

EXHIBIT C

When Recorded Mail to:

David W. Johnson & Associates, P.C.
1912 Sidewinder Drive - Suite 200
Park City, Utah 84060

00636342 Ek01483 Pg00812-00835
ALAN SPRIGGS, SUMMIT CO RECORDER
2002 OCT 29 09:33 AM FEE \$56.00 BY DMG
REQUEST: COALITION TITLE

DECLARATION OF EASEMENTS AND RESTRICTIVE COVENANTS

THIS DECLARATION OF EASEMENTS AND RESTRICTIVE COVENANTS (this "Declaration") is executed this 11th day of April, 2002, by JAMES IVERS, IV and SANDRA S. IVERS (collectively referred to herein as "Ivers"); KAY CALVERT ("Calvert"); LESLIE MILLER ("Miller"); and BLUE LEDGE CORPORATION, a Delaware corporation ("BLC"); (collectively referred to below as the "Owners").

RECITALS

A. Ivers are the owners of the following described real property located in Park City, Summit County, Utah: Lots 3 and 4 (referred to herein respectively as "Block 60 - Lot 3" and "Block 60 - Lot 4") of the IVERS' REPLAT recorded on May 21, 2001, as Entry No. 589454 in the Office of the Summit County Recorder, Summit County, Utah;

B. Ivers are also the owners of certain real property more particularly described on attached Exhibit "A" incorporated into this document by this reference and referred to below as "Parcel A" or as "Block 52 - Parcel A";

C. Calvert is the owner of the following described real property located in Park City, Summit County, Utah: Lot 1 (referred to herein as "Block 52 - Lot 1") of the BLOCK 52 REPLAT recorded on the 29 day of October, 2002 as Entry No. 636341 in the Office of the Summit County Recorder, Summit County, Utah;

D. BLC is the owner of the following described real property located in Park City, Summit County, Utah: Lot 2 (referred to herein as "Block 52 - Lot 2") of the BLOCK 52 REPLAT recorded on the 29 day of October, 2002 as Entry No. 636341 in the Office of the Summit County Recorder, Summit County, Utah;

E. Miller is the owner of the following described real property located in Park City, Summit County, Utah: Lot 3 (referred to herein as "Block 52 - Lot 3") of the BLOCK 52 REPLAT recorded on the 29 day of October, 2002 as Entry No. 636341 in the Office of the Summit County Recorder, Summit County, Utah;

F. With the exception of Parcel A, each of the parcels of property described in Recitals A through E above (collectively referred to below as the "Lots") are benefited and burdened by a driveway, trail and utility easement (referred to below as the "Ontario Court Driveway") as shown on the IVERS' REPLAT and the BLOCK 52 REPLAT and as depicted on Exhibit "B" attached hereto and incorporated herein by this reference);

G. Ivers, Calvert, BLC and Miller have determined that it is in their mutual best interest to enter into an agreement relating to the use and maintenance of the Ontario Court Driveway.

NOW THEREFORE, The Owners hereby declare that the Lots shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the terms and conditions of this Declaration, which, in general, are for the purposes of enabling the Owners to use, maintain and repair the Ontario Court Driveway as set forth herein. The covenants, conditions, restrictions, reservations, easements, and equitable servitudes set forth herein shall run with the Lots and shall be binding upon all persons or entities having any right, title or interest in any or all of the Lots, their heirs, successors and assigns; shall inure to the benefit of the individual Lots and any interest therein; and shall inure to the benefit of and be binding upon the Owners and their successors in interest as the owners of the Lots, and may be enforced by the any owner of any of the Lots. Consequently, the Owners do hereby establish the following easements and restrictive covenants:

1. Formation of Association. The Owners acknowledge that, simultaneously with entering into this Agreement, the Owners have signed and caused to be filed with the Utah Division of Corporations and Commercial Code, Articles of Incorporation (referred to below as the "Articles") for the Ontario Court Driveway Association (referred to below as the "Association"). Copies of the Articles are attached hereto as Exhibit "C" and are incorporated into this declaration by this reference. The Articles may be further amended from time to time as stated in the Articles without the requirement of amending this Declaration. The Owners also acknowledge that Bylaws (the "Bylaws") for the Association have been created in the form attached hereto as Exhibit "D" and incorporated herein by this reference. The Bylaws may be further amended from time to time as stated in the Articles and the Bylaws without the requirement of amending this Declaration.

