

Recording Requested By And
When Recorded, Return To:

Mountainlands Community Housing
Association
1960 Sidewinder Dr. Suite 107
Park City, Utah 84060

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ALAN SPRIGGS, SUMMIT CO RECORDER
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REQUEST: FOUNDERS TITLE CO

**AMENDED
DECLARATIONS OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR THE LINE CONDOMINIUMS**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE LINE CONDOMINIUMS (the "Declaration") is executed this 26th day of April, 2006 by MOUNTAINLANDS COMMUNITY HOUSING ASSOCIATION dba MOUNTAINLANDS COMMUNITY HOUSING TRUST, a Utah non profit corporation ("MCHT") with reference to the following:

- A. MCHT is the owner of certain real property located in Summit County, Utah known as The Line Condominiums as set forth in that certain Plat Map recorded in the Official Records of Summit County, Utah on March 8, 2006, as Entry No. 770803 (the "Units"). The Units shall include any improvements to the real property.
- B. MCHT desires to establish covenants, conditions and restrictions to satisfy the obligation of retaining affordable housing of the Condominiums all in accordance with this Declaration.
- C. Declaration of Covenants, Conditions and Restriction for The Line Condominiums were previously recorded in the Official Records of Summit County, Utah on March 8, 2006 Entry No. 00770805, Book 01775, Page 01635-01646. This Amendment supercedes the previously recorded documents.

COVENANTS, CONDITIONS AND RESTRICTIONS

1. COVENANT TO RESTRICT SALES TO QUALIFIED INDIVIDUALS.

1.1 GENERAL. The sale of the Units shall be limited exclusively to purchasers who meet the definition of Qualified Buyer except that any of Units may be sold to MCHT. The Units will be sold to buyers earning no more than 80 percent of the Summit County, Utah Area Median Income (AMI) based upon family size. A subsequent Qualified Buyer shall be defined as a household earning no more than 80 percent of the Summit County, Utah Area Median Income, as adjusted annually, who has applied to MCHT to be qualified and included on the list of Qualified Buyers for the Units. A qualified buyer shall be the person or persons taking title and occupying the Unit. In the event there are co-borrowers or guarantors not taking title or occupying the Unit, their income shall not be considered income of the qualified buyer. Any sale, assignment or other conveyance of any ownership interest shall require the consent and approval of MCHT. In the event that no Qualified Buyer is available to purchase a Unit under the terms and conditions in this Declaration, then upon certification and approval by MCHT, the current owner of the Unit shall have the right to sell that Unit to a purchaser that is not a Qualified Buyer.

1.2 AREA MEDIAN INCOME (AMI) ADJUSTMENTS. In the event the AMI for Summit County is combined in a "Metropolitan Statistical Area" (MSA) by the Department of Housing and Urban Development (HUD), it is possible the AMI for Summit County could increase or decrease substantially affecting the sale or potential sale of a unit. If Summit County is included in an MSA and the AMI for Summit County is not available from another source acceptable to MCHT, the AMI for Summit County shall be determined by using the AMI for Summit County for the year 2005 (\$83,400 for a family of four) as a base. Any percentage increase or decrease in the AMI of the MSA including Summit County after the initial year shall be added to or decreased from the 2005 base year AMI (based on family size) in the amount of the same percentage increase or decrease.

1.3 INVALID CONVEYANCES. Except as set forth in **Section 3.4**, in the event a Unit is sold and/or conveyed without compliance herewith, such sale and/or conveyance shall be wholly null

and void and shall confer no title whatsoever upon the purported buyer. Each and every conveyance of a Unit, for all purposes, shall be deemed to include and incorporate by this reference the covenants contained, even without reference therein to this Declaration.

2. SALE AND OPTION TO PURCHASE.

2.1 OFFER. Subject to Section 1.1., in the event that an owner desires to sell a Unit that selling owner shall first offer the Unit to MCHT (the "Option") at the "Maximum Sales Price" (defined below) by delivering a written notice of such offer to MCHT. The date the selling owner delivers such notice to MCHT shall be the "Offer Date".

