association. Arbitration proceedings will be held in Salt Lake City, Utah, and will

be performed by the American Arbitration Association. In reaching their decision, the arbitrators are to consider the long range maintenance costs of the Property, preservation and enhancement of values, the level of maintenance on similar properties in the immediate neighborhood, and the probability that repairs may prevent future damage or deterioration, and the marketability of the Property. The decision of the arbitrators may be enforced by a court, and judgment entered on the basis of the award. This shall not preclude either Owner from seeking injunctive relief in the case of non-monetary violations of this Declaration where immediate remedial action is necessary to eliminate a dangerous condition or abate a nuisance.

5.13 Severability. If any provision of this Declaration is adjudicated to be unenforceable, the remainder of the Declaration shall remain in full force and effect.

5.14 Applicable Law. This Declaration shall be interpreted in accordance with and subject to Utah law.

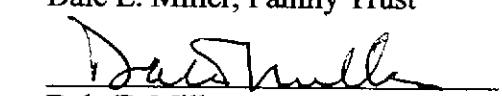
5.15 Binding Agreement. This Declaration shall be binding upon and inure to the benefit of the successors, executors, administrators and assigns of the Owners.

5.16 Authority. The undersigned represent and warrant to the other Owners that the undersigned constitute the owners of the entire fee interest in the Lot set forth below and that no other person has any ownership interest in the Lot. The undersigned further represent and warrant that they are and have been duly authorized to execute this Declaration on behalf of those for whom they sign.

5.17 Non-Dedication. The easements set forth in this Declaration or on the Plat shall benefit the Owners and their guests only, as more fully set forth herein. Such easements are not by this Declaration dedicated for use by the general public or any third parties not specifically set forth herein.

5.18 Covenants to Run. All of the covenants and provisions contained in this Declaration shall be a burden on all of the lands within the Property, and the benefits thereof shall inure to the Owners of all of the lands within the Property. The terms "Owner" and "Owners" shall mean and refer to (a) the undersigned during their ownership of any interest in any Lot; and (b) any other owner of any interest in any Lot.

Dale E. Miller, Trustee,
Dale E. Miller, Family Trust

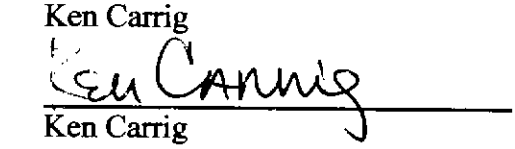


Dale E. Miller, Trustee

Westco Investments LLC

Gordon O'Neil, Manager

Ken Carrig



Ken Carrig

The Warren G. Tate Trust,
Warren G. Tate, ~~Trustor~~ Trustee

Warren G. Tate, ~~Trustor~~

David H. & Brenda Smart

David H. Smart

Brenda Smart

[verify and add signatures for all owners (per deeds) and notary acknowledgements]