2. Ontario Court Driveway. The Owners acknowledge and agree that the property shown on the IVERS' PLAT and the BLOCK 52 REPLAT as a "30' WIDE PRIVATE DRIVEWAY, PUBLIC TRAIL, AND UTILITY EASEMENT" is the Ontario Court Driveway defined herein. Each of the Owners, to the extent such Owner owns an interest in the Ontario Court Driveway, hereby covenants, agrees and declares that the Ontario Court Drive is a private driveway for the exclusive use of the owners of the Lots and their guests and invitees and that the Ontario Court Driveway shall be subject to a non-exclusive utility easement on, over, across, under and through the Ontario Court Driveway for the benefit of each of the Lots, which non-exclusive utility easement shall entitle the owner of each of the Lots to install, construct, maintain, repair and replace from time to time underground utility lines for the benefit of the Lots.

3. Membership. Each owner of a Lot shall be deemed to be a member of the Association (referred to herein as a "Member"). Memberships in the Association shall not be assignable, except to the successor in interest of the Lot(s), and membership in the Association shall be appurtenant to, and may not be separated from the fee ownership of, the Lot(s). Ownership of a Lot shall be the sole qualification for membership in the Association. The Association membership held by any owner of a Lot shall not be transferred or alienated in any way, except upon the sale or encumbrance of said Lot, and then only to the purchaser or

purchasers of said Lot. Any attempt to make a prohibited transfer of a membership in the Association is void and will not be reflected upon the books and records of the Association. In the event an owner of a Lot shall fail or refuse to transfer the membership registered in such owner's name to the purchaser of said Lot, upon the transfer of fee title thereto, the Board of Directors of the Association shall have the right to record the transfer upon the books of the Association.

4. Use of Ontario Court Driveway. Every Member shall have a right and easement of enjoyment in and to the Ontario Court Driveway, subject to the right of the Association to establish uniform rules and regulations pertaining to the use of the Ontario Court Driveway, including, but not limited to, the right and obligation of the Association to enforce all parking restrictions within the Ontario Court Driveway. Any Member may delegate such Member's right of use and enjoyment of the Ontario Court Driveway to the members of such Member's family, such Member's tenants, guests, invitees or contract purchasers, subject to reasonable regulation by the Board of Directors of the Association.

5. Personal Liability. No Member may exempt himself from personal liability for assessments to be levied by the Association, nor release the Lot owned by such Member from the liens and charges created by this Declaration, by waiver of the use and enjoyment of the Ontario Court Drive and the facilities thereon or by abandonment of his Lot.

6. Voting. Each Member shall be entitled to one vote for each Lot owned by said Member. When more than one person holds such interest or interests in any Lot ("co-owner"), all such co-owners shall be Members and may attend any meetings of the Association, but only one such co-owner shall be entitled to exercise the vote to which the jointly owned Lot is entitled. Such co-owners may from time to time all designate in writing one of their number to vote. The vote for each Lot shall be exercised, if at all, as a unit. Where no voting co-owner is designated, or if such designation has been revoked, the votes for such Lot shall be exercised as the majority of the co-owners of the said Lot mutually agree. Unless the Board of Directors of the Association (hereinafter designated the "Board") receives a written objection from a co-owner, it shall be conclusively presumed that the voting co-owner is acting with the consent of his or her co-owners. No votes shall be cast for any Lot where the majority of the co-owners of said Lot present in person, or by proxy, cannot agree to said votes or other action. The non-voting co-owner or co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly owned Lot and shall be entitled to all other benefits of ownership. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established herein, or by the Bylaws of the Association, shall be deemed to be binding on all Members, their successors and assigns. Said voting rights shall be subject to the restrictions and limitations provided in this Declaration and in the Articles and Bylaws of the Association.