2.2 OPTION TO MCHT. MCHT shall have forty-five (45) days after the Offer Date to exercise the Option by delivering to the selling owner written notice of MCHT's exercise of the Option. MCHT shall use its best efforts to notify selling owner of whether MCHT will exercise the Option as early as possible within that forty-five (45) day period. If MCHT elects to exercise the Option, MCHT shall finalize the acquisition of the Unit within thirty (30) days after delivering notice of MCHT's election to exercise the Option. If MCHT does not deliver that notice to selling owner within that initial forty-five (45) day time period or close within thirty (30) days after delivering that notice, MCHT's Option shall automatically expire without the need for further notice or documentation.

2.3 SALE TO QUALIFIED BUYER. Upon expiration of the Option, selling owner shall first offer the unit to the highest ranking Qualified Buyer on the list maintained by MCHT. MCHT shall have the exclusive right to determine who constitutes a Qualified Buyer and shall prepare guidelines and policies to establish eligibility. MCHT shall have the right to amend and change guidelines and policies from time to time as it determines necessary. In order to be placed on the list, a Qualified Buyer must deliver to MCHT evidence of being pre-qualified for financing the purchase of a Unit. If there are no Qualified Buyers on the list, the selling owner shall have the right to sell the Unit to any other Qualified Buyer.

2.4 SALE TO NON-QUALIFIED INDIVIDUALS. If, after using best efforts to sell the Unit to a Qualified Buyer within 120 days of the Offer Date, the selling owner shall have the right to sell the Unit to any buyer at the Maximum Sales Price or below.

2.5 LIST. MCHT shall maintain at its office the list, which shall record the Qualified Buyers in order of the dates on which they applied to be placed on the list. In addition to the Maximum Sales Price or a sales price of lesser amount, the Qualified Buyer shall pay the sum of \$250.00 to MCHT upon each transfer of ownership of a Unit.

3.0 MAXIMUM SALES PRICE. In no event shall a Unit be sold by the initial buyer and subsequent buyers for an amount in excess of the "Maximum Sales Price" the actual purchase price, plus an increase of three (3%) percent of such price per year from the date of selling owner's notice to MCHT of owner's intent to sell (prorated at the rate of 0.25 percent for each whole month for any part of a year), plus Permitted Capital Improvements, plus the \$250.00 fee set forth in Section 2.5 payable to MCHT. The Purchaser shall pay no more than the maximum sales price and shall not pay any real estate commissions, sellers closing costs or for capital improvements attached to the Unit that are not Permitted Capital Improvements.

3.1 NO GUARANTY. NOTHING HEREIN SHALL BE CONSTRUED TO CONSTITUTE A REPRESENTATION OR GUARANTY BY MCHT THAT ON SALE OWNER SHALL OBTAIN THE MAXIMUM SALES PRICE.

3.2 PERMITTED CAPITAL IMPROVEMENTS.

3.2.1 GENERAL. For the purpose of determining the Maximum Sales Price, an owner may add to the amount specified above the cost of Permitted Capital Improvements (as defined in Exhibit "A") in a total amount not to exceed 10.0% of the original purchase price. In calculating such amount, only those Permitted Capital Improvements identified in Exhibit "A" hereto shall qualify for inclusion. All such Permitted Capital Improvements installed or constructed over the life of the improvements to the Unit shall qualify. However, the allowance permitted by this Paragraph is a fixed amount, which shall be calculated on a cumulative basis applicable to the original owner and all subsequent purchasers, and not exceed the maximum dollar amount set forth in this Paragraph. The cost of Permitted Capital Improvements shall be depreciated on a straight line basis at the rate of 10% per annum for ten years commencing one year from the date of the installation of each improvement. The total amount of the cost of Permitted Capital Improvements shall be depreciated amounts of such improvements. However, notwithstanding anything to the contrary contained herein, MCHT may approve in advance Permitted Capital Improvements exceeding 10%

of the original purchase price that will be added to the Maximum Sales Price. MCHT shall have sole discretion to allow or disallow Permitted Capital Improvements. If improvements exceeding the Permitted Capital Improvement amount are not approved in advance by MCHT, they shall not be included in the Maximum Sales Price.

