

EXHIBIT F

SETTLEMENT AGREEMENT

BY AND BETWEEN

PARK CITY CONSOLIDATED MINES COMPANY,
a Utah corporation,

TRANS-WASATCH COMPANY, L.L.C.,
a Utah limited liability company,

AND

PARK CITY MUNICIPAL CORPORATION,
a political subdivision of the State of Utah

DATED: DECEMBER 29, 1995

SETTLEMENT AGREEMENT

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SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT ("Agreement") is entered into as of this _____ of December, 1995, by and between PARK CITY CONSOLIDATED MINES COMPANY, INC., a Utah corporation, TRANS-WASATCH COMPANY, L.L.C., a Utah limited liability company (the "Property Owners") and PARK CITY MUNICIPAL CORPORATION, a political subdivision of the State of Utah ("Park City").

RECITALS

A. The Property Owners own or control a total of approximately 678 acres of real property more particularly described in Exhibit "A" (the "Property").

B. Park City is named in a legal action filed by the Property Owners in Trans-Wasatch Company, et al. v. Park City Municipal Corporation, Civil No. 930390001, which was originally filed in the Third Judicial District Court, Summit County, State of Utah, on September 10, 1993 (the "Action"). The parties also have additional disputes as of this date that are not alleged in the Action, but which the parties intend to resolve by this Agreement.

C. Without conceding or waiving their respective positions, the parties desire to settle all of their outstanding disputes and to redefine certain rights and obligations between them.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

I.

PURPOSE AND INTENT

1.1 The purpose and intent of this Agreement is to provide a framework for the resolution of all outstanding issues and disputes between the parties. This framework, by necessity, makes the full force and effect of this Agreement contingent upon the happening of certain events within the discretion of non-party jurisdictions. The only obligation or representation created upon signing this Agreement is that, upon the deposit into escrow of the building permit referenced in Section 4.5, Property Owners shall diligently pursue and attempt to accomplish the following succession of events as more fully set forth: (a) an amended density determination as outlined in the Development Section of this Agreement (Section V), also defined herein as the Amended Telemark Park Resort, or an amended density determination acceptable to each of the parties; and (b) the abandonment and/or vacation of Keetley Road within the Property. Once both of these events occur, all further contract rights and obligations set forth herein shall vest. Similarly, if either one of these events does not occur, then the remaining obligations, releases and representations contained in this Agreement shall have no force and effect.

1.2 The parties intend that upon completion of the conditions precedent described in Section 1.1, and (a) the installation of temporary gates across Keetley Road, (b) dismissal of the Action with prejudice, and (c) the release of the building permit to improve and pave Keetley Road to the Property Owners, Property Owners shall have the right to use Keetley Road as vehicular access to the development anticipated herein in accordance with the terms and conditions set forth in this Agreement.

II.

THE PROPERTY

2.1 The legal description of the Property, which is the subject of this Agreement, is attached hereto as Exhibit "A" and incorporated into this Agreement by reference. No property may be added to the legal description for purposes of this Agreement without the express written consent of the parties.

2.2 It is understood and acknowledged by the parties that the Property straddles the Wasatch County and Summit County lines and both penetrates and abuts the Park City Municipal Corporation boundary. A portion of the Property lies within Park City city limits, and another portion of the Property lies within the annexation boundary of Park City. Of the approximately 678 acres, 524 acres lie within unincorporated Wasatch County, approximately 84 acres lie within unincorporated Summit County, and approximately 70 acres lie within the Park City Municipal Corporation city limits.

III.

DEFINITIONS

The following terms shall be used throughout this Agreement and, unless specified otherwise, have the following meanings:

3.1 **Property Owners**. The term Property Owners shall mean and refer to Park City Consolidated Mines Company, a Utah corporation, and Trans-Wasatch Company, L.L.C., a Utah limited liability company, as well as the assigns, successors, purchasers and/or transferees of these companies. The term Property Owners shall also mean and refer to the past, present and future officers, directors, shareholders, agents, employees and attorneys of Park City Consolidated Mines Company and Trans-Wasatch Company, only to the extent that it is legally permissible for these companies, acting through their authorized officers or directors, to individually bind or represent such persons or entities.

3.2 **Park City**. The term Park City shall mean and refer to Park City Municipal Corporation, a political subdivision of the State of Utah, its past, present and future members of its City Council, Mayor, City Manager, City Attorney, staff, employees and agents, both personally and in their professional capacities.

3.3 **1991 Density Determination**. The term 1991 Density Determination means and refers to the Wasatch County density determination for the Wasatch County portion of the Property filed in 1991 under Wasatch County Recording No. 158784.

3.4 **Development Plan.** The term Development Plan means and refers to the development anticipated for the entire Property as set forth in Section V, and depicted in Exhibit "B" attached hereto.

3.5 **Amended Telemark Park Resort.** The term Amended Telemark Park Resort shall mean and refer to that development anticipated and described herein for that real property lying within Wasatch County and depicted in Exhibit "C" attached hereto. The Amended Telemark Park Resort generally consists of a plan to construct one ski chair lift (the Slalom Village Chair), and, if feasible, an additional ski chair lift associated with the Telemark Park Village (the US-40 Chair), ski runs, and six distinct communities or neighborhoods known as the Snowtop Neighborhood (as defined and described in Section 5.2.1), the Roosevelt Gap Development (as defined and described in Section 5.2.2), the Slalom Village Development (as defined and described in Section 5.2.3 herein), the Little Baldy Neighborhood (as defined and described in Section 5.2.5 herein), the St. Louis Neighborhood (as defined and described in Section 5.2.4 herein), and the Telemark Park Village (as defined and described in Section 5.2.6 herein).

3.6 **Snowtop/Hidden Hollow.** The term Snowtop/Hidden Hollow means and refers to the development anticipated for that real property as depicted in Exhibit "D" attached hereto and described more fully in Section 5.2.1.

3.7 **Roosevelt Gap Development.** The term Roosevelt Gap Development means and refers to the development anticipated for that real property as depicted in Exhibit "E" attached hereto and described more fully in Section 5.2.2.

3.8 **Snow Park Hotel Site.** The term Snow Park Hotel Site shall mean and refer to the development of that real property as depicted in Exhibit "E" attached hereto and more fully described in Section 5.2.2.

3.9 **Slalom Village Area.** The term Slalom Village Area means and refers to the development anticipated for that real property as depicted in Exhibit "F" attached hereto and more fully described in Section 5.2.3.

3.10 **St. Louis Neighborhood.** The term St. Louis Neighborhood means and refers to the development anticipated for that real property as depicted in Exhibits "B" and "C" attached hereto and more fully described in Section 5.2.4.

3.11 **Little Baldy Neighborhood.** The term Little Baldy Neighborhood means and refers to the development anticipated for that real property as depicted in Exhibits "B" and "C" attached hereto and more fully described in Section 5.2.5.

3.12 **Telemark Park Village.** The term Telemark Park Village means and refers to the development anticipated for that real property as depicted in Exhibits "B" and "C" attached hereto and more fully described in Section 5.2.6.

3.13 **Keetley Road.** The term Keetley Road shall mean and refer to that portion of the right of way, which lies within the Property, and which runs in a southeasterly direction from Queen Esther Drive in Park City, over McKinley Gap to the east end of the Property near U.S. Highway 40.

IV.

DISMISSAL OF ACTION

4.1 **Dismissal of Action.** The Action may be dismissed with prejudice at any time by the Property Owners. The Action shall be dismissed with prejudice upon: (a) Wasatch County's amendment of the 1991 Density Determination (Amended Telemark Park Resort) as provided herein, and (b) the abandonment and/or vacation of Keetley Road. Nothing herein shall require the dismissal of the Action with prejudice until the preceding events have occurred. Dismissal of the Action shall be accomplished by filing the Stipulation of Dismissal with Prejudice in the form attached hereto as Exhibit "G".

4.1.1 **Dismissal Checklist.** Prior to the execution of the Stipulation of Dismissal with Prejudice, the parties will acknowledge their agreement to the completion of specific conditions precedent to dismissal (the "Dismissal Checklist"), a copy of which is attached hereto as Exhibit "H."

4.2 **Amendment of Wasatch County 1991 Density Determination.** Concurrent with the execution of this Agreement, Property Owners shall proceed in Wasatch County to seek an amendment to the 1991 Density Determination into the Amended Telemark Park Resort in accordance with the terms and conditions set forth herein.

4.3 **Abandonment of Keetley Road.** Upon Wasatch County's amendment of the 1991 Density Determination into the Amended Telemark Park Resort, Property Owners shall commence and diligently pursue, in accordance with Utah law, proceedings in

Park City and Wasatch County that will lead to formal abandonment and/or vacation of public rights of access, if any, in Keetley Road.

4.3.1 **Third Party Access.** Concurrent with the execution of this Agreement, the Property Owners and Park City have secured executed agreements, to the satisfaction of Park City, from Weilenmann, Land der Berg, LLC, United Park City Mines Company, and Deer Valley Resort Company, concerning their maximum anticipated private rights to use Keetley Road, which are in addition to the Property Owners' access rights as contemplated herein, subsequent to abandonment and/or vacation as contemplated by this Agreement. Copies of said executed agreements are attached hereto as Exhibit "I." ~~To the extent that the third parties referred to above and/or their agents and employees use Keetley Road in any manner other than as expressly contemplated in the emergency access provisions of the third party agreements,~~ Property Owners shall indemnify Park City for any costs associated with enforcing the emergency access provisions of the third party agreements and shall pay to Park City One Hundred Dollars (\$100.00) per vehicle which uses Keetley Road under non-emergency circumstances, ~~in violation of the emergency access provisions of the third party agreements.~~

Jh  

4.3.1.1 **Additional Density from Third Party Agreements.**

The additional maximum density intended in the third party agreements are in addition to the density contemplated by the Development Plan as outlined in this Agreement. Nothing herein constitutes an endorsement by Park City of the proposed third party densities nor prevents Park City from contesting the merits of the third party development proposals.

4.3.2 **Conditional Vacation of Keetley Road/Reservation of Rights/**

Obligation to Record Amended Density Determination. The petition to abandon and/or vacate the Wasatch County portion of Keetley Road may be conditioned upon Wasatch County's approval of the Amended Telemark Park Resort. If the Park City portion of Keetley Road is not vacated, Property Owners retain the right and discretion to refrain from recording Wasatch County's density determination for Amended Telemark Park Resort. If the Park City portion of Keetley Road is vacated and the building permit to improve and pave Keetley Road is released from escrow to Property Owners, the Property Owners shall immediately record Wasatch County's density determination for the Amended Telemark Park Resort.

4.4 **Temporary Physical Disconnection.** Within 30 days of Park City's abandonment and/or vacation of Keetley Road, Property Owners shall construct temporary gates, in accordance with Section 5.3.5 *infra*, which shall precede a permanent physical disconnection of Keetley Road as outlined in this Agreement. A temporary physical disconnection shall be deemed to have occurred when the Property Owners have constructed (at the Property Owners' cost and expense) at least two temporary gates across the historic configuration of Keetley Road, which preclude unauthorized vehicular traffic as more fully described in Section 4.4.1. One such temporary gate shall be located across Keetley Road near its intersection with Queen Esther Drive.

4.4.1 **Access Rights Upon Installation of Temporary Gates.**

Property Owners, who are record title holders, shall retain the right to use Keetley Road to

access the Property for all reasonable purposes, except for construction traffic which is expressly prohibited by Section 5.3.2. Property Owners shall not permit real estate agents access to the Property via Keetley Road from Park City prior to the issuance of the first single family residential building permit on a platted lot or the construction and operation of permanent controlled access gates pursuant to Section 5.3.3. Real estate agents shall have access to the Property via the eastern perimeter controlled access gate (either temporary or permanent) prior to the issuance of the first building permit. Real estate agents shall never have unrestricted access to the Property. Each individual lot or multi-family unit purchaser (resident or guest), within the perimeter gates of the Development Plan shall have the same right of access as the Property Owners during that purchaser's ownership of a lot or multi-family unit.

4.5 **Escrow of Building Permit for Keetley Road.** Concurrent with the execution of this Agreement, Park City shall place in escrow a building permit to improve and pave the Park City portion of Keetley Road. The escrow agent selected by the Parties is  First American Title Company
Park City, UT. The escrow agent shall deliver the building permit to the Property Owners consistent with and subject to the terms and conditions described in the escrow instructions attached hereto as Exhibit "J."

4.6 **Order of Dismissal With Prejudice.** With the filing of the Stipulation of Dismissal With Prejudice, the Parties shall immediately secure from the Third Judicial District Court an Order of Dismissal With Prejudice of the Action in substantially the form of Exhibit "K" attached hereto.

4.7 **Development Application Process.** Property Owners will not submit, and Park City will not accept for review and processing, any development application or annexation petition related to the Property until: (1) the Action is dismissed with prejudice, as set forth in Sections 4.1 and 4.6 above and (2) the temporary gates across Keetley Road have been installed as set forth in Section 4.4 above.

4.8 **Release From Escrow of the Building Permit.** Upon Wasatch County's amendment of the 1991 Density Determination into the Amended Telemark Park Resort, abandonment and/or vacation of Keetley Road, the dismissal of the Action with prejudice, and the installation of temporary gates across Keetley Road as provided herein, the escrow agent ^{jfn}  ~~[identify by name]~~ shall deliver to the Property Owners the building permit to improve and pave Keetley Road according to the terms contained in the building permit attached hereto as Exhibit "L." Park City has reviewed and approved the construction plans and other materials related to the improvements authorized by the building permit for Keetley Road. Upon release of the building permit from escrow, the building permit shall vest in the Property Owners, and Property Owners shall have the right to proceed with the improvement and pavement of that portion of Keetley Road which is located within the city limits of Park City. Park City shall not be entitled to terminate the building permit unless there has been a material breach of this Agreement, violation of the terms and standards of the building permit or release by the Escrow Agent in violation of the Escrow Instructions, described in Exhibit "J." In the event of a violation of the terms and standards of the building permit or the Escrow Agent releases the building permit in violation of the Escrow Instructions, the

parties shall take reasonable steps to remedy the violation of the building permit or the improper release.

4.9 **Conditional General Release of Park City.** Upon dismissal of the Action with prejudice, all claims (including without limitation, claims for attorneys' fees, expenses and disbursements), demands, losses, damages, actions, causes of action or suits of any kind whatsoever of Property Owners against Park City, any of its agencies or departments or any of its past or present employees and elected or appointed officials, connected with or arising out of the Action (or any other dispute not alleged in the Action, but pertaining to the Property and which have accrued prior to the date that all conditions precedent to this Agreement are satisfied), shall thereby be remised, released, acquitted and forever discharged. However, nothing in this Agreement shall be construed as a release of any liability arising out of or connected with the breach of any covenant, representation or warranty contained in this Agreement.

4.10 **Conditional General Release of the Property Owners.** Upon dismissal of the Action with prejudice, all claims, (including without limitation, claims for attorneys fees, expenses and disbursement), demands, losses, damages, actions, causes of action or suits of any kind whatsoever of Park City against the Property Owners, their officers, directors, shareholders, subsidiaries, affiliates, agents, employees and their heirs and assigns connected with or arising out of the Action (or any other dispute not alleged in the Action, but pertaining to the Property (excluding property taxes), and which have accrued prior to the date that all conditions precedent to this Agreement are satisfied), shall thereby

be remised, released, acquitted and forever discharged. However, nothing in this Agreement shall be construed as a release of any liability arising out of or connected with the breach of any covenant, representation or warranty contained in this Agreement.

V.

THE DEVELOPMENT

5.1 **Intent to Develop the Property.** Upon the execution of this Agreement, Property Owners will seek to amend the 1991 Density Determination. The anticipated and proposed amendments to the 1991 Density Determination are set forth in this Section V of the Agreement. Property Owners agree to apply and petition to Park City, as appropriate, for development approvals for those portions of the Property (located within Park City or contemplated for possible annexation), as more fully set forth by further provisions in this Section of the Agreement.