7. Powers and Duties of the Association. The Association, acting through the Board, shall also have the power and duty to:

(a) Maintain (which shall include the obligation to arrange for snow removal service each winter) and repair the Ontario Court Driveway and replace those elements of the

Ontario Court Driveway that must be replaced on a periodic basis, and otherwise manage the Ontario Court Driveway and all facilities, improvements and landscaping thereon;

(b) Levy and collect all assessments as provided herein in sufficient quantity to enable the Association to perform adequately its duties hereunder; and

(c) Perform such additional acts as shall be reasonable and necessary for the Association to accomplish the purposes of its creation.

(d) Notwithstanding any other provision in this Declaration to the contrary, the Association shall have no duty to install, maintain, repair or replace underground utility lines which benefit some or all of the Lots.

8. Liability for Assessments. Each owner of any Lot, by acceptance of a deed thereto, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (a) "Common Assessments" for common expenses; (b) Capital Improvement Assessments for capital improvements; and (c) "Special Assessments," as determined by the Association, such assessments to be established and collected as herein provided. All such assessments, together with interest, costs and reasonable attorneys' fees for the collection thereof, shall be a charge on, and a continuing lien upon the Lot against which such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person or entity that is the owner of such Lot at the time when the assessment becomes due.

9. Use of Assessments. Assessments levied by the Association shall be used for the improvement, maintenance and repair of the private driveway constituting the Ontario Court Driveway. The assessments shall also be used to create an adequate reserve to be used as appropriate for maintenance and repairs of the Ontario Court Driveway and replacement of those elements of the Ontario Court Driveway that must be replaced on a periodic basis.

10. Liability for Willful or Negligent Damage. Maintenance, repair or replacement of the Ontario Court Driveway arising out of, or caused by, the willful or negligent act of a Member, his family, guests, invitees or tenants, shall be done at said Member's sole expense, or a Special Assessment therefor shall be made against such Member's Lot.

11. Common Assessments. The total Common Assessments against all of the Lots shall be based upon advance estimates of annual cash requirements by the Association to provide for payment of all estimated expenses growing out of or connected with the maintenance and repair of the Ontario Court Driveway, which estimates may include, among other things: (a) snow removal; (b) repair and replacement of asphalt; (c) the creation of a reasonable contingency reserve, surplus and/or sinking funds; and (d) any other expenses and liabilities which may be incurred by the Association. Common Assessments shall be made on a calendar year basis. The amount of the Common Assessments shall be initially proposed by the Board, and presented to a meeting of the Members for approval. Notice of all proposed assessments for the ensuing year shall accompany the notice of the meeting and shall be mailed to each Member not later than thirty (30) days prior to the date set for said annual meeting.

12. Capital Improvement Assessments. In addition to the Common Assessments authorized above, the Association may levy a Capital Improvement Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement, or other such addition upon the Ontario Court Driveway, provided that any such collective assessment to the combined Members of the Association in excess of Five Thousand Dollars (\$5,000.00) must have the affirmative vote, or written assent of at least 3 of 5 votes of the Members.

13. Notice and Quorum. Written notice of any meeting called for the purpose of taking any action by the Members authorized under Sections 11 or 12 of this Declaration, shall be sent to all Members not less than thirty (30) days, nor more than sixty (60) days, in advance of the meeting. A quorum of Members for purposes of voting at the meeting called as provided in this Section 13, shall be at least 3 of 5 votes, present in person, or by proxy.

14. Allocation of Assessments. All Common Assessments and Capital Improvement Assessments of the Association payable during a calendar year shall be prorated among the Members based upon the following formula:

<u>Lot Number</u>	<u>Footage of Driveway Used</u>	<u>Assessment Obligation</u>
Block 60 – Lot 3	20	2%
Block 60 – Lot 4	70	7%
Block 52 – Lot 1	230	24%
Block 52 – Lot 2	290	31%
Block 52 – Lot 3	340	36%
Total	950	100%

No Member shall be assessed for Common Assessments until the Member has commenced construction of a residence on such Member's Lot. In the event that not all Members have commenced construction and are not required to pay assessments, those who have commenced construction and are required to pay, shall base their payments on the percentages that are listed above. As an example, if only the Members owning Block 52 – Lot 1 and Block 52 – Lot 2 have commenced construction, then the Member owning Block 52 – Lot 1 shall pay $24/(24 + 31) = 44\%$, and the Member owning Block 52 – Lot 2 shall pay $31/(24 + 31) = 56\%$.