3.2.2 EXCLUSIONS. Permitted Capital Improvements shall not include any changes or additions to the Units made by owner during construction or thereafter, except in accordance with Paragraph 3.2.1 above. Permitted Capital Improvements shall be included in MCHT's listed purchase price, even if made or installed during original construction.

3.2.3 QUALIFICATION. In order to qualify an improvement as a Permitted Capital Improvement, owner must furnish to MCHT the following information with respect to the improvements which owner seeks to include in the calculation of Maximum Sales Price:

3.2.3.1 Original or duplicate receipts to verify the actual costs expended by owner for the Permitted Capital Improvements;

3.2.3.2 Owner's affidavit verifying that the receipts are valid and correct receipts tendered at the time of purchase;

3.2.3.3 True and correct copies of any building permit or certificate of occupancy issued by Park City Building Department with respect to the Permitted Capital Improvements.

3.2.4 OUT OF POCKET COSTS. In calculating the costs under Paragraph 3.2.1 through 3.2.3, only the owner's actual out-of-pocket costs and expenses shall be eligible for inclusion. Such amount shall not include an amount attributable to owner's profit, labor ("sweat equity") or to any appreciation in the value of the improvements.

3.3 INDUCEMENTS TO SELL PROHIBITED. Owner shall not permit any prospective buyer to assume any or all of owner's customary closing costs, pay a real estate commission, nor accept any other consideration which would cause an increase in owner's return on the sale so as to induce owner to sell to such prospective buyer.

3.4 LENDER'S PERMITTED ADJUSTMENT TO MAXIMUM SALES PRICE. Notwithstanding anything to the contrary contained herein, all conditions and restrictions contained in these Declarations shall be subject to and subordinate to the first lien of a mortgage/deed of trust given by the owner of a Unit. In the event the holder of the first lien of a mortgage/deed of trust takes title to a Unit by way of trustee's sale, foreclosure, deed-in-lieu of foreclosure or other legal means, within 30 days of the date the holder takes title to a Unit, MCHT shall have the right to purchase such Unit at a price equal to the amount of outstanding principal, interest, taxes, insurance, and any costs to recover the Unit through a trustee's sale, foreclosure, deed-in-lieu of foreclosure or other legal means, and any other amounts that may have been due and owing the holder. In the event of a lender foreclosure and MCHT or its designee elects not to purchase the unit from the lender, all deed restrictions governing borrower eligibility and property re-sale are removed.

4.0 RENTAL. All Unit(s) shall be primary residences of Owners and shall not be rented in total or partially without the express written consent of MCHT. Upon a showing of specific circumstances, such as military service, mission, temporary job relocation and the like, as determined and approved by MCHT, a Unit(s) may be rented for a period not to exceed 180 days, to a qualified person or household earning no more than 80% of the Summit County, Utah Area Median Income adjusted for family size and has been qualified by MCHT. Any roommate shall be pre-qualified and approved by MCHT prior to occupancy. Nothing contained in this provision shall prohibit an owner of the Unit to have house guests for no more than seven consecutive nights without charge in their home.

5.0 USE RESTRICTIONS PERTAINING TO THE UNITS.

5.1 No single family dwelling, building (addition or accessory thereto), storage shed, garage, patio, fence, or other structure or improvements shall be commenced, erected or maintained, nor shall any addition to change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, floor plan, materials, location, lot drainage plan have been submitted to and approved in writing by MCHT and the Homeowners Association. This is to be done prior to the Unit owner submitting plans to Park City Municipal Corporation for a building permit if so required or the location of any of the foregoing on the Units. MCHT's failure to give notice of its approval of such plans and specifications within ten (10)

days after receipt in writing thereof by MCHT shall be deemed to constitute its approval thereof.