5.2 **Density, Use and Configuration.** The Development Plan for the entire Property as anticipated in this Agreement shall not exceed 545 units (150 single-family, 395 multi-family units) with 42,000 gross square feet of commercial space and a 20,000 gross square foot Ski Academy. The parties agree that there shall not be more than:

- (a) 338 residential units,
- (b) a 20,000 square foot Ski Academy,
- (c) support commercial space up to 5% of the gross square footage of the Slalom Village Area multi family units and the Roosevelt Gap Development,

(d) 10,000 square feet of support commercial space at the Little Baldy Neighborhood,
and

(e) amenities and recreation facilities as generally identified and depicted herein,
all within the perimeter gates of the Property with access to Park City via Keetley Road
through the west perimeter gate. Approximately an additional 182 multi family units located
within the Telemark Park Village shall have vehicular access to Park City only via U.S.
Highway 40 and S.R. 248.

	<u>Units Lying West of East Perimeter Gate</u>		Max. Size Per Multi-Family Unit
	Single Family	Multi-Family	
Snowtop	16	0	
Hidden Hollow	4	0	
Roosevelt Gap Development	0	105	2,000 sq. ft./unit
Little Baldy	60	0	
Slalom Village	4	83	2,400 sq. ft./unit
St. Louis	<u>66</u>	<u>0</u>	
Sub-total	150	188	

	<u>Units Lying East of East Perimeter Gate</u>		
	Single Family	Multi-Family	
Telemark Park Village	0	182*	varied sq. ft.

* Density may increase as provided herein.

<u>Snow Park Hotel Site</u>		
Snow Park Hotel Site	25*	2,000 sq. ft./unit

* Density may increase as provided herein.

5.2.1 **Snowtop/Hidden Hollow.** The 1991 Density Determination contains an approval for 20 single family lots in the Snowtop neighborhood. Property Owners will prepare a plat for the development of 16 single family lots in the Snowtop neighborhood which they will submit to Wasatch County for review and consideration, with timely written notice and copies of all materials submitted to Wasatch County to Park City. The Hidden Hollow property comprises roughly 84 acres, upon which Property Owners propose to develop four single family Estate lots, with building envelopes, areas of disturbance, limits of disturbance and open space conservation easements, all as generally depicted on the map (for both Snowtop and Hidden Hollow) attached hereto as Exhibit "D."

5.2.1.1 **Annexation Procedure for the Snowtop/Hidden Hollow Area.** Upon dismissal of the Action with prejudice, temporary physical disconnection of the Keetley Road (as provided in Section 4.4 above), and Wasatch County's approval of the final plat for a 16 lot subdivision of the Snowtop neighborhood, Property Owners shall submit to Park City a complete petition for annexation, as limited by this Section, for the Snowtop/Hidden Hollow Area, with offers of dedication of designated open space and conservation easements of contiguous property (the Snowtop/Hidden Hollow Area), all as depicted on Exhibits "D" and "N." The parties agree and acknowledge that the portion of the complete petition for annexation for the Snowtop neighborhood shall be submitted in the form of a final unrecorded plat. Property Owners' petition for annexation for the Snowtop/Hidden Hollow Area may be submitted without a visual analysis or

annexation fee. The petition for annexation of the Snowtop/Hidden Hollow Area shall provide for affordable employee housing, subject to Park City qualified renters guidelines and shall otherwise comply with Park City Resolution No. 7-95. The total affordable employee housing obligation for the Snowtop/Hidden Hollow area shall be one (1) unit. Property Owners' affordable employee housing obligation can be satisfied anywhere on the Property, at Property Owners' discretion. The Park City staff and the City Council have reviewed Exhibit "D" and have found the same to be generally acceptable as to density, use and configuration. Within fourteen (14) days of the receipt of the petition for annexation, Park City shall notify Property Owners of any additional information necessary to make the petition complete. Upon the earlier of submittal of the additional information requested by Park City or after the passage of fourteen (14) days without providing written notification to Property Owners, Park City shall have up to 120 days from such notice and submission of the application within which to annex the Snowtop/Hidden Hollow Area. Property Owners will attempt to supply the additional information necessary for its consideration, review and approval of the petition for annexation. Upon the expiration of the 120 day period, Property Owners may record the final plat and obtain building permits from Wasatch County for the construction of the Snowtop Neighborhood as a Wasatch County development, but will not object to or interfere with Park City's efforts to annex the Snowtop neighborhood after the lesser of one year or the completion and/or installation of the infrastructure.

5.2.1.2 **Annexation Agreement.** If the Snowtop/Hidden Hollow Area is annexed into Park City, then the following conditions of development shall

bind the parties: (a) the density of the Snowtop/Hidden Hollow Area shall not exceed sixteen (16) single-family lots within the Snowtop neighborhood and four Estate lots within the Hidden Hollow neighborhood; (b) the Snowtop neighborhood shall be annexed as platted by Wasatch County; (c) the Hidden Hollow neighborhood shall be annexed as four Estate lots that are restricted by plat, easements, and real covenants to include Property Owners' offer of dedication of conservation easements, designated building envelopes, maximum areas of disturbance, and limits of disturbance as depicted in Exhibit "D" and the Annexation and Open Space Exhibit, Exhibit "N," both of which are attached hereto; (d) the remainder of the Snowtop/Hidden Hollow Area, except roads depicted on Exhibit "B," shall be offered to Park City in fee simple as dedicated open space as generally depicted in Exhibits "D" and "N" attached hereto; and (e) Property Owners shall provide for one (1) unit of affordable employee housing as described in Section 5.2.1.1.

5.2.1.3 Conditions of Development Absent Park City

Annexation. If the Snowtop/Hidden Hollow Area is not annexed into Park City within the time frames established by Section 5.3.1, as appropriate, Property Owners may seek development approval from Summit County of the Hidden Hollow neighborhood without interference from Park City (as to access, density or use) if and only if: (a) Property Owners seek development approval in Summit County for density in accordance with the configuration and development restrictions depicted in Exhibit "D" and described in Section 5.2.1, or some lesser density, use or configuration and (b) the same area designated for open space dedication and conservation easements proposed in Section 5.2.1.1 and depicted in

Exhibits "D" and "N" shall be preserved by conservation easements granted to and accepted by a public entity or a private non-profit open space conservancy to the reasonable satisfaction of Park City. If the Snowtop/Hidden Hollow Area is not annexed into Park City as provided herein, Property Owners shall have the right to proceed to develop the Snowtop neighborhood as a Wasatch County development, as depicted in Exhibit "D."

5.2.1.4 **Vehicular Access to Snowtop/Hidden Hollow.** Regardless of annexation, if the Action is dismissed with prejudice, there shall be two points of ingress and egress to the Snowtop/Hidden Hollow Area as contemplated in this Agreement. The primary point of ingress and egress shall be via the Keetley Road from Queen Esther Drive to the Snowtop/Hidden Hollow Road. The second point of ingress and egress shall be via Llama Lane to the U.S. 40 West-Side Frontage Road. The second point of vehicular ingress and egress shall not exceed the minimum requirements of a fire apparatus access road as defined in section 10-201 et. seq. of the *Uniform Fire Code*, or as required by the Park City Fire Marshal.

5.2.1.5 **Water Rights** If the Snowtop neighborhood and the Hidden Hollow area are annexed into Park City and Park City provides water service to the Snowtop/Hidden Hollow Area, then Property Owners shall irrevocably offer to transfer and to cooperate in the exchange of the current point of diversion of approximately 15 acre feet of certified water rights pursuant to Weber Basin Appropriation Water Right No. 3006A-10948(3582).

5.2.2 **Roosevelt Gap Development.** The 1991 Density Determination contains an approval for a 64 multi-family unit structure at Roosevelt Gap. Property Owners will seek to amend the 1991 Density Determination and shall pursue annexation into Park City of the Roosevelt Gap/Snowpark Hotel Site Development Area (as depicted in Exhibit "E") to allow for the development of one of the following options: (a) a single 105 multi-family unit structure (2,000 sq. ft./unit) at the Roosevelt Gap Development site connected to the Snow Park Hotel Site via a funicular and associated dedication of trail easements and open space (Alternative A) or (b) a five lot single-family home subdivision encompassing a total area of approximately seven (7) acres at the Roosevelt Gap Development site, as depicted in Exhibit "O," with limits of disturbance (as established and approved in the Amended Telemark Park Resort), and without funicular connection to the Snow Park Hotel Site but with dedication of trail easements and open space (Alternative B). The parties contemplate pursuing and prefer Alternative A. However, prior to development approval of the Snow Park Hotel Site, Property Owners may, upon written notice to Park City, pursue Alternative B. If Park City does not annex the Roosevelt Gap Development under Alternative A or B as provided herein, then Property Owners have the right to seek development approval of the Roosevelt Gap Development as a five single-family lot subdivision (as depicted in Exhibit "O") without funicular connection to the Snow Park Hotel Site, which would be subject to processing and approval by Wasatch County (Alternative C). Alternatives A and B contemplate annexation to Park City and either Alternative A or B will

be fully pursued, as set forth herein, by Property Owners before pursuing development approval of the Roosevelt Gap Development under Alternative C.

5.2.2.1 **Snow Park Hotel Site Density, Use and**

Configuration. Under all development alternatives (A, B, and C) for the Roosevelt Gap Development, Property Owners have the right to construct a single, 25 multi-family Park City unit equivalent structure on the Snow Park Hotel Site, which structure will be designed to fall within the maximum height of 45-feet and with architectural treatment that reduces the apparent bulk of the structure in a manner that is similar to the mass, scale and stepping of the 1986 Snow Park Hotel Master Plan Development and is depicted in Exhibit "P" attached hereto. The Snow Park Hotel Site may include support commercial up to five percent (5%) of gross square footage of the Snow Park Hotel Site, along with appropriate amenities. Based on the merits of the design, Property Owners may increase the density at the Snow Park Hotel Site from 25 to up to 35 Park City unit equivalents. However, such increased density shall occur only if: (a) Property Owners transfer the increased density at Snow Park Hotel Site from the Slalom Village Area to Telemark Park Village (outside of the eastern perimeter controlled access gate) and (b) Park City approves the design with increased density, use and configuration, after reasonable review of the plans. Increased density at Snow Park Hotel Site beyond 25 units shall be within Park City's discretion.

5.2.2.2 **Alternative A for Roosevelt Gap Development.** The density of the Roosevelt Gap Lodge is contingent on a funicular connection to the Snow Park Hotel Site. With funicular, the density of the Roosevelt Gap Lodge shall not exceed 105

Park City unit equivalents (2,000 sq. ft/unit). The Roosevelt Gap Lodge may also include support commercial space totaling five percent (5%) of the gross square footage of the Roosevelt Gap Lodge and additional appropriate amenities. The visual intrusion of the Roosevelt Gap Lodge shall be minimal as depicted in Exhibit "Q" attached hereto.

5.2.2.3 Alternative B for Roosevelt Gap Development.

Without a funicular connection, Property Owners may develop the Roosevelt Gap Development as a single-family lot subdivision with no more than five (5) lots and no visual intrusion from the vantage point described in Section 5.3.9 *infra*.

5.2.2.4 Annexation Procedure for Alternatives A or B for the Roosevelt Gap/Snow Park Hotel Area. Property Owners shall submit to Park City a complete petition for annexation for the Roosevelt Gap /Snow Park Hotel Area for Alternative A or B, as described in Sections 5.2.2.2 and 5.2.2.3 above, for Roosevelt Gap Development in substantially the same form depicted in Exhibits "E" or "O." The petition for annexation of the Roosevelt Gap/Snow Park Area shall provide for affordable housing, subject to Park City qualified renters guidelines and shall otherwise comply with Park City Resolution No. 7-95. The total affordable employee housing shall be ten percent (10%) of the total number of unit equivalents within the Roosevelt Gap/Snow Park Area. Property Owners' affordable employee housing obligation can be satisfied anywhere on the Property, at Property Owners' discretion. The Park City staff and City Council have reviewed Exhibits "E" and "O" and found them to be generally acceptable as to density, use and configuration. Within fourteen (14) days of the receipt of the petition for annexation, Park

City shall notify Property Owners of any additional information necessary to make the petition complete. Upon the earlier of submittal of the additional information by Property Owners or after the passage of fourteen (14) days without providing written notification to Property Owners, Park City shall have up to 180 days from receipt of a complete petition within which to annex the Roosevelt Gap/Snow Park Development Area. Property Owners shall not submit a competing application for development in Wasatch County during the identified 180-day period. After the lapse of the 180-day exclusive review period, the parties may continue to negotiate annexation, but Property Owners' may withdraw their development application and , at their discretion, elect to pursue development Alternative C. Park City shall not accept the conservation easements until the ski runs and appurtenant ski facilities are built or for a period of one year from certificate of occupancy, whichever is earlier.

5.2.2.5 **Annexation Agreement for Alternative A for the Roosevelt Gap/Snow Park Hotel Area.** If the Roosevelt Gap/Snow Park Development Area is annexed into Park City under Alternative A, then the following conditions of development shall bind the parties: (a) the density of the Roosevelt Gap Lodge shall not exceed 105 Park City unit equivalents, (b) the funicular tramway shall be installed at the earliest opportunity, (c) Property Owners shall make offers of dedication of conservation easements, and shall designate development envelopes, all as depicted in Exhibit "N" attached hereto, (d) the remainder of the Roosevelt Gap/Snow Park Development Area shall be dedicated open space to Park City as depicted on Exhibit "~~N~~" attached hereto, and (e) there shall be no overnight parking at Roosevelt Gap Lodge. 

5.2.2.6 **Annexation Agreement for Alternative B.** If the Roosevelt Gap/Snow Park Hotel Area is annexed into Park City under Alternative B, then the following conditions of development shall bind the parties: (a) the density of the Roosevelt Gap Development shall not exceed 5 single-family lots, (b) Property Owners shall make offers of dedication of conservation easements and shall designate building envelopes, maximum areas of disturbance, and limits of disturbance as depicted in Exhibits "N" and "O" attached hereto, and (c) the remainder of the Roosevelt Gap/Snow Park Hotel Area shall have dedicated open space and conservation/open space easements as depicted on Exhibit "N" attached hereto.

5.2.2.7 **Alternative C for Roosevelt Gap Development.** If Park City does not annex the property under either Alternatives A or B, Property Owners have the right to seek development approval under Wasatch County jurisdiction of a single-family lot subdivision with density not to exceed five (5) lots encompassing a total area of approximately seven (7) acres at the Roosevelt Gap Development, with designated limits of disturbance, all as depicted and described in Exhibit "O." The parties agree that the resulting five lot subdivision shall be platted and deed-restricted to result in no visual intrusion from the vantage point described in Section 5.3.9. The subdivision identified by this paragraph will be developed within the Roosevelt Gap Development envelope, with limits of disturbance as defined in the Amended Telemark Park Resort or the equivalent approval obtained from Wasatch County. The Park City staff and City Council have

reviewed Exhibit "O" and found it to be generally acceptable as to density, use and configuration.

5.2.2.8 **Property Owners Choice of Alternatives.** Property Owners must choose between either Alternatives A or B prior to petitioning for annexation to Park City of the Roosevelt Gap/Snow Park Annexation Area.

5.2.2.9 **Access to Roosevelt Gap Development.** Under Alternative A, as described in Section 5.2.2.2 above, Roosevelt Gap Lodge employee, guest and resident access shall be via a funicular lift, which shall be designed to the reasonable satisfaction of Park City, and constructed at the Property Owners expense. The funicular lift shall begin at the Snow Park Hotel Site. Under Alternative A, vehicular access to the Roosevelt Gap Development from Park City via Keetley Road and through the western perimeter controlled access gate(s), depicted and generally described in Exhibits "B," "C" and "E," shall be limited to service, stock, delivery, and maintenance vehicles. There shall be no guest or employee access to Roosevelt Gap Development under Alternative A via the western perimeter access gate(s). Vehicular access under Alternatives B or C from Park City to the Roosevelt Gap Development shall be via Keetley Road and the western perimeter controlled access gate(s). Ski run access from the Roosevelt Gap Development to and from the Deer Valley ski area is both contemplated and encouraged.