15. Parcel A/Use of Ontario Court. In the event the owner of Parcel A elects to use Ontario Court Driveway as a means of access to Parcel A, then, upon commencement of construction of a residence on Parcel A, the following shall apply: (a) an Amendment to this Declaration shall be recorded, acknowledging that Parcel A is subject to this Declaration, and the owner of Parcel A shall be deemed a Member of the Association; (b) the above-referenced Amendment shall also change the percentage vote referenced in Sections 12, 13, and 25 of this Declaration, from "3 of 5" to "4 of 6"; and the formula for the levy of assessments referenced in Section 14 above, shall be changed as follows:

<u>Lot Number</u>	<u>Footage of Driveway Used</u>	<u>Assessment Obligation</u>
Block 60 – Lot 3	20	2%
Block 60 – Lot 4	70	7%
Block 52 – Parcel A	200	17%
Block 52 – Lot 1	230	20%
Block 52 – Lot 2	290	25%
Block 52 – Lot 3	340	30%
Total	1,150	100%

The above formula shall only apply if Parcel A is annexed into the Association as set forth in Section 15 above. Notwithstanding any language in this Declaration to the contrary, Parcel A shall not be subject to this Declaration until such time as (a) construction of a residence commences on Parcel A, and (b) that residence is accessed by Ontario Court Driveway.

16. Due Date for Assessments. The due dates for assessments shall be established by the Board.

17. Annual Accounting. The Board shall, upon request of the Members, cause to be prepared an annual balance sheet and operating statement reflecting expenditures of the Association for each calendar year, and the Board shall cause to be distributed a copy of each such statement to each Member. At the end of any calendar year of the Association, the Board may determine that all excess funds of the Association may be returned to the Members proportionately, or may be retained by the Association and used to reduce the following year's assessments.

18. Delinquent Assessments. Any installment of a Common Assessment or Capital Improvement Assessment, or any Special Assessment not paid within thirty (30) days after the due date shall bear interest from the due date thereof until paid, at the rate of eighteen percent (18%) per annum. If any installment of any type of assessment is not paid within thirty (30) days after it is due, the Member responsible therefor may be required by the Board to pay, in addition to interest, a late charge of Twenty-Five Dollars (\$25.00) or five percent (5%) of the delinquent amount, whichever is greater. The Association may bring an action at law against the Member personally obligated to pay the delinquent assessment, or the Association may foreclose the lien against the Lot of said Member (by means of a non-judicial foreclosure as allowed for foreclosure of trust deeds in Utah) and sell the Lot to satisfy the default as herein provided. This Declaration shall constitute a deed of trust for such purposes, and the Association shall be deemed to be the beneficiary and the trustee of such deed of trust. No Member may waive or otherwise escape liability for the assessments provided for herein by non-use of the Ontario Court Driveway or by abandonment of such Member's Lot.

19. Notice of Default. No action shall be brought to enforce any assessment lien herein, unless at least thirty (30) days has expired following the date a notice of default is deposited in the United States mail, postage prepaid, addressed to the defaulting Member, and a copy thereof has been recorded by the Association in the Office of the County Recorder of Summit County, Utah. Said notice of default must recite a good and sufficient legal description of the Lot owned by the defaulting Member, the record owner or reputed owner thereof, the amount claimed which may, at the Association's option, include reasonable attorneys' fees and expenses of collection in connection with the debt secured by said lien, and the name and address of the claimant. Such notice of default shall be signed and acknowledged by an officer of the Association. The lien shall continue until fully paid or otherwise satisfied.

20. Foreclosure of Liens. Any sale provided for above may be conducted by the Board, its attorneys, or other persons authorized by the Board in accordance with the provisions of the Utah Code Annotated, 1953, as amended, applicable to the exercise of the powers of sale in deeds of trust, or in any other manner permitted by law. The Association, acting through duly authorized agents, shall have the power to bid on the defaulting Lot at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.