5.2 MCHT and/or the Homeowners Association reserves the right to, but shall have no obligation to enter upon all Units creating an unsightly appearance as determined by MCHT or the Homeowners Association. Should MCHT or the Homeowners Association determine, that which is an unsightly appearance, is due to the willful or unwilling actions of a Unit owner, MCHT or the Homeowners Association may inform the Unit owner in writing, of such unsightly appearance. Should the Unit owner not clean up the problem area within 30 days to the approval of MCHT or the Homeowners Association, MCHT or the Homeowners Association or its agents shall have the right to enter onto Unit to clean up the problem area and the Unit owner may be charged for the actual costs of the clean up plus ten percent (10%), to alleviate said unsightly appearance. Each Unit owner shall maintain the entire Unit in a neat and clean condition at all times. In the event that any of the above charges made by MCHT or the Homeowners Association shall not be paid upon written demand, all costs and expenses, including, but not limited to, attorney's fees incurred by MCHT or the Homeowners Association to effectuate collection of said charges, shall be born by the Unit owner. The above charges shall constitute a lien against the Unit and may be foreclosed as such by MCHT or the Homeowners Association.

5.3 No noxious, offensive or dangerous activity shall be carried upon any Unit; nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. The dumping of trash or garbage of any kind on any Unit shall be prohibited. Trash shall be gathered and retained on the lot in a proper receptacle. No toxic or exotic chemicals shall be applied to soil, which would violate current Utah state codes with respect to water quality.

5.4 Unlicensed or inoperable vehicles may not be left in the garage or in the street for more than a five (5) day period without being operated. Should unlicensed vehicles or unsightly junk be left on the property or street MCHT or the Homeowners Association may remove them after five (5) days written notice to Unit owner. The Unit owner will be assessed the cost of the removal.

6.0 DEFAULT OR BREACH. In the event of a default or breach of the provisions of this Declaration MCHT or the Homeowners Association shall be entitled to specific performance of and injunctive and other equitable relief against the defaulting party. Any transfer of a Unit(s) inconsistent with the terms of this Declaration shall be void *ab initio*.

7.0 NOTICES. Any notice, consent or approval required herein shall be in writing and shall be given by mailing the same, certified mail, return receipt requested, properly addressed and with postage fully prepaid, to the address provided herein or to subsequent mailing address of a party as long as prior written notice of the change of address has been given to the other party. In the case of MCHT, the recording of a subsequent address with the county recorder referring to this Agreement shall constitute notice under this paragraph.

Any notice to MCHT shall be delivered to 1960 Sidewinder Dr. Suite 107 Park City, Utah 84060 until notified in writing or by recording of a change of address.

8.0 SEVERABILITY. Whenever possible, each provision of this Declaration shall be interpreted in such a manner as to be valid under applicable law; but if any provision of any of the forgoing shall be invalid or prohibited under said applicable law, such provision shall be ineffective to the extent of such invalidity or prohibition without invalidating the remaining provision of this Declaration.

9.0 ATTORNEYS' FEES. If any party shall take or defend against any action for any relief against another party, or successor in interest to the Units, arising out of this Declaration, the prevailing party in such action or defense shall be entitled to be reimbursed by the losing party for all costs including, but not limited to, attorneys' fees and court costs, incurred by the prevailing party in such action or defense and/or enforcing any judgment granted therein, all of which costs shall be deemed to have accrued upon the commencement of such action and /or defense is prosecuted to judgment. Any judgment or order entered in such action or defense shall contain a specific provision providing for the recovery of attorneys' fees and costs incurred in enforcing such judgment.

10.0 CHOICE OF LAW. This Declaration shall be governed and construed in accordance with the laws of the State of Utah.

11.0 SUCCESSORS. Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, successors and assigns of the parties hereto and all of those parties obtaining a subsequent interest in the Units. In the event that MCHT ceases to exist for any reason or fails to perform the duties set forth in this Declaration, Park City Municipal Corporation, a municipality shall become the successor-in-interest to MCHT under this Declaration.

12.0 PARAGRAPH HEADINGS. Paragraph or section headings within this Declaration are inserted solely for convenience of reference, and are not intended to, and shall not govern, limit or aid in the construction of any terms or provisions contained herein.

13.0 WAIVER. No claim of waiver, consent or acquiescence with respect to any provision of this Declaration shall be valid against any party or third party. However, the party for whose benefit a condition is inserted herein shall have the unilateral right to waive such condition.