5.2.2.10 **Parking at Roosevelt Gap Lodge.** Under Alternative A, as described in Section 5.2.2.2, parking at Roosevelt Gap Lodge shall not exceed 50 stalls, with no overnight parking. Property Owners shall grant Park City a parking

enforcement easement, in substantially the form of Exhibit "R," which shall grant Park City public safety personnel the right to enforce the no overnight parking restriction at Roosevelt Gap Lodge. The prohibition on overnight parking at the Roosevelt Gap Lodge solely applies and is applicable to Alternative A for the Roosevelt Gap Development (the 105-multi family unit structure). Under Alternative A, guest and resident parking for the Roosevelt Gap Lodge and Snow Park Hotel Site shall be served by an on site parking facility at the Snow Park Hotel Site. Property Owners may provide for employee shuttle service from the east perimeter gate to the Roosevelt Gap Lodge. Residents or guests within the perimeter gates of the Amended Telemark Park Resort may use the parking facilities at the Roosevelt Gap Hotel Development as limited by the "no overnight parking" restriction.

5.2.2.11 **Exclusive Development Alternatives for the Roosevelt Gap Development.** Subject to the terms and conditions of this Agreement, Property Owners agree to pursue only Alternatives A, B or C in development of the Roosevelt Gap Development.

5.2.3 **Slalom Village.** Property Owners will seek to amend the 1991 Density Determination to allow for the development of the Slalom Village Area, with no more than 83 multi-family units (2,400 sq.ft/unit, which shall not be deemed unit equivalents under *Park City Land Management Code*) (of which not less than 60% of the units developed shall be concentrated into a single structure (the "Primary Village Structure")), with support commercial up to five percent (5%) of the gross square footage of the Slalom Village structures and appropriate amenities, all within the Slalom Village development envelope,

along with four (4) single-family lots, a 20,000 gross square foot Ski Academy, and a ski chair lift which base terminal may be located in any reasonable location within a 1,100 foot radius of Slalom Village all as depicted in Exhibit "F."

5.2.3.1 Annexation Procedure for the Slalom Village Area.

Upon the approval of a final plat or record of survey in Wasatch County for any portion of the Slalom Village Area, but in all cases prior to application for a building permit for any portion of the Slalom Village, Property Owners will deliver to Park City a petition for annexation of the Slalom Village Area to Park City. The petition for annexation of the Slalom Village Area shall provide for affordable employee housing, subject to Park City qualified renters guidelines and shall otherwise comply with Park City Resolution No. 7-95. The total affordable employee housing shall be four percent (4%) of the total number of units within the Slalom Village Area. At their own discretion, Property Owners' affordable employee housing obligation can be satisfied within any unincorporated area of the Property. The Park City staff and City Council have reviewed Exhibit "F" and have found the same to be generally acceptable as to density, use and configuration. Within fourteen (14) days of the receipt of the petition for annexation, Park City shall notify Property Owners of any additional information necessary to make the petition complete. Upon the earlier of submittal of the additional information by Park City or after the passage of fourteen (14) days without providing written notification to Property Owners, Park City shall have up to 120 days from such notice and submission of the petition within which to annex the Slalom Village Area. The complete annexation petition delivered to Park City as outlined above shall be exclusive

to Park City for 120 days, and during such period Property Owners shall not pull building permits. Upon the expiration of the 120 day period, Property Owners may obtain building permits from Wasatch County for the construction of Slalom Village as a Wasatch County development, but will not object to or interfere with Park City's efforts to annex Slalom Village Area after the lesser of one year or the completion and/or installation of the infrastructure. Park City shall promptly commence and process the annexation review upon complete petition filed by Property Owners.

5.2.3.2 **Annexation Agreement.** If Slalom Village is annexed into Park City, then the following conditions of development shall bind the parties: (a) the density of Slalom Village Area shall not exceed 83 multi-family units (maximum 2,400 sq. ft./unit) with support commercial space up to 5% of the gross square footage and appropriate amenities, four (4) single-family lots, and a 20,000 square foot ski academy, (b) a ski chair lift shall be constructed within a 1,100 foot radius of the Primary Village Structure at Slalom Village prior to the issuance of a certificate of occupancy for any portion of the Slalom Village Area, (c) the Primary Village Structure shall be placed to physically disconnect the historical configuration of Keetley Road, and (d) the Property Owners shall irrevocably grant limited conservation easements to the ski run(s) and remaining areas, as so depicted in Exhibit "N." Park City shall not accept the conservation easements until the ski runs and appurtenant ski facilities are built or for a period of one year from certificate of occupancy, whichever is earlier. As more fully described in Section 5.2.2.1 above, Property Owners may transfer up to ten (10) single-family and/or multi-family units from the Slalom Village

Area to Telemark Park Village outside the eastern perimeter controlled access gate, in exchange for an increase of up to ten (10) multi-family units being added to the Snow Park Hotel Site, upon Park City's consent.

5.2.3.3 **Development Alternative to Slalom Village.** In the event Property Owners elect not to construct the development described in Section 5.2.3 above, then Property Owners shall have the right to develop a single family subdivision not to exceed twelve (12) lots in place of the 83 multi-family units. The twelve (12) lots shall be platted in Wasatch County and may be recorded within the Slalom Village development envelope with limits of disturbance established by Wasatch County and as generally depicted in Exhibit "S." The Park City staff and City Council have reviewed Exhibit "S," and found said exhibit to be generally acceptable as to density, use and configuration. The twelve (12) single-family lots are in addition to the four (4) lots shown on Exhibits "C" and "F" and the 20,000 square foot Ski Academy. Property Owners shall have the right to develop the 12 single-family lot subdivision and the 20,000 square foot Ski Academy as a Wasatch County development. In the event Property Owners elect to develop the twelve (12) single-family lot subdivision, then Property Owners shall realign and construct Keetley Road as depicted on Exhibit "S," wherein Slalom Village becomes a cul-de-sac that is not accessible from the eastern portion of Keetley Road except via St. Louis Drive.

5.2.3.4 **Disconnection of Keetley Road at Slalom Village**
Location. A permanent physical disconnection of Keetley Road shall occur at the Slalom Village Area location, which disconnection shall be accomplished as follows: (a) Upon the

platting of lots in the Little Baldy neighborhood or upper St. Louis neighborhood, Property Owners shall disconnect, either by steel gates and/or boulders and natural vegetation, Keetley Road so as to prevent vehicular through traffic in the Slalom Village Area; and (b) disconnection shall be permanent at the Slalom Village location upon the construction of the Primary Village Structure at Slalom Village (the footprint of which shall partially be within the historic configuration of Keetley Road right-of-way, such that the right-of-way is completely obstructed) or the construction of the cul-de-sac configuration described in Section 5.2.3.3. Upon the permanent physical disconnection, there shall be no reconnection of Keetley Road at the Slalom Village location. Nothing herein shall preclude the parking and internal circulation at the Primary Village Structure as described in Section 5.2.3.7.

5.2.3.5 Conditions of Development Absent Park City

Annexation. If the Slalom Village Area is not annexed into Park City pursuant to Sections 5.2.3.1 and 5.2.3.2, Property Owners may proceed to develop Slalom Village as a Wasatch County development so long as (a) the Property Owners seek development approval in Wasatch County for density in accordance with the configuration and development restrictions described herein and depicted in Exhibits "C," "F" or "S," (b) a ski chair lift shall be constructed within a 1,100 foot radius of the Primary Village Structure prior to the issuance of a certificate of occupancy for any portion of Slalom Village, (c) the Primary Village Structure shall be placed to physically disconnect the historical configuration of Keetley Road, and (d) the same area designated for dedication and conservation easements shall be preserved by conservation easements granted to and accepted by a public entity or a

private non-profit open space conservancy to the reasonable satisfaction of Park City.

Nothing in this Section shall prevent Property Owners, at their discretion, from pursuing the development alternative for Slalom Village area as described in Section 5.2.3.3 and as depicted in Exhibit "S" attached hereto.

5.2.3.6 Conditions Precedent to Occupancy of Slalom

Village. No portion of the Slalom Village Area may be occupied by residents or guests until the proposed Slalom Village Chair (as approximately designated on the Development Plan) is fully operational. During the Deer Valley ski season, subject to snow, weather and/or other operational conditions, Property Owners commit to the continuous daily operation of the Slalom Village Chair from the issuance of the first certificate of occupancy for any portion of the Slalom Village.

5.2.3.7 Ski Academy. The parties understand and agree that the 20,000 square foot Ski Academy, which the parties anticipate being constructed at Slalom Village, shall be used as an academic athletic institution and/or ski training facility whose students/attendees are expected to reside within the Slalom Village Area and/or Amended Telemark Park Resort. Alternatively, Property Owners may use the 20,000 square foot Ski Academy or other approved structure in a manner that will similarly limit the level of vehicular traffic on Keetley Road.

5.2.3.8 Vehicular Access to Slalom Village. Access to Slalom Village area shall be via Keetley Road from the western and eastern perimeter controlled access gates, except as limited by Section 5.2.3.4 above. However, parking and internal

circulation within Slalom Village shall discourage the use of Keetley Road as a means of vehicular travel from U.S. Highway 40 to Park City. An emergency/utility road, as described in paragraph 5.3.7.3 below, shall bypass Slalom Village connecting the easterly and westerly sections of the disconnected Keetley Road, and shall be crash gated to prevent vehicular through traffic by the general public, except as limited by Section 5.2.3.4 above.

5.2.3.9 **Grade and Width of Keetley Road.** The parties understand and agree that the width and grade of Keetley Road from McKinley Gap to Slalom Village area might only be 24 feet wide, and may have a grade of twelve percent (12%). If annexed by Park City, these development standards are deemed sufficient for purposes of constructing a private road, and are acceptable, and the road may be constructed.

5.2.3.10 **Slalom Village Parking.** Property Owners may construct no more parking stalls underneath the Slalom Village multi-family unit structure than are required to service that structure as may be required by the appropriate Wasatch County official(s). The parking structure at Primary Village Structure may be accessible from Park City so long as the connection between the parking levels is designed to Park City's reasonable satisfaction in such a manner that sufficiently discourages the tendency to use the Keetley Road as a means of vehicular travel from U.S. 40 to Park City. It is contemplated that such will be accomplished by the construction of a multi-level structure with vertical separation between the east and west parking entrances, and an internal ramping and gate system. No more than 25 vehicular parking spaces shall be constructed at the Ski Academy. Shuttle service to and from the Ski Academy and/or Slalom Village Area shall be

provided by all reasonable means in order to discourage the use of individual vehicular forms of transportation.

5.2.4 **St. Louis Neighborhood.** Property Owners will seek to amend the 1991 Density Determination in Wasatch County as depicted in Exhibits "B" and "C," wherein the St. Louis neighborhood shall contain a maximum density of 66 single family lots. The Park City staff and City Council have reviewed Exhibits "B" and "C" and found them to be generally acceptable as to density, use and configuration. The St. Louis neighborhood shall be developed as a Wasatch County development.

5.2.4.1 **Access to St. Louis Neighborhood.** There shall be two principal points of ingress and egress to the St. Louis neighborhood. One of the accesses to the St. Louis Neighborhood shall be via Keetley Road and St. Louis Drive from Park City through the western perimeter gate(s), which access shall be restricted by the installation of a perimeter controlled access gate in accordance with either Section 5.3.3 or 5.3.5, as appropriate. The other primary access to the St. Louis Neighborhood shall be via the controlled access gate, in accordance with either Section 5.3.3 or 5.3.5, as appropriate, at the east end of the Property.

5.2.5 **Little Baldy Neighborhood.** Property Owners will seek to amend the 1991 Density Determination in Wasatch County as depicted in Exhibits "B" and "C," wherein the Little Baldy neighborhood shall contain a maximum density of 60 single-family lots and no more than 10,000 square feet of support commercial. The Little Baldy neighborhood shall have no visual intrusion (into Park City) from the vantage point described

in Section 5.3.9. The Park City staff and City Council have reviewed Exhibits "B" and "C" and found them to be generally acceptable as to density, use and configuration. The Little Baldy neighborhood shall be developed as a Wasatch County development.

5.2.5.1 **Access to Little Baldy Neighborhood.** There shall be two points of ingress and egress to the Little Baldy neighborhood. One of the accesses to the Little Baldy Neighborhood shall be via Keetley Road, St. Louis Drive and Little Baldy Drive from Park City through the western perimeter gate(s), which access shall be restricted by the installation of a perimeter controlled access gate in accordance with either Section 5.3.3 or 5.3.5, as appropriate. The other primary access to the Little Baldy Neighborhood shall be via the perimeter controlled access gate, in accordance with Section 5.3.3 or 5.3.5, as appropriate, at the east end of the Property.

5.2.6 **Telemark Park Village.** Property Owners will seek to amend the 1991 Density Determination in Wasatch County as depicted in Exhibits "B" and "C," wherein the Telemark Park Village shall contain a density of 188 multi-family units and identified commercial space. Property Owners may increase the density of the Telemark Park Village as described in Sections 5.2.2.1 and 5.2.6.2.

5.2.6.1 **Access to Telemark Park Village.** Vehicular access to Telemark Park Village shall be only via the frontage road from U.S. Highway 40 at the Mayflower interchange. Telemark Park Village residents and users shall have no vehicular access to Park City via Keetley Road.

5.2.6.2. **Increased Density for Telemark Park Village.** In the event Property Owners choose to develop a five (5) single-family lot subdivision and not a 105 multi-family unit lodge at the Roosevelt Gap Development, Property Owners may increase the density at Telemark Park Village by no more than fifty (50) multi-family units at the Telemark Park Village. Density at the Telemark Park Village may also be increased to satisfy the affordable housing requirements anticipated by this Agreement. Density may also be increased in accordance with Section 5.2.2.1. Any additional units added to the Telemark Park Village, in accordance with this Section, may be developed pursuant to Wasatch County standards, configurations and square footage.

5.3 **Additional Development Requirements.** Any development under the Development Plan for the Property shall be subject to the following additional requirements, if the conditions as set forth in Section 1.2 above are satisfied:

5.3.1 **Timing Of Annexation of Snowtop/Hidden Hollow Area, Roosevelt Gap Development and Slalom Village.** As more particularly described in Sections 5.2.1.1, 5.2.2.4 and 5.2.3.1, Property Owners contemplate submitting petitions of annexation, as more fully described herein, for the Snowtop/Hidden Hollow Area, Roosevelt Gap/Snow Park Area and Slalom Village Area to Park City. With respect to the Snowtop Neighborhood and Slalom Village Area, these development areas will be petitioned for annexation solely as platted or surveyed (and depicted in Exhibits "D" and "F") in Wasatch County. Park City shall have a specified number of days in which to annex the petitioned area(s). Property Owners agree not to pursue annexation of the Snowtop/Hidden Hollow

Area, Roosevelt Gap Development or the Slalom Village Area concurrently, simultaneously, or within the same time period, except as provided herein.

5.3.1.1 **Track I for Annexation by Park City.** In the event Property Owners have received Wasatch County approval for the recordation of final plats and/or records of survey for the Snowtop Neighborhood Area or Slalom Village Area in Wasatch County, and Property Owners submit a petition for annexation of the Snowtop/Hidden Hollow Area and/or Slalom Village Area to Park City, as depicted in Exhibits "D," "F" and/or "S," Park City shall have up to 120 days during which to approve the annexation before Property Owners shall be entitled to pull Wasatch County building permits for such development. Property Owners may also submit the petitions for annexation, including the petition for annexation of the Roosevelt Gap/Snow Park Area with such other petitions, simultaneously or prior to the completion of review of a prior petition, provided the Snowtop Neighborhood and Slalom Village Area final plats are ready for recordation in Wasatch County at the time the respective petition is submitted.