21. Release of Liens. Upon the timely curing of any default for which a notice of default was filed by the Association, the officers of the Association shall record an appropriate release of lien, upon payment by the defaulting Member of a fee to be determined by the Association to cover the cost of preparing and recording such release

22. Other Rights of Enforcement. The assessment liens and the rights of foreclosure and sale provided hereby, shall be in addition to, and not in substitution for, all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit against the defaulting Member to recover a money judgment for unpaid assessments, as above provided.

23. Compliance. Each Member shall comply strictly with the provisions of this Declaration as set forth herein and as the provisions may lawfully be modified and amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due for damages, for injunctive relief or for both, maintainable by any aggrieved Member or by the Association. In such action, the prevailing party shall be entitled to recover costs and reasonable attorneys' fees as are ordered by the court. Failure by any such person or entity to enforce any such provision shall in no event be deemed a waiver of the right to do so thereafter.

24. Interpretation. Whenever used herein, unless the context shall otherwise requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include all genders. The Section headings set forth herein are for convenience in reference only and are not intended to expand, limit, or otherwise affect the meaning or interpretation of this Declaration. The provisions hereof shall be deemed independent and severable, and the invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provisions hereof.

25. Amendment. This Declaration may be amended only by a vote of the Owners of not less than 3 of the 5 Lots.

26. Effective Date. This Declaration shall take effect upon being recorded in the Office of the Recorder of Summit County, Utah.

IN WITNESS WHEREOF, the undersigned Owners have executed this Declaration to be effective as of the day and year first above written.

James Ivers, IV
James Ivers, IV
Sandra S. Ivers
Sandra S. Ivers

Blue Ledge Corporation, a Delaware corporation

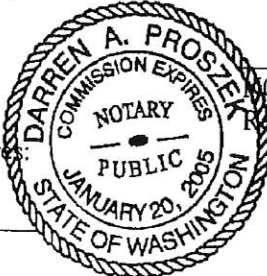
By: Andy Phil
Title: President
Kay Calvert
Kay Calvert

Leslie Miller
Leslie Miller

ACKNOWLEDGEMENT

STATE OF WA)
) : ss.
COUNTY OF SPOKANE)

The foregoing instrument was acknowledged before me this 22 day of April, 2002, by James Ivers, IV and Sandra S. Ivers.



Darren A. Proszek
NOTARY PUBLIC
Residing at: SPOKANE

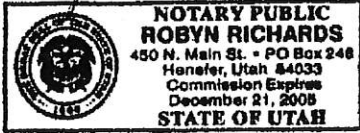
My Commission Expires: 1-20-2005

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ACKNOWLEDGEMENT

STATE OF Utah)
COUNTY OF Summit) : ss.

The foregoing instrument was acknowledged before me this 12 day of April, 2002, by Kay Calvert.



Robyn Richards
NOTARY PUBLIC
Residing at: Henefer, UT

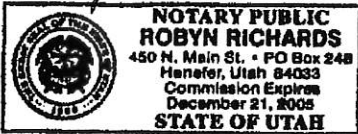
My Commission Expires:

December 21, 2005

ACKNOWLEDGEMENT

STATE OF Utah)
COUNTY OF Summit) : ss.

The foregoing instrument was acknowledged before me this 11 day of April, 2002, by Leslie Miller.



Robyn Richards
NOTARY PUBLIC
Residing at: Henefer, UT

My Commission Expires:

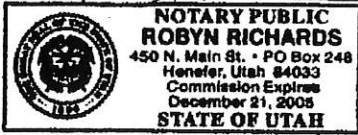
December 21, 2005

00636342 Bk01483 Pg00820

ACKNOWLEDGEMENT

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

The foregoing instrument was acknowledged before me this 11 day of April, 2002, by Hank Rothwell, in his capacity as the President of Blue Ledge Corporation, a Delaware corporation.