14.0 COVENANTS TO RUN WITH LAND. MCHT intends, declares and covenants, on behalf of itself and all future owners and operators of the Units, that this Declaration regulating and restricting the use, occupancy and transfer of the Units (a) shall be and are covenants running with the land and improvements, and encumbering the Units in perpetuity (or in the event the rules of perpetuity disallow this provision, upon the death of the last survivor of the 2005-2006 school year first grade class of McPolin Elementary School).

15.0 INCONSISTANCY WITH OTHER CCR'S In the event any of the provisions of this Declaration are in conflict with previously recorded Declarations, Conditions and Restrictions for The Line Condominiums, the previously recorded declaration shall prevail.

IN WITNESS WHEREOF, the undersigned has executed this Declaration as of the date set forth hereinabove.
"MCHT"

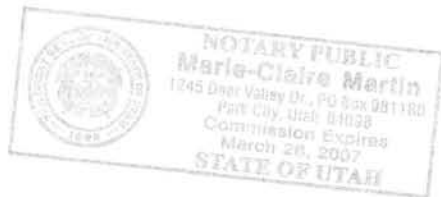
Mountainlands Community Housing Association,
A Utah non profit corporation

By [Signature]
Its EXECUTIVE DIRECTOR

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On the 26 day of April, 2006 personally appeared before me Scott J. Loomis, who after having been sworn upon oath, duly acknowledged that Scott Loomis is the Executive Director of Mountainlands Community Housing Association and as such has the power to appear on behalf of said corporation, and acting in such capacity executed the foregoing document on the day and year aforementioned.

[Signature]
Notary Public



RECORDERS NOTE
DUE TO THE COLOR OF THE INK
OF THE NOTARY SEAL AFFIXED
TO THIS DOCUMENT, THE
SEAL MAY BE UNSATISFACTORY
FOR COPYING.

EXHIBIT 'A' TO DECLARATION

PERMITTED CAPITAL IMPROVEMENTS

1. The term "Permitted Capital Improvements" as used in the Declaration shall only include the following:
 - a. Improvements or fixtures erected, installed or attached as permanent, functional, non-decorative improvements to real property, excluding repair, replacement and/or maintenance improvements;
 - b. Improvements for energy and water conservation;
 - c. Improvements for the benefit of seniors and/or handicapped persons;
 - d. Improvements for health and safety protection devices;
 - e. Improvements constructed or installed as a result of any requirement imposed by any government agency.
2. Permitted Capital Improvements as used in the Declaration shall not include the following:
 - a. Landscaping;
 - b. Upgrades of appliances, plumbing and mechanical fixtures, carpets, and other similar items included as part of the original construction of the Unit;
 - c. Jacuzzis, saunas, steam showers and other similar items;
 - d. Improvements required to repair, replace and maintain existing fixtures, appliances, plumbing and other mechanical fixtures, painting, carpeting and other similar items;
 - e. Upgrades or additions of decorative items, including lights, window coverings, and other similar items.

3. All Permitted Capital Improvement items and costs shall be approved by Mountainlands Community Housing Association (MCHT) prior to being added to the Maximum Sales Price as defined herein. In the event of a disagreement concerning a Permitted Capital Improvements, MCHT shall have the final and exclusive authority to interpret the provisions of this Exhibit "A".

Units 1 thru 22 The Line Condominiums a Utah Condominium project created pursuant to the Utah Condominium ownership act as recorded in the office of the Summit County Recorder, Summit County, Utah on March 8, 2006 as Entry No. 770803 in Book 1775 at Page 1607 together with an undivided ownership interest in the common areas and facilities as created in that certain Declaration of Condominium recorded March 8, 2006 as Entry No. 770804 in Book 1775 at Page 1608 and that certain Declaration of Covenants Conditions and Restrictions for the Line Condominiums recorded March 8, 2006 as Entry No. 770805 in Book 1775 at Page 1635

The following is shown for informational purposes only: Tax Parcel No LINE-1, LINE-2, LINE-3, LINE-4, LINE-5, LINE-6, LINE-7, LINE-8, LINE-9, LINE-10, LINE-11, LINE-12, LINE-13, LINE-14, LINE-15, LINE-16, LINE-17, LINE-18, LINE-19, LINE-20, LINE-21, LINE-22