5.3.1.2 **Track II for Annexation by Park City.** In the event Property Owners are not prepared to record plats or records of survey and have not secured all necessary utilities for the Snowtop Neighborhood Area or Slalom Village Area in Wasatch County, Property Owners may submit petitions for annexation of the Snowtop/Hidden Hollow Area, Roosevelt Gap/Snow Park Area or the Slalom Village Area to Park City sequentially, in any order as determined by Property Owners, with no two petitions being considered by Park City for approval simultaneously. After the passage of the time period in

which Park City shall have the exclusive right to review and approve a petition for annexation (120 or 180 days as defined herein), Property Owners may submit for review and consideration a second petition for annexation of an additional annexation area as contemplated herein. If Property Owners request Park City's assistance in securing utility services and/or other development infrastructure for the Snowtop/Hidden Hollow Area or Slalom Village Area, then the annexation period may be extended an additional six months at Park City's discretion.

5.3.1.3 **Track III for Annexation by Park City.** In the event that Property Owners bring one annexation petition for all development areas subject to annexation as set forth herein, with or without plat approval from Wasatch County, Park City shall have one year as provided by applicable law to review and annex such development areas.

5.3.2 **Construction Traffic.** All construction vehicles for any development for the Property, except the Snow Park Lodge Site (and the funicular tramway to Roosevelt Gap Lodge) shall access the Property from U.S. Highway 40. No construction vehicles shall access the Property, except the Snow Park Hotel Site, from Park City. Construction vehicles shall be permitted on that portion of Keetley Road from McKinley Gap to Queen Esther Drive, solely to improve the Keetley Road pursuant to the building permit (Exhibit "L"), provided the construction vehicles access that portion of Keetley Road from the eastern side of the Property via U.S. Highway 40. Property Owners hereby agree to

grant Park City a public safety easement to enforce traffic restrictions on all private roadways within the annexation area.

5.3.3 **Permanent Controlled Access Gates.** As designated and identified in the Development Plan and shown on Exhibit "B," Property Owners (at their cost and expense) shall construct, maintain and operate at least two permanent controlled-access gates, which shall be designed so as to restrict access to the Property as described in this Agreement.

5.3.3.1 **Design of Permanent Controlled Access Gates.** The perimeter controlled access gates shall be designed and constructed as depicted on Exhibit "T," which Park City staff and City Council have reviewed and found to be acceptable as to design operation and approximate location.

5.3.4 **Private Vehicular Access Only.** Access to the Property from Park City shall be limited as described in Section 5.2 above. The perimeter controlled access gates shall provide for private vehicular access only to property owners and their guests for all areas within the perimeter controlled access gates. Roosevelt Gap Development (Alternative A) shall be limited to service and maintenance vehicles only.

5.3.5 **Temporary Gates.** The temporary gates shall be constructed of a steel construction (i.e. agricultural-type steel gate), which is manually operated and controlled by padlocks and keys. The temporary gates shall be installed by the Property Owners (at their cost and expense) at (i) the intersection of Queen Esther Drive and Keetley Road and (ii) the eastern perimeter controlled access gate as depicted on Exhibit "B," or the

east end of the Property. The temporary gates shall remain locked at all times and shall not be removed until the issuance of the first single family residential building permit, and the replacement of the temporary gate(s) with permanent perimeter controlled access gates pursuant to Section 5.3.3. During the construction phase of the development of the Property, but for no longer than two years from commencement of construction, Property Owners, may substitute the temporary gates with the permanent perimeter controlled access gates described in Section 5.3.3 and depicted in Exhibit "T."

5.3.6 **Secondary Access.** As designated on the Development Plan and the Trails and Secondary Access Exhibit attached as Exhibit "U," the Property Owners may construct three types of secondary access roads and trails: (i) a Bicycle/Pedestrian Path; (ii) an Emergency/ Bicycle/Pedestrian Path; and (iii) an Emergency Utility Road. The paths shall be open to the public to the same extent as to residential guests. Except in the case of an emergency, use of any secondary access shall be limited to non-vehicular traffic, such as bicycles, horses, skiers and pedestrians. In addition, the configuration, improvement and maintenance of secondary access shall be as follows:

5.3.6.1 **Bicycle/Pedestrian Paths.** Bicycle/Pedestrian Paths shall be so controlled as to be unavailable or inaccessible to motorized vehicles, insofar as practical.

5.3.6.2 **Emergency/Bicycle/Pedestrian Paths.** Emergency/ Bicycle/Pedestrian Paths shall be constructed in a manner not to exceed the minimum requirements necessary to be classified ^{as emergency access} by the Park City Fire Marshal.

5.3.6.3 **Emergency Utility Roads.** Emergency Utility Roads shall be limited to an eight (8) foot wide paved surface with two (2) foot gravel shoulder on one side and a ten (10) foot gravel shoulder on the other side for a total width not to exceed twenty (20) feet, or such other minimum requirements as shall be required by the Park City or Wasatch County Fire Marshal, as appropriate.

5.3.6.4 **Maintenance.** Maintenance of all secondary accesses shall be the exclusive obligation of the Property Owners, ^{of record title} ~~future property owners~~ and homeowners associations within the Property. Upon dismissal of the Action with prejudice, Property Owners shall record in the official records of Summit County and Wasatch County, Utah, a restrictive covenant and equitable servitude relating to the maintenance of the secondary accesses which provides that such maintenance shall be the obligation of the Property Owners, future property owners and/or homeowner's associations. The restrictive covenant and equitable servitude shall run with the land and shall be substantially in the form of Exhibit "V," which covenant shall be added later in the form of an executed and recorded covenant, conditions and restrictions.

5.3.6.5 **Crash Gates.** At the entrance of Emergency/ Bicycle/Pedestrian Paths and the Emergency Utility Road, the Property Owners shall (at their own cost and expense) construct crash gates which shall be designed in substantially the form attached hereto as Exhibit "W" to allow immediate entry by emergency vehicles and personnel, but to prevent entry by all other motorized vehicles.

5.3.7 Construction and Conveyance of Slalom Village Emergency

Utility Road. Prior to completion of the foundation for the primary Slalom Village multi-family structure, the Property Owners shall construct (at their cost and expense) and convey to Park City, in fee simple, title in the Slalom Village Emergency Utility Road designated on the Development Plan as running in a northwest/southeast direction just northeast of the Slalom Village Area. Said deed shall take the form of Exhibit "X."

5.3.8 Compliance with Park City Resolutions and Ordinances. At

a minimum, any application to annex and improve and/or develop the Snowtop/Hidden Hollow Area, the Roosevelt Gap Development and the Slalom Village Area shall comply with Park City resolutions and ordinances in effect at the time a proposal is submitted to Park City for consideration, subject to the limitations of Sections 5.10 and 5.11.

5.3.8.1 With respect to the Slalom Village Area, Snowtop

Neighborhood and Roosevelt Gap Alternative C, the parties agree that Park City will annex those areas as platted and recorded in Wasatch County, as to density, use and configuration, including road configuration.

5.3.9 Ridge Lines. With the exception of Roosevelt Gap

Development, which is dealt with in Section 5.3.9.1 below and ski lift towers and terminals, no portion of any structure within the Amended Telemark Park Resort shall break the ridge line as viewed from the back deck of the Stew Pot Restaurant 1375 Deer Valley Drive (except for the limited area of the funicular as depicted on Exhibits "E" and "P"). The term "Critical Ridge Line" refers to the ridge line as shown on Exhibit "A"



5.3.9.1 **Vantage Point.** As to Roosevelt Gap Development, maximum height shall be determined in the field, such that no portion of the Roosevelt Gap Development will be visually obtrusive from the vantage point of the Stew Pot Restaurant deck at 1375 Deer Valley Drive. The maximum height shall be determined in good faith by the judgment of Park City's Community Development Department.

5.3.10 **State Land Leases.** The Utah School and Institutional Trust Lands Administration (the "State") is the owner of certain lands located within the confines of the Amended Telemark Park Resort, which lands are identified on the Development Plan. The State and those claiming under it shall have access rights via Keetley Road, and the use of Keetley Road by such persons shall not be a violation of this Settlement Agreement. Property Owners have obtained nine special use leases from the State covering the state lands, which comprise approximately 57 acres. The state leases have terms of 51 years and contain cross-default provisions. The Property Owners have disclosed this Settlement Agreement to the State. The Property Owners shall have the right to seek such amendments and revisions to the state leases from time to time as they deem appropriate (including extensions of the lease term and elimination of the cross-default provisions between unrelated third-party assigns), and the right from time to time to assign individual leases to third parties for development to the extent permitted by the leases and applicable law; provided, however, that the Property Owners' use of the lands covered by the leases during the terms thereof shall be consistent with the Development Plan and this Settlement Agreement, to the extent permitted by the state leases. However, Property Owners agree

that cross default provisions shall nevertheless remain in effect as between the leases in the group covering Parcels 1C, 1D, 2A, 2B, 2C and 2D (Group 1), and also as between the leases in the group covering Parcels 3A, 3B, 3C, and 3D (Group 2), (but not between any lease(s) in Group 1 and any lease(s) in Group 2). Property Owners further agree (subject to applicable law and the terms of the state leases), to associate the Group 1 leases with the Slalom Village development and the Group 2 leases with the Roosevelt Gap development such that the developer of each such development shall have the right and the obligation to cure any defaults in the associated state leases. The Property Owners promptly will provide Park City with a copy of any notice(s) of default from the State under any of the nine leases that have not been previously developed or assigned to third parties for purposes of development. Park City will have the right, but not the obligation, to cure the default if the Property Owners fail to do so, and upon curing the default to receive an assignment of all rights under those state leases as to which notice was given; provided, however, that Park City will have no right to cure such default or receive an assignment of the Property Owners' rights under the State leases if Property Owners are attempting to cure such default or are appealing or in good faith disputing the State's determination of the existence of such default; provided, further, Park City's right to cure and receive an assignment shall at all times be subordinate to the right of Property Owners' lender(s) or mortgagee(s) to cure such default, including such lender(s) or mortgagee(s) right of receiving an assignment of lease or of appealing or in good faith disputing the State's determination of the existence of such defaults; provided, however, that this paragraph shall not limit the State's statutory right to

approve or disapprove any such assignment. If Park City exercises its right to cure, as provided herein, Park City shall have the right to seek and maintain an action for reimbursement against the lessee(s) of the applicable group of leases subject to default to recoup reasonable costs directly associated with cure. The Property Owners will seek the concurrence of the State with the uses of the state lands contemplated herein, and will ask the State to agree to send Park City a copy of any notice of default under a state lease and to allow Park City to exercise its rights specified above, subject to applicable law and the terms of the leases.

5.4 **Plat Notes.** The following notes shall be on all plats and records of survey for all areas west of the eastern perimeter controlled access gate:

NOTES:

1. Vehicular access through the eastern perimeter controlled access gate and the western perimeter controlled access gate is limited solely to residents and guests and shall otherwise be closed at all times.
2. All construction traffic regardless of vehicular weight is limited to U.S. Highway 40 and the eastern perimeter controlled access gate.
3. Public safety access and utility easements are hereby dedicated for all roads.
4. Permanent maintenance of all perimeter gates, roads, hard surfaced pedestrian/bicycle pathways, including snow removal, shall be the sole responsibility of the property owners and/or homeowners' association, to the reasonable satisfaction of Park City.
5. Park City Municipal Corporation is a third-party beneficiary and these plat notes may not be amended without Park City's written consent.

For any plat within Park City, the plat shall contain a public dedication of the bicycle/pedestrian paths, emergency/bicycle/pedestrian paths and emergency utility roads.

For any plat outside of Park City, a public easement shall be granted over the bicycle/pedestrian paths, emergency/bicycle/pedestrian paths and emergency utility roads as shown on Exhibit "U."

5.5 **Covenants, Conditions and Restrictions.** Any homeowners association covenants, conditions and restrictions relating to the Property west of the eastern perimeter controlled access gate shall contain the exact information referred to in Section 5.4.

5.6 **Recorded Restrictive Covenant.** The perimeter controlled access gates shall limit access from Park City to the Property and vice versa. Upon dismissal of the Action with prejudice, Property Owners shall, as soon as reasonably practical and necessary, record on the official records of Summit County and Wasatch County, Utah a restrictive covenant and equitable servitude relating to the perimeter controlled access gates which provides for the placement of the gates, for the maintenance and use of the gates, and which prohibits the removal or disabling of the gates without the prior written consent of the Property Owners and Park City. No party to this Agreement shall have the authority, unilaterally or otherwise, to remove any controlled access gates, or to otherwise allow non-resident vehicular traffic through the controlled access gates. The restrictive covenant and equitable servitude shall run with the land and shall be substantially in the form of Exhibit "Y".

5.7 **Processing Fees and Charges.** The following processing fees shall be applied to the development of the Property:

5.7.1 Property Owners shall pay all usual, planning and processing fees for the Roosevelt Gap Development, the Snow Park Hotel Site and Hidden Hollow.

5.7.2 Property Owners shall not be obligated to pay initial planning fees for Slalom Village and Snowtop unless Property Owners seek development approval prior to their receipt of approval from Wasatch County.

5.7.3 Property Owners and Park City shall fully cooperate with the annexation process by providing and/or seeking any information reasonably necessary for the review of the areas including, providing the statutory notice required by the *Park City Land Management Code*.

5.7.4 Property Owners shall be required to pay planning, building and impact fees, except as provided herein, for any portion annexed to Park City with appropriate offsets for contributions and improvements and without any duplication of impact fees.

5.7.5 **Impact Fees.** Park City's impact fee ordinances shall apply to all portions of the Property that are currently within the City's corporate boundary and to those portions of the Property that are annexed into Park City. Park City's impact fees are assessed at the building permit application phase. Pursuant to this Agreement, some of the area contemplated for annexation into Park City could in fact be annexed *after* building

permits have been issued by another jurisdiction. In such a case, Park City may not unilaterally assess additional Park City impact fees.

Property Owners shall not petition to annex any portion of the Property into the Park City School District. Park City's School Facilities Impact Fee is a fee charged to offset the impacts of growth on the need for new facilities in the Park City School District. Park City shall not charge a School Facilities Impact Fee for development within that portion of the Property that is not within the Park City School District.

Property Owners intend to serve all of a large portion of the annexation areas with sewer and water facilities that are not part of the Snyderville Basin Sewer Improvement District (SBSID) or the Park City municipal water system. Park City shall not impose water or sewer impact fees on that development within those portions of the Property that are annexed into Park City but that are not served by the Park City municipal water system of the SBSID.

Property Owners are offering to dedicate public access to a significant network of trails and to deed to Park City title to Statutory Warranty Deed and perpetual conservation easements (to the reasonable satisfaction of Park City) to a significant amount of passive open space as a component of their petitions for annexation. This network of trails and dedicated open space is an offer in excess of the trails/open space system that Park City typically requires of Master Planned Developments. Further, the offer specifically contributes trails and open space in a manner that contributes to Park City System Improvements as that term is defined in the Park City Impact Fee Ordinance. As such, once

dedicated, the value of the offered improvements that actually exceeds that typically required in Park City for development approval shall be considered an offset to the Parks, Trails, and Open Space impact fee that is imposed at the time of building permit application.

While Park City impact fees may change from time to time, and while a change in impact fees is not precluded not provided for by this Agreement, the value of the excess open space and trails anticipated herein is in excess of the Parks, Trails and Open Space impact fee calculation for the maximum development anticipated within the annexation areas. Generally, Park City requires Master Planned Developments within its boundaries to leave 60% of the land in open space and requires dedication of a far less extensive and extensively-maintained public access trail system. If all annexation areas are annexed, Property Owners shall be entitled to an offset of up to \$1.118 Million (adjusted by CPI, with a base year of 1995) against the park City's Parks, Trails, and Open Space Impact Fee actually assessed for the value of excess open space and trails that is actually dedicated to Park City.¹ Of the \$1.118 Million offset, \$500,000 is attributable to excess land and trails dedications associated with the Roosevelt Gap/Snow Park Annexation, \$300,000 is attributable to the excess land and trails dedications associated with the Slalom Village Annexation Area, and \$318,000 is attributable to excess land and trails dedications associated with the Snowtop/Hidden Hollow Annexation Area. Offsets will be available annexation

¹ The \$1.118 Million calculation assumes 335 acres zoned Recreation Open Space (pursuant to the *Park City Land Management Code*), with approximately 105 acres dedicated to Park City in fee simple absolute, approximately 177 acres *conservation easements (drafted to the reasonable satisfaction of Park City)*, and approximately ten miles of improved and maintained trails.

area, by annexation area, at the time of application for building permits. Any unused offset from one annexed area may be transferred to another annexed area. Property Owners are not entitled to a rebate of dedicated land or money.