Robyn Richards
NOTARY PUBLIC
Residing at: Henriev, UT

My Commission Expires:
December 21, 2005

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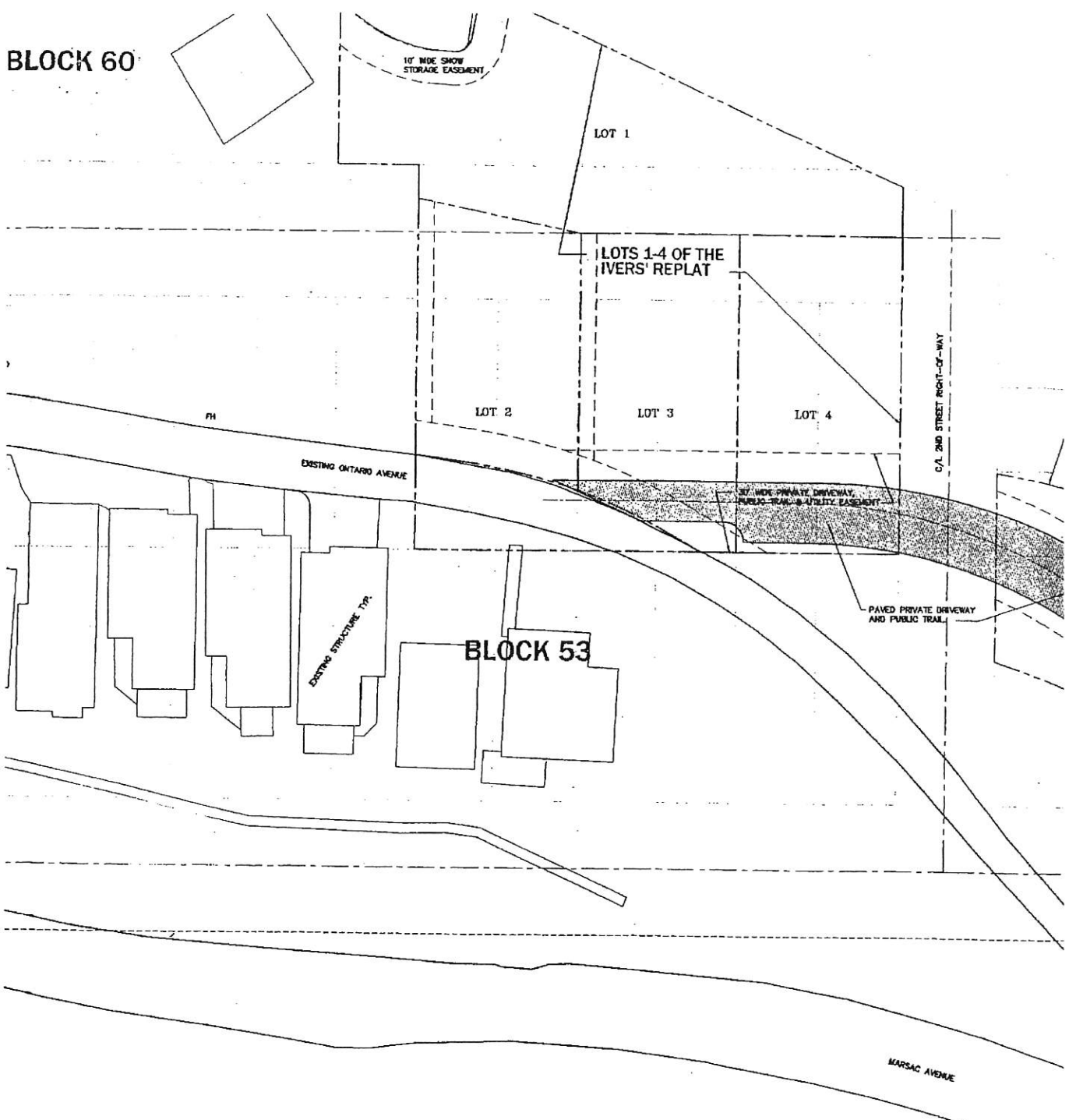
EXHIBIT A
LEGAL DESCRIPTION
IVERS, BLOCK 52, PROPERTY

Beginning at a point North 66°22'00" East 99.45 feet from the northwest corner of Block 52, Park City Survey, according to the Official Plat thereof on file and of record in the office of the recorder, Summit County Utah, said point also being the intersection of the northerly line of said Block 52 and the easterly right of way line of the Union Pacific Ontario main line; thence along the easterly right of way line the following two (2) courses: 1) South 13°06'00" East 35.13 feet to a point on a 475.89 foot curve to the right of which the radius bears South 76°54'00" West; thence 2) southerly along the arc of said curve 67.70 feet through a central angle of 08°09'04" to a point on the southerly line of Lot 12, said Block 52; thence along said southerly line North 66°22'00" East 52.03 feet to the southeast corner of said Lot 12 said point also being on the east line of Block 52; thence North 109.15 feet along said east line to the northeast corner of Block 52; thence South 66°22'00" West 72.30 feet along the north line of Block 52 to the point of beginning

CONTAINS 6077 SQ. FT. MORE OR LESS.

Y:\PCS\DOCS\IVERS_BLK52.DOC

BLOCK 60



BLOCK 53

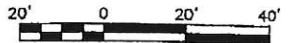
EXISTING STRUCTURE TYP.

LOTS 1-4 OF THE IVERS' REPLAT

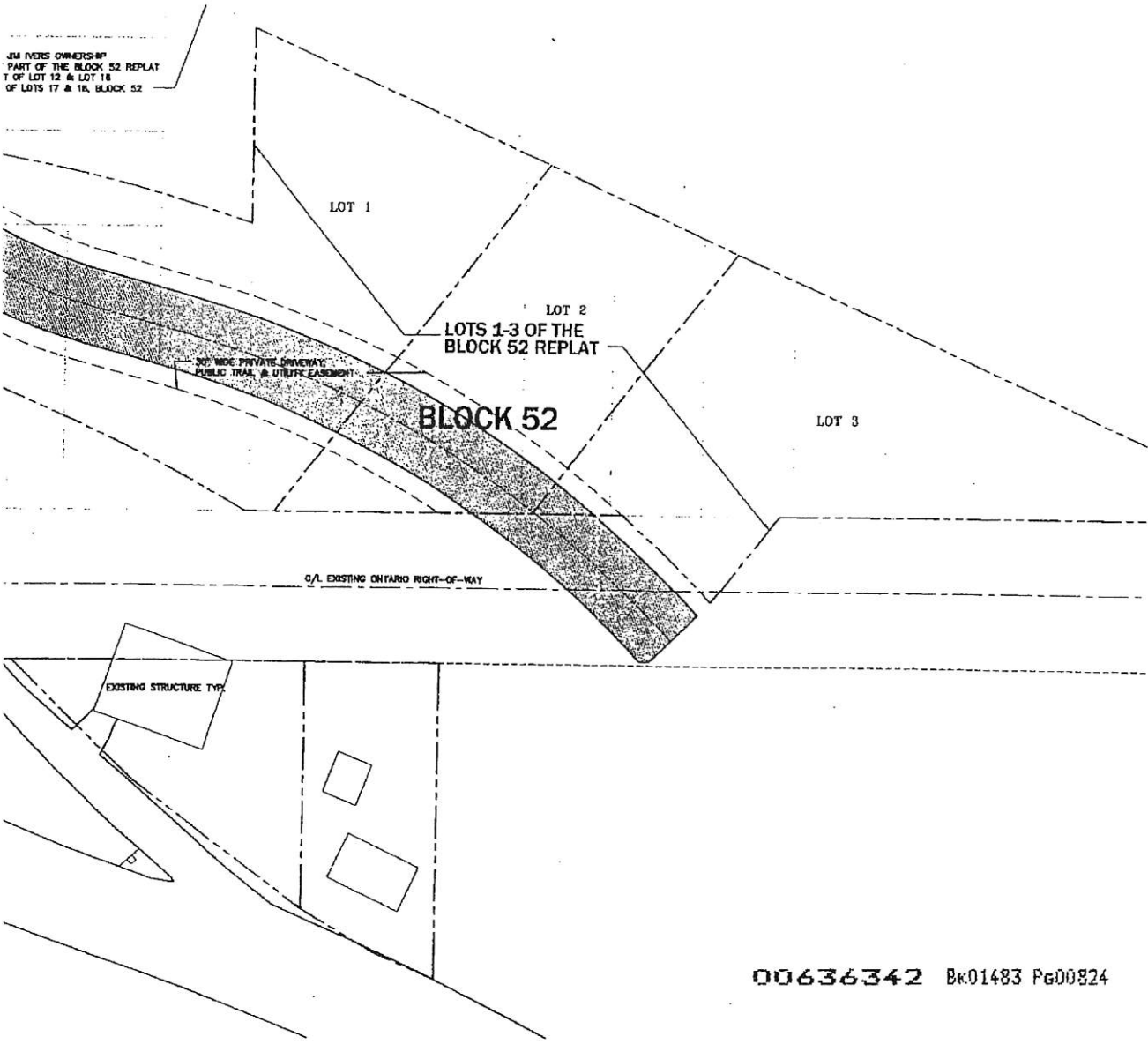
EXISTING ONTARIO AVENUE

MARSAC AVENUE


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JIM IVERS OWNERSHIP
 PART OF THE BLOCK 52 REPLAT
 T OF LOT 12 & LOT 18
 OF LOTS 17 & 18, BLOCK 52



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 <p>(435) 648-9467</p> <p>CONSULTING ENGINEERS LAND PLANNERS SURVEYORS</p> <p>323 Main Street P.O. Box 2664 Park City, Utah 84060-2664</p>	<p>STAFF:</p> <p>STEVE DECKERT</p> <p>DATE: 1-30-02</p>	<p>ONTARIO COURT PHASE 1 / PHASE 2 EXHIBIT B</p> <p>FOR: JAMES IVERS / UPCM JOB NO.: 5-12-99 FILE: X:\pca\dwg\block52\basse\exhibit</p>	<p>SHEET 1 OF 1</p>
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**ARTICLES OF INCORPORATION
OF
ONTARIO COURT DRIVEWAY ASSOCIATION

(A UTAH NONPROFIT CORPORATION)**