5.8 **Good Faith.** The parties have dealt with each other in good faith and will continue to do so.

5.9 **Discretionary Approvals.** All discretionary approvals required under the *Park City Land Management Code* or any other state or local rule or law, which have not yet been granted or otherwise resolved by this Agreement, must be obtained by the Property Owners in accordance with all applicable state and local regulations.

5.10 **Subsequently Enacted Regulations/Retained Powers.** Property Owners shall comply with all subsequently-enacted state and local rules, laws, ordinances and regulations. Nothing in this Agreement shall limit the future exercise of the police power of Park City in enacting zoning, subdivision, development, growth management, platting, environmental, open space, transportation and other land use plans, policies, ordinances and regulations after the date of this Agreement. Any legislation which is inconsistent with the terms and provisions of this Agreement shall not be applied to development activities on or about those portions of the Property subject to possible annexation, as appropriate, unless the legislation also has general application to development activity in Park City. Provided however, that for a period of 15 years from the date of this Agreement, no rule, law, ordinance, or regulation subsequently enacted by Park city shall

decrease the density, use, or configuration (including the roads) of the development contemplated by this Agreement.

5.11 **Private Roads.** The parties agree and understand that all roads within the Development Plan will be private at the time of development, subject to specified public easements, and may not meet Park City's public road standards or *Park City Land Management Code* requirements. The private roads within the Development Plan are depicted on Exhibit "B." The Parties agree that roadway corridors will be retained by Property Owners so as to overlay and include the roadways approximately as shown on Exhibit "B," and will not be encumbered by conservation easements, dedicated as open space and may not be included on adjacent plats. Roadway corridors shall generally be 50 feet in width, except where construction requirements, such as cuts, fills, skier bridges and other related structures may require additional width. Property owners will, in such cases, retain as little width as necessary to include such improvements. Roadway corridors may be dedicated to a master homeowners association or special service districts.

5.11.1 **Right to Construct Roads.** The Parties acknowledge and agree that certain roads within the areas contemplated for annexation herein are necessary for the development of areas not contemplated for annexation. In the event Property Owners proceed to develop non-annexation areas prior to the areas which are contemplated for annexation, Park City agrees not to interfere with the construction of such roads within the annexation area pursuant to Wasatch County approvals and building permits. Such construction shall not alter the Property Owners' obligations, as set forth and

contemplated herein, to offer annexation of those areas prior to development. Such roads may be constructed prior to any plat or record of survey approval within the annexation area.

5.12 **Conceptual Plans.** The Parties acknowledge that the structures shown on Exhibits "B," "C," "D," "E," "N," "O" and "P" at Snow Park, Roosevelt Gap and Slalom Village are illustrative concept plans, and are not final architectural plans. Final plans may vary, except that such variations may not violate the defined development envelopes shown on Exhibits "N," "O" and "S." Further, in the case of Snow Park/Roosevelt Gap Development, such variation may not violate the visual impact restrictions in Sections 5.2.2.2 and 5.3.9 and, in the case of the Snow Park Hotel Site, may not violate the massing requirements contained in Section 5.2.2.1. Further, such variation may not violate any explicit requirements of this Agreement.

VI.

DURATION OF APPROVAL

6.1 In the event Park City grants/approves all or any portion of the Property Owners' application to annex and/or develop contemplated herein, the duration of the approval shall conform to the provisions of the *Park City Land Management Code* which exists on the date of approval.

VII.

MISCELLANEOUS PROVISIONS

7.1 **Agreement Binds Successors and Assigns.** Property Owners shall be entitled to transfer and/or assign their rights and obligations under this Agreement to any

purchaser or transferee of the Property. This Agreement shall be binding on the successors and assigns of the Property Owners in the ownership or development of any portion of the Property. Except as reflected on the plat notes, real covenants, equitable servitudes and easements contemplated herein, this Agreement shall not bind individual single family lot or multi-family unit purchasers in their capacity as lot or unit owners and is not intended to be reflected on their individual titles.

7.2 **Release of Property Owners From Obligations Under This Agreement.** In the event of a transfer of all or any portion of the Property, the Property Owners shall transfer such rights and obtain an assumption by the transferee(s) of the Property Owners' obligations under this Agreement. Upon full and complete transfer of all rights and obligations, the transferee(s) shall be fully substituted as the Property Owners under this Agreement. Except as reflected on the plat notes, real covenants, and easements contemplated herein, this Agreement shall not bind individual single family lot or multi-family unit purchasers in their capacity as lot or unit owners and the Agreement or its terms are not intended to be reflected on their individual titles.

7.3 **Effect of Park City Resolution No. 38-92.** The terms and provisions of Park City Resolution 38-92 shall not nullify, supersede, or otherwise impair the obligations, benefits or rights provided for and or obtained by this Agreement.

7.4 **Notice.** Property Owners shall give Park City immediate written notice and copies of any and all documents filed and/or submitted to Wasatch County and/or Summit County concerning any proposed development of the Property. To the extent notice

is required by this Agreement, such notice shall be given in writing and personally delivered or sent by registered or certified mail, return receipt requested, postage prepaid, to the parties at the following addresses:

Trans Wasatch Company, L.L.C.: McKay Edwards, President
190 North Main Street, Suite #1
Heber City, Utah 84032

Park City Consolidated
Mines Company Harry Reed, President
P.O. Box 497
Park City, Utah 84060

Copy to: Stephen G. Crockett, Esq.
Giauque, Crockett, Bendinger & Peterson
170 South Main Street
Suite 400
Salt Lake City, Utah 84101

Park City Municipal Corporation Toby Ross
City Manager
445 Marsac Avenue
P.O. Box 1480
Park City, Utah 84060

Copy to: Jodi F. Hoffman, Esq.
City Attorney
445 Marsac Avenue
P.O. Box 1480
Park City, Utah 84060

Copy to: Mark R. Gaylord, Esq.
Switter Axland & Hanson
175 South West Temple
Suite 700
Salt Lake City, Utah 84101

7.5 **Enforcement.** In the event Park City or the Property Owners violate the terms of this Agreement, the non-breaching party may, without seeking an injunction and after fifteen (15) days written notice to correct the violation, take such actions as shall be deemed appropriate under law until such conditions have been satisfied.

7.6 **Failure to Exercise Rights.** Failure of a party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such party to exercise at some future time that right or any other right it may have hereunder. Unless this Agreement is amended by vote of the City Council, taken with the same formality as the vote approving this Agreement, no officer, official or agent of Park City has the power to amend, modify or alter this Agreement or waive any of its conditions as to bind Park City by making any promise or representation not contained herein.

7.7 **Entire Agreement.** This Agreement, with Exhibits "A" through "Y", constitutes the entire agreement between the parties and supersedes all prior agreements, whether oral or written, covering the same subject matter. This Agreement may not be modified or amended except in writing mutually agreed to and accepted by all parties to this Agreement.

7.8 **Fees and Costs of Enforcement.** The prevailing party shall be entitled to recover all of its reasonable attorneys' fees and all costs and expenses necessary to enforce this Agreement.

7.9 **Third Party Representations.** Each party to this Agreement is not liable or otherwise responsible for the other party's representations or statements made to third party individuals or entities.

7.10 **Authority to Execute Agreement.** Each party to this Agreement warrants and hereby represents that the individuals executing this Agreement on its behalf, have full and complete authority to do so.

7.11 **Stipulations of Continuance.** The parties agree that prior to the dismissal of the Action with prejudice, as required under this Agreement, to execute such stipulations or other documents as are necessary to maintain the Action.

7.12 **Captions.** The article and section headings contained in this Agreement are for purposes of reference only and shall not limit, expand or otherwise effect the construction of any provisions hereof.

7.13 **Governing Law.** This Agreement and all matters relating thereto shall be governed by, construed and interpreted according to the laws of the State of Utah.

7.14 **Interpretation.** Whenever the context shall require, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both other genders. This Agreement has been drafted with the input of both parties and shall be interpreted and construed as such.

7.15 **Severability.** If any term or provision of this Agreement shall be determined by a court of competent jurisdiction to be void, voidable or unenforceable, such void, voidable or unenforceable term or provision shall only affect such other term(s) or

provision(s) of this Agreement as is necessary to preserve the material objectives of the parties.

PARK CITY CONSOLIDATED MINES COMPANY, INC.

By *James Ingley*
Its *Chairman*

TRANS-WASATCH COMPANY, L.L.C.

By *[Signature]*
Its *President*

PARK CITY MUNICIPAL CORPORATION

By *Brodie L. Cole*
Its *Mayor*

ATTEST:

Anita Sheldon
Anita Sheldon, City Clerk

APPROVED AS TO FORM:

Jodi Hoffman
Jodi Hoffman, City Attorney

sentiment.pcm

EXHIBIT "A"

LEGAL DESCRIPTION

EXHIBIT 'A'

ATTACHED TO AND BY REFERENCE FORMING A PART OF THAT CERTAIN
SETTLEMENT AGREEMENT BY AND BETWEEN TRANS-WASATCH COMPANY
a Utah corporation, PARK CITY CONSOLIDATED MINES COMPANY,
a Utah corporation, and PARK CITY MUNICIPAL CORPORATION
CONSISTING OF 6 PAGES
PAGE 1 OF 6

PROPERTY LOCATED IN SUMMIT COUNTY:

Beginning at a point on the Summit-Wasatch County line. said point being South 0°30'11" West 529.16 feet along the section line and East 5719.73 feet from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence North 4°33'29" East 142.89 feet; thence North 12°19'16" East 761.76 feet; thence North 0°40'51" West 620.11 feet more or less; thence along the south line of the Republican Mining Claim (MS 4980) South 68°19'00" East 310.72 feet more or less; thence along the east line of the Republican Mining Claim North 31°00'00" East 1281.41 feet more or less; thence along the North line of the Queen Esther No. 5 Mining Claim (MS 6979) South 66°45'00" East 1350.12 feet more or less; thence along the east line of the Queen Esther No. 4 and the Queen Esther No. 5 Mining Claims South 18°45'00" 1174.00 feet more or less; thence along the North line of the Queen Esther No. 3 Mining Claim South 66°45'00" East 251.90 feet more or less; thence along the east line of the Queen Esther No. 3 Mining Claim South 18°31'58" West 799.74 feet; thence along the Summit-Wasatch County Line the following 4 courses: 1) North 43°00'37" West 488.15 feet; thence 2) North 85°09'01" West 382.13 feet; thence 3) South 73°11'51" West 485.08 feet; thence 4) South 73°02'55" West 812.81 feet to the point of beginning.

Beginning at a point on the Summit-Wasatch County line; said point being South 0°30'11" West 529.16 feet along the section line and east 5719.73 feet from the East quarter corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the county line the following 3 courses 1) South 61°48'14" West 133.55 feet; thence 2) South 55°24'54" West 454.52 feet; thence 3) South 17°33'57" West 370.98 feet more or less; thence along the north line of the Mc Kinley mining claim (MS 6645) North 85°42'00" West 328.95 feet more or less; thence North 10°11'15" East 539.77 feet more or less; thence North 1°37'00" East 432.66 feet; thence North 14°00'00" East 258.00 feet; thence along the boundary line of the Nordic Village PUD Parcel B the following 4 courses: 1) North 84°40'00" West 106.15 feet to a point on a 112.50 foot curve to the left, whose radius point bears North 70°59'48" West; thence 2) along the arc of said curve 55.96 feet thru a central angle of 28°30'07"; thence 3) North 9°30'00" West 11.92 feet to a point on a 77.50 foot curve to the right, whose radius point bears North 80°30'03" East; thence 4) along the arc of said curve 51.70 feet thru a central angle of 38°13'22"; thence South 61°16'38" East 144.93 feet; thence along the boundary line of the Nordic Village PUD Parcel B the following 4 courses 1) North 29°36'17" East 200.40 feet; thence 2) North 23°00'00" East 189.00 feet; thence 3) North 8°00'00" West 55.58 feet; thence 4) North 80°00'00" West 97.00 feet to a point on a 275.00 foot curve to the left, whose radius point bears North 83°13'29" West; thence along the arc of said curve and along the Queen Esther Drive right-of-way line 54.92 feet thru a central angle of 11°26'15"; thence along the Queen Esther Drive right-of-way line North 4°40'00" West 57.72 feet; thence along the boundary line of the

EXHIBIT 'A'

ATTACHED TO AND BY REFERENCE FORMING A PART OF THAT CERTAIN
SETTLEMENT AGREEMENT BY AND BETWEEN TRANS-WASATCH COMPANY
a Utah corporation, PARK CITY CONSOLIDATED MINES COMPANY,
a Utah corporation, and PARK CITY MUNICIPAL CORPORATION
CONSISTING OF 6 PAGES
PAGE 2 OF 6

Nordic Village PUD Parcel A the following 3 courses; 1) South 80°00'00" East 315.23 feet; thence 2) North 4°00'00" East 303.94 feet; thence 3) North 17°00'00" West 360.40 thence along the South line of the Weary Willie and the Republican Mining Claims South 68°19'00" East 649.62 feet more or less; thence South 0°40'51" East 620.11 Feet; thence South 12°19'16" West 761.76 feet; thence South 4°33'29" West 142.89 feet to the point of Beginning.

Beginning on the Summit-Wasatch County Line, said point being South 1799.86 feet and East 5007.93 feet from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base & Meridian; and running along said County line thru the following 9 courses: 1) South 8°43'41" West 376.38 feet; 2) South 28°29'27" West 214.25 feet; 3) South 11°18'39" West 801.36 feet; 4) South 12°51'25" West 724.39 feet; 5) South 12°53'14" West 499.62 feet; 6) South 26°08'13" East 279.53 feet; 7) South 40°47'43" East 296.74 feet; 8) South 51°35'50" East 408.17 feet; 9) South 41°02'08" West 549.09 feet to the westerly lines of Rucker No. 1 Mining Claim (MS 5166) and the Fred Williams No. 1 Mining Claim (MS 5166); thence along said line North 30°48'28" West 711.10 feet; thence North 0°39'04" West 1493.58 feet; thence North 89°56'57" West 288.35 feet; thence North 11°55'00" East 245.62 feet to the Southeast corner of the East Bench Multi Family Parcel recorded plat No. 228831; thence along the easterly line of said plat North 11°55'00" East 183.55 feet; thence along the easterly line of said plat North 17°46'20" East 1256.61 feet to the northeast corner of said plat; thence along the north line of McKinley No. 1 Mining Claim (MS 6645) South 85°42'00" East 511.49 feet to the point of beginning.

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

Beginning at point South 0°30'11" West along the section line 3378.45 feet and East 4339.03 feet from the East Quarter corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence South 89°56'57" East 4.68 feet; thence South 0°39'04" East 889.19 feet; thence South 11°8'47" East 613.94 feet; thence South 30°46'00" East 699.03 feet to the Summit-Wasatch County line, as monumented; thence along the county line South 41°02'08" West 0.90 feet to the westerly line of the RUCKER NO. 1 and the FRED WILLIAMS NO. 1 mining claims (MS 5166); thence along said line North 30°48'28" West 743.68 feet; thence North 0°11'40" West 1465.51 feet to the point of beginning.

EXCEPTING THEREFROM THE FOLLOWING TWO PARCELS:

EXCEPTION A

BEGINNING at the northeast corner of the East Bench Multi Family Parcel recorded as plat No. 228831, said point is South 1761.51 feet and East 4497.89 feet from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base & Meridian; and running thence South 17°46'20" West 533.99 feet; thence West 2.01 feet; thence North 17°46'20" East 534.14 feet; thence South 85°42'00" East 1.97 feet to the point of BEGINNING.

EXHIBIT 'A'

ATTACHED TO AND BY REFERENCE FORMING A PART OF THAT CERTAIN
SETTLEMENT AGREEMENT BY AND BETWEEN TRANS-WASATCH COMPANY
a Utah corporation, PARK CITY CONSOLIDATED MINES COMPANY,
a Utah corporation, and PARK CITY MUNICIPAL CORPORATION
CONSISTING OF 6 PAGES
PAGE 3 OF 6

EXCEPTION B

BEGINNING at a point South 0°30'11" West along the Section Line 3376.11 feet and East 4045.00 feet from the East quarter corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence South 89°56'57" East 1.78 feet; thence North 11°55'00" East 243.49 feet to the Southeast corner of the East Bench Multi Family Parcel, recorded Entry No. 22831; thence along the southerly line of said parcel North 51°00'00" West 1.96 feet; thence South 11°55'00" West 244.75 feet to the point of Beginning.

PROPERTY LOCATED IN WASATCH COUNTY:

Beginning at a point on the Summit-Wasatch County line, said point is located South 0°30'11" West 5482.77 feet along the section line and East 4743.36 feet from the East quarter corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base & Meridian; and running thence along the County Line the following 16 courses: 1) North 41°02'08" East 549.09 feet; thence 2) North 51°35'50" West 408.17 feet; thence 3) North 40°47'43" West 296.74 feet; thence 4) North 26°08'13" West 279.53 feet; thence 5) North 12°53'14" East 499.61 feet; thence 6) North 12°51'25" East 724.39 feet; thence 7) North 11°18'39" East 801.35 feet; thence 8) North 28°29'27" East 214.25 feet; thence 9) North 8°43'41" East 906.05 feet; thence 10) North 17°33'57" East 446.92 feet; thence 11) North 55°24'54" East 454.52 feet; thence 12) North 61°48'14" East 133.55 feet; thence 13) North 73°02'55" East 812.81 feet; thence 14) North 73°11'51" East 485.08 feet; thence 15) South 85°09'01" East 382.13 feet; thence 16) South 43°00'37" East 488.15 feet; thence along the east line of the Queen Esther No. 3 Mining Claim (MS 6979) South 18°31'58" West 333.29 feet; thence along the West line of the Mountain Neef No. 5 Mining Claim (MS 6798) South 5°39'38" East 573.77 feet; thence along the West line of the Mountain Neef No. 3 Mining Claim South 5°26'45" East 627.94 feet; thence along the south line of the Mountain Neef No. 3 Mining Claim South 77°30'43" East 1500.74 feet; thence along the east line of the Mountain Neef No. 3 Mining Claim North 5°26'43" West 28.39 feet; thence along the North line of the Mountain Neef Mining Claim North 84°33'15" East 1386.12 feet; thence along the right-of-way line of US 40 South 18°46'46" East 493.82 feet more or less; thence along the east line of the Mountain Neef Mining Claim South 5°26'45" East 119.49 feet more or less; thence along the south line of the Mountain Neef Mining Claim South 84°40'19" West 468.55 feet more or less; thence along the east line of the Kruger No. 3 Mining Claim (MS 5161) South 50°41'13" East 615.39 feet; thence along the north line of the Old Missouri Mining Claim (MS 5161) South 89°54'38" East 319.16 feet; thence along the right-of-way line of US 40 the following 3 courses: 1) South 20°26'22" East 433.78 feet more or less; thence 2) South 1°51'02" East 213.74 feet; thence 3) South 34°17'35" East 97.77 feet more or less; thence along the west line of the Thurman Lode (Lot 155) South 7°10'00" East 414.32 feet more or less; thence along the South line of the Kruger No. 4 Mining Claim South 80°45'00" West 805.77 feet more or less; thence along the South Line of the Kruger No. 4 Mining Claim

EXHIBIT 'A'

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a Utah corporation, PARK CITY CONSOLIDATED MINES COMPANY,
a Utah corporation, and PARK CITY MUNICIPAL CORPORATION
CONSISTING OF 6 PAGES
PAGE 4 OF 6

South 80°20'00" West 683.50 feet more or less; thence along the south line of the Dewet No. 4 Mining Claim (MS 5161) South 80°20'00" West 798.50 feet more or less; thence along the South line of the Dewet No. 4 Mining Claim South 85°53'00" West 697.41 feet more or less; thence along the North line of the Pioche No. 14 Mining Claim South 85°53'00" West 798.80 feet more or less; thence along the west line of the Pioche No. 14 Mining Claim (lot 181) South 9°45'00" East 341.45 feet more or less; thence along the south line of the Sommer Mining Claim (MS 5166) South 81°01'45" West 597.51 feet more or less; thence along the South line of the Sommer Mining Claim South 53°31'51" West 772.57 feet; thence along the West line of the Sommer Mining Claim North 47°08'25" West 395.50 feet; thence along the South line of the Hanna Lode No. 1 Mining Claim (MS 5166) South 56°21'07" West 61.39 feet more or less; thence along the north line of the North Dakota Mining Claim (Lot 185) South 59°25'05" West 1303.28 feet more or less; thence along the west line of the Hanna Lode No. 1 North 30°41'11" West 532.49 feet more or less; thence along the west line of the Rucker No. 1 Mining Claim (MS 5166) North 30°48'29" West 247.82 feet to the point of beginning.

Excepting therefrom the following 3 Parcels:

EXCEPTION 1

A Parcel of Land for a frontage road incident to the construction of an expressway known as Project No. NF-19, being part of an entire tract of property, situate in Kruger No. 4, Survey No. 5161 of the Blue Ledge Mining District, located in the northwest quarter (NW 1/4) of Section Twenty-Four (24), Township Two (2) South, Range Four (4) East, Salt Lake Base and Meridian, Wasatch County, Utah, more particularly described as follows.

Beginning at a point fifty (50.0) feet perpendicularly distant northerly from the centerline of said frontage road known as "L" line for said project at Engineer Station 18+50.00, which point is approximately Thirteen Hundred Fifty-Two and Forty-Nine Hundredths (1352.49) feet South 00°9'44" West and Two Hundred One and Ninety-Nine Hundredths (201.99) feet South 89°50'16" East from the Northwest Corner of said Section 24: Thence South 71°13'00" East Two Hundred Twenty-Eight and Forty-One Hundredths (228.41) feet to the southerly mining claim line of said Kruger No. 4; thence South 80°45' West (South 80°55'52" West Highway Bearing) Two Hundred Fourteen and Four Hundredths (214.04) feet, more or less, along said southerly mining claim line to a point fifty (50.0) feet perpendicularly distant southerly from said centerline; thence North 71°13'00" West Thirty-Nine and Sixteen Hundredths (39.16) feet, more or less; thence North 18°47'00" East one hundred (100.00) feet to the point of beginning.

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CONSISTING OF 6 PAGES
PAGE 5 OF 6

EXCEPTION 2 - BLM Fraction North

Beginning at a point on the North line of the Roosevelt Mining Claim (MS 6645) and on the East Line of the Queen Esther No. 11 Mining Claim (MS 6979), said point being South 00°30'11" West 1269.25 feet along the section line and East 5990.53 feet more or less from the East quarter corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base & Meridian; and running thence along the north line of the Roosevelt Mining Claim South 85°42'00" East 414.97 feet; thence along the south line of the Queen Esther No. 6 Mining Claim North 67°49'00" West 402.56 feet; thence along the east line of the Queen Esther No. 11 Mining Claim South 18°45'00" West 127.66 feet to the point of beginning.

EXCEPTION 3 - BLM Fraction South

Beginning at a point on the East line of the Hanna Lode Mining Claim (MS 5166) and the South Line of the Schuyler Mining Claim (MS 5166), said point is located South 0°30'11" West 5156.19 feet along the section line and East 6294.91 feet more or less from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence along the North line of the Schuyler Mining Claim North 74°15'00" East 99.87 feet more or less; thence along the North Line of the Sommer Mining Claim (MS 5166) South 52°50'00" West 97.07 feet more or less; thence along the east line of the Hanna Lode Mining Claim North 30°46'00" West 36.70 feet more or less to the point of beginning.

STATE LANDS LEASES

State Lands Lease Parcel #1 (McKinley East of County Line)

Beginning at a point on the North Line of the McKinley Mining Claim (MS 6645) and on the Summit-Wasatch County Line, said point being South 00°30'11" West 1203.97 feet along the section line and east 5121.79 feet more or less from the East quarter corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base & Meridian; and running thence along the North line of the McKinley Mining Claim South 85°42'00" East 400.24 feet; thence along the east line of the McKinley Mining Claim South 4°18'00" West 600.00 feet; thence along the South line of the McKinley Mining Claim North 85°42'00" West 458.40 feet; thence along the Summit-Wasatch County Line North 8°43'41" East 527.66 feet; thence along the Summit-Wasatch County Line North 17°33'57" East 75.94 feet to the point of beginning.

EXHIBIT 'A'

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CONSISTING OF 6 PAGES
PAGE 6 OF 6

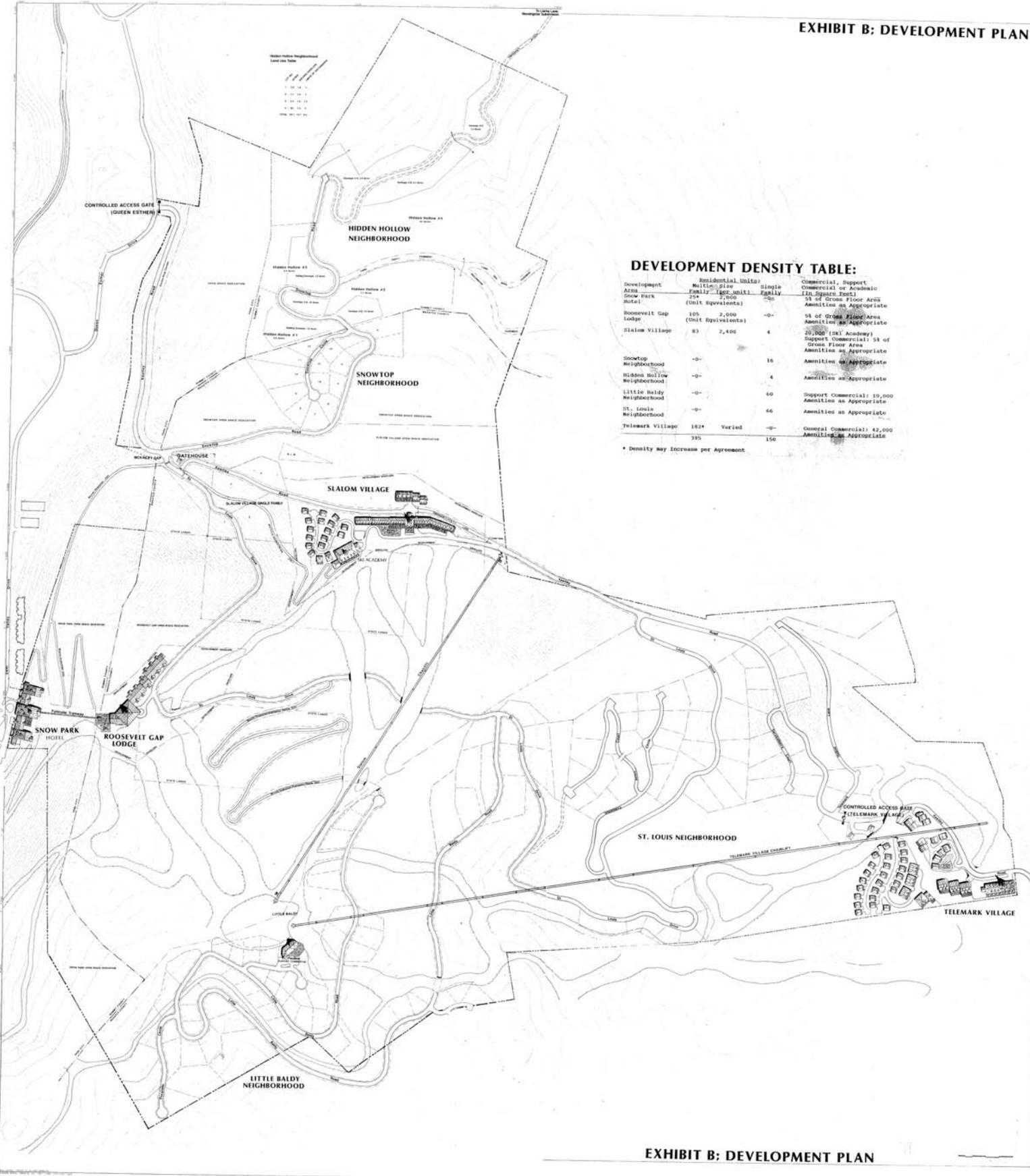
State Lands Lease Parcel #2 (Roosevelt No. 1 Mining Claim)

Beginning at the Northwest corner of the Roosevelt No. 1 Mining Claim (MS 6645), said point being South 00°30'11" West 1832.31 feet along the section line and East 5481.43 feet more or less from the east quarter corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base & Meridian; and running thence along the North line of the Roosevelt No. 1 Mining Claim South 85°42'00" East 1500.00 feet; thence along the east line of the Roosevelt No. 1 Mining Claim South 4°18'00" West 600.00 feet; thence along the South Line of the Roosevelt No. 1 Mining Claim North 85°42'00" West 1500.00 feet; thence along the West line of the Roosevelt No. 1 Mining Claim North 4°18'00" East 600.00 feet to the point of beginning.

State Lands Lease Parcel #3 (Roosevelt No. 4 less MS 5166)

Beginning at the Northwest corner of the Roosevelt No. 4 Mining Claim (MS 6645); said point being South 00°30'11" West 3000.53 feet along the section line and East 5021.79 feet more or less from the East Quarter Corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base & Meridian; and running thence along the north line of the Roosevelt No. 4 Mining Claim South 85°42'00" East 1500.00 feet; thence along the east line of the Roosevelt No. 4 Mining Claim South 4°18'00" West 437.42 feet; thence along the North line of the Dieter and the Schuyler Mining Claims (MS 5166) South 74°25'00" West 478.02 feet; thence along the south line of the Roosevelt No. 4 Mining Claim North 85°42'00" West 1050.48 feet; thence along the West line of the Roosevelt No. 4 Mining Claim North 4°18'00" East 600.00 feet to the point of beginning.