The undersigned natural person over the age of twenty-one (21) years, acting as the incorporator of a nonprofit corporation (the "Corporation") under the Utah Revised Nonprofit Corporation Act (the "Nonprofit Corporation Act") hereby adopts the following Articles of Incorporation (the "Articles") for said Corporation:

**ARTICLE I
PURPOSES**

The purposes for which the Corporation is organized are:

(a) To act as an agent for its members in maintaining and improving a driveway, public trail and utility easement (collectively referred to as the "**Driveway**"). The Driveway runs across: (i) the westerly portions of Lots 2 and 3 of the **IVERS' REPLAT** as shown on a document recorded on May 21, 2001, as Entry No. 589454, in the Office of the Summit County Recorder, Summit County, Utah (referred to below as the "**IVERS' REPLAT**"); and (ii) the westerly portions of Lots 1, 2 and 3 of the **BLOCK 52 REPLAT** as shown on a document recorded on the _____ day of _____, 2002, in the office of the Summit County Recorder, Summit County, Utah (referred to below as the "**BLOCK 52 REPLAT**");

(b) To engage in such other business activities and pursuits as may be reasonably related to the foregoing, including to acquire, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property, including the Driveway, in connection with the affairs of the Corporation, to do everything necessary and proper for the accomplishment of the purposes enumerated in these Articles, or any amendment thereof, or necessary or incidental to the protection and benefit of the Corporation; and

(c) To engage in any lawful act for which a nonprofit corporation may be organized under the Nonprofit Corporation Act, whether or not such act is similar in nature to the purposes set forth in these Articles of the Corporation, or any amendment thereof.

**ARTICLE II
NAME**

The name of the Corporation hereby created shall be **ONTARIO COURT DRIVEWAY ASSOCIATION**.

**ARTICLE III
INITIAL REGISTERED OFFICE**

00636342 BK01483 Pg00825

The location and street address of the initial registered office of the Corporation is 1912 Sidewinder Drive, Suite 200, Park City, Utah 84060, which registered office may be changed at any time by the "Board" (as defined herein) without amendment of these Articles.