EXHIBIT B: DEVELOPMENT PLAN



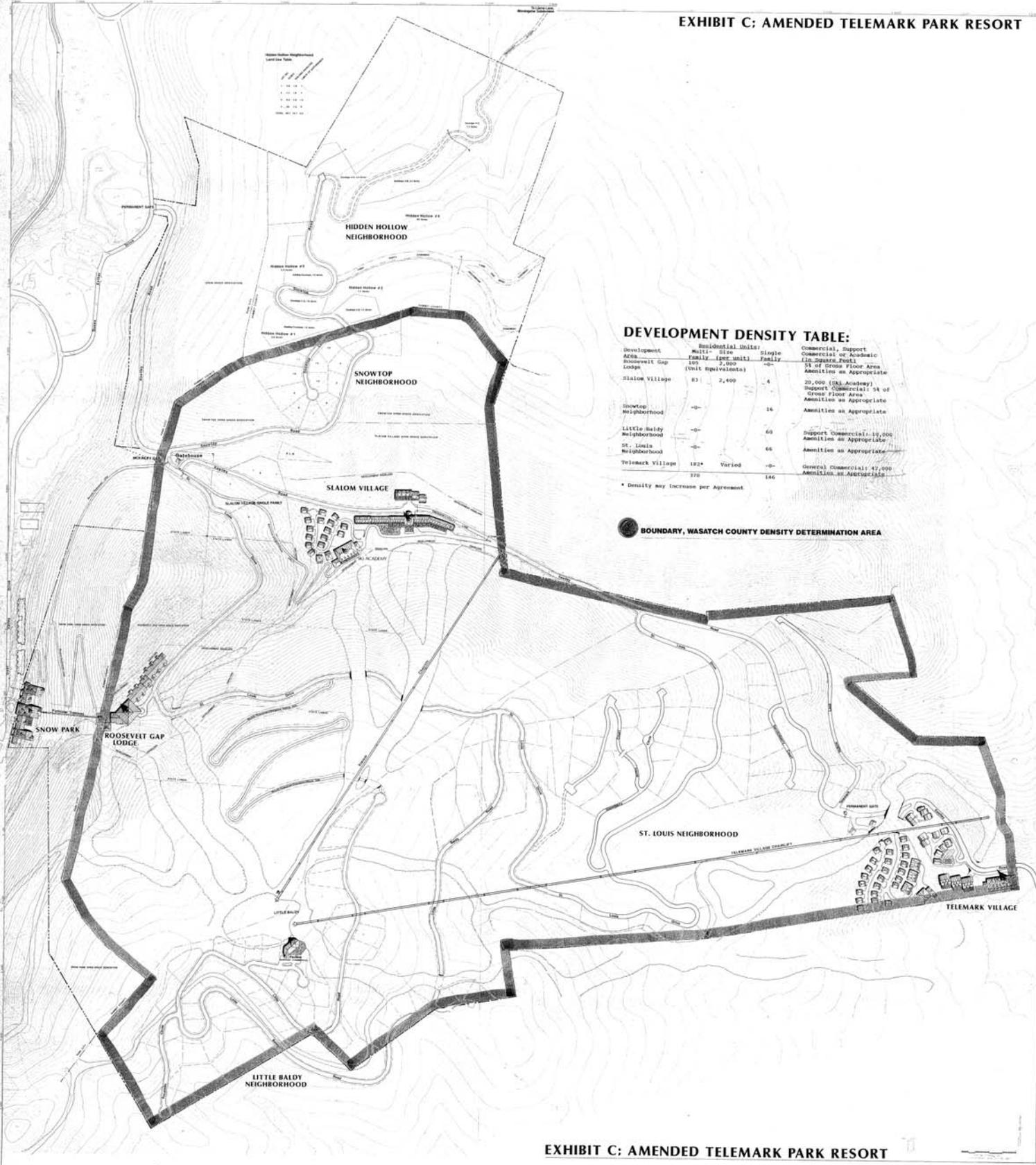
DEVELOPMENT DENSITY TABLE:

Development Area	Residential Units (Unit Equivalents)	Commercial, Support Commercial or Academic (in Square Feet)
Snow Park Hotel	25*	25*
Roosevelt Gap Lodge	105	58 of Gross Floor Area
Slalom Village	83	20,000 (Ski Academy) Support Commercial: 58 of Gross Floor Area
Snowtop Neighborhood	-0-	Amnities as Appropriate
Hidden Hollow Neighborhood	-0-	Amnities as Appropriate
Little Baldy Neighborhood	-0-	Support Commercial: 10,000 Amnities as Appropriate
St. Louis Neighborhood	-0-	Amnities as Appropriate
Telemark Village	182*	General Commercial: 42,000 Amnities as Appropriate
	300	150

* Density may increase per Agreement

EXHIBIT B: DEVELOPMENT PLAN

EXHIBIT C: AMENDED TELEMARK PARK RESORT



DEVELOPMENT DENSITY TABLE:

Development Area	Residential Units:			Commercial, Support Commercial or Academic (in Square Feet) % of Gross Floor Area Amenities as Appropriate
	Multi-Family (per unit)	Size (SFR Equivalents)	Single Family	
Roosevelt Gap Lodge	100	2,000	-0-	25 of Gross Floor Area Amenities as Appropriate
Slalom Village	83	2,400	-4	20,000 (2X Academy) Support Commercial: 24 of Gross Floor Area Amenities as Appropriate
Snowtop Neighborhood	-0-	-	16	Amenities as Appropriate
Little Baldy Neighborhood	-0-	-	60	Support Commercial: 10,000 Amenities as Appropriate
St. Louis Neighborhood	-0-	-	66	Amenities as Appropriate
Telemark Village	182*	Varied	-0-	General Commercial: 41,000 Amenities as Appropriate
	770		146	

* Density may increase per Agreement.

BOUNDARY, WASATCH COUNTY DENSITY DETERMINATION AREA

EXHIBIT "D" SNOWTOP/HIDDEN HOLLOW

Monongahela Subdivision

Hidden Hollow Neighborhood
Land Use Table

LOT NO.	ACRES	Building Envelope	Limits of Disturbance
1	34.16	1	1
2	7.7	3.8	1
3	4.4	1.5	1.5
4	65	7.2	5
TOTAL		90.7	127.8



SNOWTOP NEIGHBORHOOD
16 Single Family Lots
Limits of Disturbance and other Construction Limitations
as Established by Wasatch County Density Determination

SNOWTOP OPEN SPACE DEDICATION

SNOWTOP OPEN SPACE DEDICATION.

SNOWTOP OPEN SPACE DEDICATION

SNOWTOP

EXHIBIT 'E' ROOSEVELT GAP DEVELOPMENT / SNOW PARK HOTEL SITE

SNOW PARK HOTEL:

25-35 UNIT EQUIVALENTS (2000 Square Feet Each)
 SUPPORT COMMERCIAL: 5% of Gross Floor Area
 AMENITIES: Pool, Health Spa & as Appropriate
 PARKING: 200 Covered Spaces or as Appropriate

ROOSEVELT GAP LODGE:

105 UNIT EQUIVALENTS (2000 Square Feet Each)
 SUPPORT COMMERCIAL: 5% of Gross Floor Area
 AMENITIES: Pool, Health Spa & Other as Appropriate
 PARKING: 50 Covered Spaces

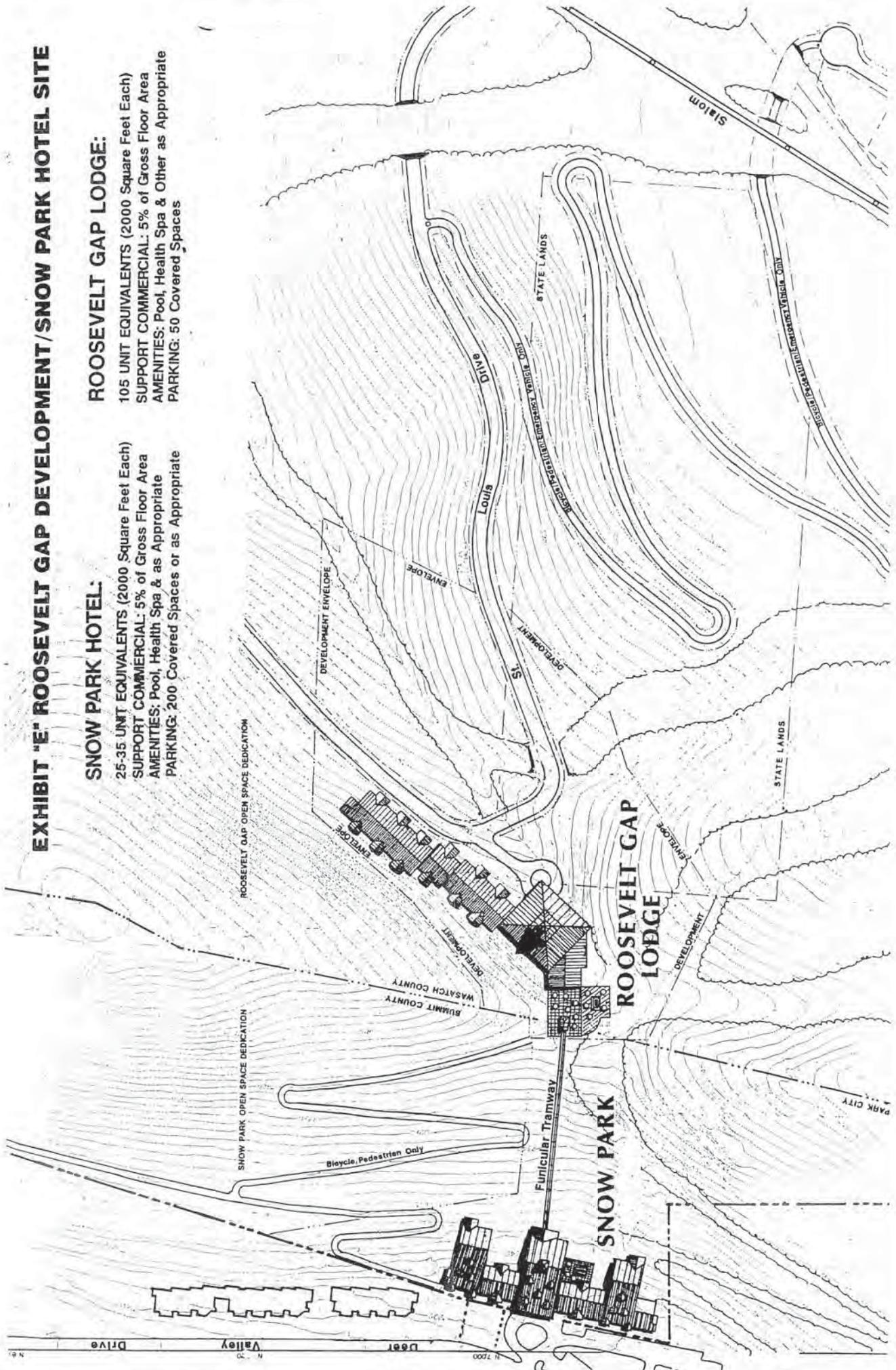


EXHIBIT "F" SLALOM VILLAGE AREA

Multi-Family Exhibit

SLALOM VILLAGE OPEN SPACE DEDICATION

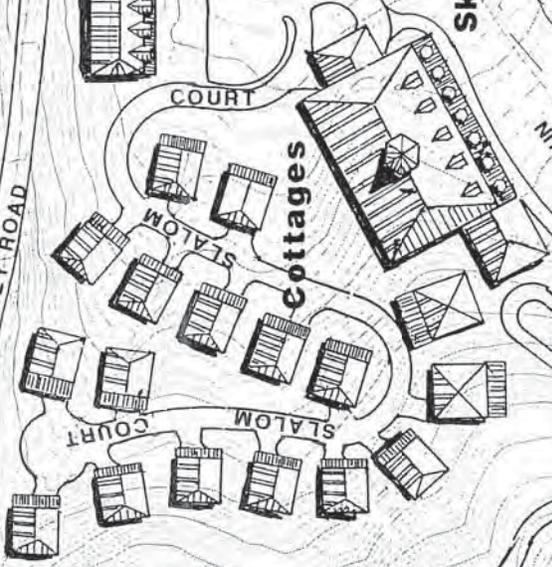
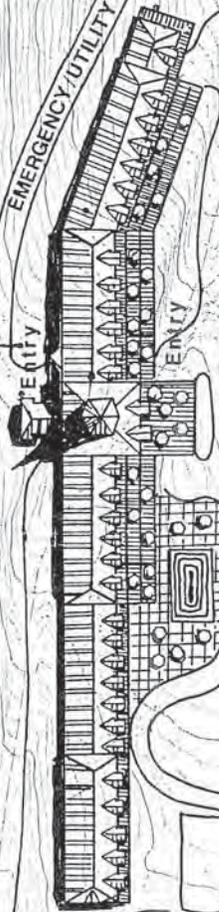
Slalom Village
Development Envelope

SLALOM VILLAGE

- 83 Multi-Family Units
- 4 Single Family Lots
- Support Commercial/Ski Academy

KEETLEY ROAD

Slalom Village
Single Family Lots



Only

EXHIBIT "G"

STIPULATION OF DISMISSAL WITH PREJUDICE

MICHAEL W. HOMER, Esq. (#1535)
MARK R. GAYLORD, Esq. (#5073)
of and for
SUITTER AXLAND & HANSON
175 South West Temple, Suite 700
Salt Lake City, Utah 84101-1480
Telephone: (801) 532-7300

Attorneys for Defendant Park City
Municipal Corporation

**IN THE THIRD JUDICIAL DISTRICT COURT
IN AND FOR SUMMIT COUNTY, STATE OF UTAH**

TRANS-WASATCH COMPANY, a Utah) corporation, and PARK CITY) CONSOLIDATED MINES COMPANY,) a Utah corporation,)	STIPULATION OF DISMISSAL WITH PREJUDICE
Plaintiffs,)	
vs.)	
PARK CITY MUNICIPAL) CORPORATION, a Utah Municipal) Corporation, and DOES 1-25,)	Civil No. 930390001
Defendants.)	

Plaintiffs Trans-Wasatch Company and Park City Consolidated Mines Company ("Plaintiffs"), by and through their counsel of record, Stephen G. Crockett, Esq. and Jeffery S. Williams, Esq. of Giauque, Crockett, Bendinger & Peterson, and defendant Park City Municipal Corporation ("Park City"), by and through its counsel of record, Michael W. Homer, Esq. and Mark R. Gaylord, Esq. of Switter Axland & Hanson, hereby stipulate and agree as follows:

1. That all of the conditions precedent set forth in that certain Settlement Agreement entered into by and between Plaintiffs and Park City on _____, 1995 which are required and necessary for the dismissal of this action with prejudice, have been satisfied.

2. That, based upon the satisfaction of all conditions precedent to the Settlement Agreement, the Amended Complaint filed by Plaintiffs against Park City shall be dismissed with prejudice.

3. That the parties shall bear their own costs and attorneys fees associated with this action.

DATED this _____ day of _____, 199__.

SUITTER AXLAND & HANSON

By _____
MICHAEL W. HOMER, Esq.
MARK R. GAYLORD, Esq.
Attorneys for Defendant Park City
Municipal Corporation

GIAUQUE, CROCKETT, BENDINGER &
PETERSON

By _____
STEPHEN G. CROCKETT, Esq.
JEFFERY S. WILLIAMS, Esq.
Attorneys for Plaintiffs
Trans-Wasatch Company and Park
City Consolidated Mines Company

CERTIFICATE OF SERVICE

I hereby certify that on this ____ day of _____, 199__, I caused to be mailed, postage prepaid, a true and correct copy of the foregoing **STIPULATION OF DISMISSAL WITH PREJUDICE**, to the following:

Stephen G. Crockett, Esq.
Jeffrey S. Williams, Esq.
GLAUQUE, CROCKETT, BENDINGER & PETERSON
170 South Main Street, Suite 400
Salt Lake City, Utah 84101

Jodi Hoffman, Esq.
PARK CITY MUNICIPAL CORPORATION
P.O. Box 1480
Park City, Utah 84060

EXHIBIT "H"

DISMISSAL CHECKLIST

DISMISSAL CHECKLIST

I. INTRODUCTION.

The following Dismissal Checklist conforms to and satisfies the requirements set forth in Section 4.1.1 of the Settlement Agreement between Park City Municipal Corporation, Trans-Wasatch Company, Inc. and Park City Consolidated Mines Company, Inc. The parties to the Settlement Agreement hereby warrant and represent that the individuals executing this Dismissal Checklist on their behalf have full and complete authority to do so.

The purpose and effect of the Dismissal Checklist is for the parties to indicate their acknowledgement to the completion of the conditional elements underlying the Settlement Agreement, as set forth in Section 1.1, 1.2 and 4.1 of the Settlement Agreement. The following Sections of the Dismissal Checklist may be executed separately, and the Dismissal Checklist is not complete until all Sections are executed.

II. THE AMENDED TELEMARCK PARK RESORT.

On the ____ day of _____, the parties, through their authorized representatives, agree that Wasatch County has approved amendments to the 1991 Density Determination so as to meet or otherwise satisfy the intended effect and terms of the Settlement Agreement. **MOREOVER,**

A. The parties also agree that, to any extent that the now current and approved amendments to the 1991 Density Determination differ from those identified, anticipated

or contemplated by the Settlement Agreement, such differences, if any, are deemed by the parties to be immaterial.

B. The parties further agree that, in the context of the Settlement Agreement, the now current and approved amendments to the 1991 Density Determination are to be considered and are fully substituted for the Amended Telemark Park Resort, as that term is so used and defined in the Settlement Agreement.

EXECUTED AND AGREED TO BY:

PARK CITY MUNICIPAL CORPORATION

TRANS-WASATCH COMPANY, INC.

By _____

By _____

Its _____

Its _____

PARK CITY CONSOLIDATED MINES COMPANY, INC.

By _____

Its _____

III. ABANDONMENT AND/OR VACATION OF KEETLEY ROAD.

On the ____ day of _____, the parties, through their authorized representatives, agree that the requirement to abandon and/or vacate Keetley Road has been

completed or otherwise satisfied as set forth in Section 4.3 of the Settlement Agreement, and as generally discussed and required therein. MOREOVER,

A. The parties also agree that no additional action is required by the parties relating to the abandonment and/or vacation of Keetley Road as required, anticipated or contemplated by the Settlement Agreement.

EXECUTED AND AGREED TO BY:

PARK CITY MUNICIPAL CORPORATION

TRANS-WASATCH COMPANY, INC.

By _____

By _____

Its _____

Its _____

PARK CITY CONSOLIDATED MINES COMPANY, INC.

By _____

Its _____

IV. TEMPORARY PHYSICAL DISCONNECTION OF KEETLEY ROAD.

On the ____ day of _____, the parties, through their authorized representatives, agree that the temporary physical disconnection of Keetley Road, by means of the installation of temporary gates or otherwise, has been completed as set forth in Section 4.4 of the Settlement Agreement, and as generally discussed and required therein. MOREOVER,

A. The parties also agree that no additional action is required by the parties relating to the temporary physical disconnection of Keetley Road as required, anticipated or contemplated by the Settlement Agreement.

B. The parties further agree that the temporary physical disconnection of Keetley Road, which the parties hereby agree has been accomplished to their mutual satisfaction, was the final condition prior to the parties executing a stipulation to dismiss the Action with prejudice. Given that the parties hereby agree that this condition has been satisfied, the stipulation to dismiss the Action with prejudice may now be executed; and once a consistent order with respect thereto is obtained from the Court, the building permit to improve and pave Keetley Road shall be transferred from escrow to the Property Owners, as required by Sections 1.1, 1.2 and 4.8 of the Settlement Agreement.

EXECUTED AND AGREED TO BY:

PARK CITY MUNICIPAL CORPORATION

TRANS-WASATCH COMPANY, INC.

By _____

By _____

Its _____

Its _____

PARK CITY CONSOLIDATED MINES COMPANY, INC.

By _____

Its _____

31mrg\doc017.pcm

First Amendment to the Telemark Park Settlement Agreement

This First Amendment to the Settlement Agreement by and between Park City Consolidated Mines Company, Inc., a Utah corporation, Trans-Wasatch Company, L.L.C, and Utah limited liability company (collectively, the Property Owners) and Park City Municipal Corporation, a political subdivision of the State of Utah, dated December 29, 1995 (the Telemark Park Settlement Agreement or the Settlement Agreement), is entered into this 8 day of April, 1997 by and between Deer Crest Associates I, L.C., the successors in interest to the settling Property Owners and Park City Municipal Corporation (Park City). For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Deer Crest Associates I, L.C., the successor in interest to the Property Owner's interest in the Settlement Agreement, and Park City Municipal Corporation hereby agrees to modify the Telemark Park Settlement Agreement as follows:

1. Add new paragraph 3.14 to define the terms construct and construction as follows:

3.14 **Construction.** The term "construct" or "construction" means and refers to any development or construction activity (vertical or horizontal, combustible or non-combustible) for which a permit would be required by Wasatch County or Park City.

2. Paragraph 5.2 is hereby revised to read as follows:

5.2 Density, Use and Configuration. The Development Plan for the entire Property as anticipated in this Agreement shall not exceed 545 units (150 single-family, 395 multi-family units) with 42,000 gross square feet of commercial space and a 20,000 gross square foot Ski Academy. The parties agree that there shall not be more than:

- (a) 338 residential units,
- (b) support commercial space up to 5% of the gross square footage of the Slalom Village Area multi family units and the Roosevelt Gap Development,
- (c) 10,000 square feet of support commercial space at the Little Baldy Neighborhood, and
- (d) amenities and recreation facilities as generally identified and depicted herein,

all within the perimeter gates of the Property with access to Park City via Keetley Road through the west perimeter gate. Approximately an additional 182 multi-family units and a 20,000 square foot Ski Academy located within the Telemark Park Village shall have vehicular access to Park City only via U.S. Highway 40 and S.R. 248.

Units Lying West of East Perimeter Gate

	<u>Single Family</u>	<u>Multi-Family</u>	<u>Maximum Size Per Multi-Family Unit</u>
Snowtop	15	0	
Hidden Hollow	4	0	
Roosevelt Gap Dev.	0	105	2,000 sq. ft./unit
Little Baldy	60	0	
Slalom Village	5	83	2,400 sq. ft./unit
St. Louis	66	0	
Sub-Total	150	188	

Units Lying East of East Perimeter Gate

	<u>Single Family</u>	<u>Multi-Family</u>	
Telemark Park Village	0	182*	varied sq. ft.
*Density may increase as provided herein			

Snow Park Hotel Site

Snow Park Hotel Site	25*	2,000 sq. ft./unit
*Density may increase as provided herein		

3. Paragraph 5.2.1 is hereby revised to read as follows:

5.2.1 Snowtop/Hidden Hollow. The Amended Density Determination contains an approval for 19 single family lots in the Snowtop/Hidden Hollow neighborhoods. Property Owners will prepare a plat for the development of 15

single family lots in the Snowtop neighborhood which they will submit to Wasatch County for review and consideration, with timely written notice and copies of all materials submitted to Wasatch County to Park City. The Hidden Hollow property comprises roughly 84 acres, upon which Property Owners propose to develop four single family Estate lots, with building envelopes, areas of disturbance, limits of disturbance and open space conservation easements, all as generally depicted on the map (for both Snowtop and Hidden Hollow) attached hereto as Exhibit "D."

4. Paragraph 5.2.1.1 is hereby revised to read as follows:

5.2.1.1 Annexation Procedure for the Snowtop/Hidden Hollow Area. Upon dismissal of the Action with prejudice, temporary physical disconnection of the Keetley Road (as provided in Section 4.4 above), Property Owners may submit a complete application for annexation of the Snowtop/Hidden Hollow Area. Upon Wasatch County's approval of the final plat for a 15 lot subdivision of the Snowtop neighborhood, Property Owners shall submit to Park City a complete petition for annexation, as limited by this Section, for the Snowtop/Hidden Hollow Area, with irrevocable offers of dedication of designated open space and conservation easements of contiguous property (the Snowtop/Hidden Hollow Area), all as depicted on Exhibits "D" and "N." The parties agree and acknowledge that if the portion of the complete petition for annexation for the Snowtop neighborhood is submitted in the form of a final unrecorded plat, Property Owners shall be entitled to an expedited annexation review process (Expedited Petition), more fully described below. Property Owners' Expedited Petition for annexation for the Snowtop/Hidden Hollow Area may be submitted without a visual analysis or annexation

fee. Any petition for annexation of the Snowtop/Hidden Hollow Area shall provide for affordable employee housing, subject to Park City qualified renters guidelines and shall otherwise comply with Park City Resolution No. 7-95. The total affordable employee housing obligation for the Snowtop/Hidden Hollow area shall be one (1) unit. Property Owners' affordable employee housing obligation can be satisfied anywhere on the Property, at Property Owners' discretion. The Park City staff and the City Council have reviewed Exhibit "D" and have found the same to be generally acceptable as to density, use and configuration. Within fourteen (14) days of the receipt of an Expedited Petition for annexation and irrevocable offer for dedication, Park City shall notify Property Owners of any additional information necessary to make the petition complete. Upon the earlier of submittal of the additional information requested by Park City or after the passage of fourteen (14) days without providing written notification to Property Owners, Park City shall have up to 120 days from such notice and submission of the Expedited Petition within which to annex the Snowtop/Hidden Hollow Area. Prior to application for annexation, and during annexation review, Property Owners shall not engage in any construction activity within the Snowtop/Hidden Hollow Area. Property Owners will attempt to supply the additional information necessary for its consideration, review and approval of the Expedited petition for annexation. Upon the expiration of the 120 day period following the submission of an Expedited Petition for annexation, Property Owners may record the final plat and obtain building permits from Wasatch County for the construction of the Snowtop Neighborhood as a Wasatch County development, but the irrevocable offers of dedication of designated open space and conservation easements made pursuant to this Section 5.2.1.1 shall continue in force.

Property Owners will not object to or interfere with Park City's efforts to annex the Snowtop neighborhood after the lesser of one year or the completion and/or installation of the infrastructure.

5. Paragraph 5.2.3 is hereby revised to read as follows:

5.2.3 Slalom Village. Property Owners will seek to amend the 1991 Density Determination to allow for the development of the Slalom Village Area, with no more than 83 multi-family units (2,400 sq. ft/unit, which shall not be deemed unit equivalents under *Park City Land Management Code*) (of which not less than 60% of the units developed shall be concentrated into a single structure (the "Primary Village Structure")), with support commercial up to five percent (5%) of the gross square footage of the Slalom Village structures and appropriate amenities, all within the Slalom Village development envelope, along with five (5) single-family lots, and a ski chair lift which base terminal may be located in any reasonable location within a 1,100 foot radius of Slalom Village all as depicted in Exhibit "F."

Paragraph 5.2.3.1 is hereby revised to read as follows:

5.2.3.1 Annexation Procedure for the Slalom Village Area. Property Owners may submit an application for annexation of the Slalom Village Area at any time. Upon the approval of a final plat or record of survey in Wasatch County for any portion of the Slalom Village Area, but in all cases prior to application for a building permit for any portion of the Slalom Village, Property Owners will deliver to Park City a petition for annexation of the Slalom Village Area to Park City which shall be entitled to expedited

done

review (the Expedited Petition). Any petition for annexation of the Slalom Village Area shall provide for affordable employee housing, subject to Park City qualified renters guidelines and shall otherwise comply with Park City Resolution No. 7-95. The total affordable employee housing shall be four percent (4%) of the total number of units within the Slalom Village Area. At their own discretion, Property Owners' affordable employee housing obligation can be satisfied within any unincorporated area of the Property. The Park City staff and City Council have reviewed Exhibit "F" and have found the same to be generally acceptable as to density, use and configuration. Within fourteen (14) days of the receipt of the Expedited Petition for annexation, Park City shall notify Property Owners of any additional information necessary to make the petition complete. Upon the earlier of submittal of the additional information requested by Park City or after the passage of fourteen (14) days without providing written notification to Property Owners, Park City shall have up to 120 days from such notice and submission of the petition within which to annex the Slalom Village Area. The complete Expedited Petition delivered to Park City as outlined above shall be exclusive to Park City for 120 days, and during such period Property Owners shall not pull building permits or engage in any construction activity except as explicitly described herein. Upon the expiration of the 120 day period, following submission of an Expedited Petition, Property Owners may obtain building permits from Wasatch County for the construction of Slalom Village as a Wasatch County development, but will not object to or interfere with Park City's efforts to annex Slalom Village Area after the lesser of one year or the completion and/or installation of the infrastructure. Park City shall promptly commence and process the annexation review upon complete petition filed by Property Owners.

7. Paragraph 5.2.3.2 is hereby revised to read as follows:

5.2.3.2 Annexation Agreement. If Slalom Village is annexed into Park City, then the following conditions of development shall bind the parties: (a) the density of Slalom Village Area shall not exceed 83 multi-family units (maximum 2,400 sq. ft./unit) with support commercial space up to 5% of the gross square footage and appropriate amenities, five(5) single-family lots, (b) a ski chair lift shall be constructed within a 1,100 foot radius of the Primary Village Structure at Slalom Village prior to the issuance of a certificate of occupancy for any portion of the Slalom Village Area, (c) the Primary Village Structure shall be placed to physically disconnect the historical configuration of Keetley Road, and (d) the Property Owners shall irrevocably grant limited conservation easements to the ski run(s) and remaining areas, as so depicted in Exhibit "N." Property Owners shall offer, but Park City shall not accept the conservation easements until the ski runs and appurtenant ski facilities are built or for a period of one year from certificate of occupancy, whichever is earlier. As more fully described in Section 5.2.2.1 above, Property Owners may transfer up to ten (10) single-family and/or multi-family units from the Slalom Village Area to Telemark Park Village outside the eastern perimeter controlled access gate, in exchange for an increase of up to ten (10) multi-family units being added to the Snow Park Hotel Site, upon Park City's consent. ✕

8. Paragraph 5.2.3.3 is hereby revised to read as follows:

5.2.3.3 Development Alternatives to Slalom Village. In the event Property Owners elect not to construct the development described in Section 5.2.3 above, then

Property Owners shall have the right to develop a single family subdivision not to exceed twelve (12) lots in place of the 83 multi-family units. The twelve (12) lots shall be platted in Wasatch County and may be recorded within the Slalom Village development envelope with limits of disturbance established by Wasatch County and as generally depicted in Exhibit "S." The Park City staff and City Council have reviewed Exhibit "S," and found said exhibit to be generally acceptable as to density, use and configuration. The twelve (12) single-family lots are in addition to the five (5) lots shown on Exhibits "C" and "F". Property Owners shall have the right to develop the 12 single-family lot subdivision as a Wasatch County development. In the event Property Owners elect to develop the twelve (12) single-family lot subdivision, then Property Owners shall realign and construct Keetley Road as depicted on Exhibit "S," wherein Slalom Village becomes a cul-de-sac that is not accessible from the eastern portion of Keetley Road except via St. Louis Drive.

9. Paragraph 5.2.3.7 is hereby revised as follows:

5.2.3.7 **Ski Academy**. The parties understand and agree that the 20,000 square foot Ski Academy, which Deer Crest Associates I, L.C. may construct at Telemark Park Village (now known as Jordanelle Village Resort), shall be used as an academic athletic institution and/or ski training facility whose students/attendees are expected to reside within the Telemark Park Village and/or Amended Telemark Park Resort (now known as Deer Crest). Alternatively, Property Owners may use the 20,000 square foot Ski Academy or other approved structure in a manner that will result in similar impacts to the area within the Property.

10. Paragraph 5.2.3.10 is hereby revised as follows:

5.2.3.10 **Slalom Village Parking.** Property Owners may construct no more parking stalls underneath the Slalom Village multi-family unit structure than are required to service that structure as may be required by the appropriate Wasatch County official(s). The parking structure at Primary Village Structure may be accessible from Park City so long as the connection between the parking levels is designed to Park City's reasonable satisfaction in such a manner that sufficiently discourages the tendency to use the Keetley Road as a means of vehicular travel from U.S. 40 to Park City. It is contemplated that such will be accomplished by the construction of a multi-level structure with vertical separation between the east and west parking entrances, and an internal ramping and gate system.

11. Paragraph 5.2.6 is hereby revised as follows:

5.2.6 **Telemark Park Village.** Property Owners will seek to amend the 1991 Density Determination in Wasatch County as depicted in Exhibits "B" and "C," wherein the Telemark Park Village shall contain a density of 188 multi-family units, a 20,000 square foot ski academy and identified commercial space. Property Owners may increase the density of the Telemark Park Village as described in Sections 5.2.2.1 and 5.2.6.2.

12. Paragraph 5.3.1 is hereby revised follows:

5.3.1 **Timing of Annexation of Snowtop/Hidden Hollow Area, Roosevelt Gap Development and Slalom Village.** As more particularly described in Sections

5.2.1.1, 5.2.2.4 and 5.2.3.1, Property Owners contemplate submitting petitions of annexation, as more fully described herein, for the Snowtop/Hidden Hollow Area, Roosevelt Gap/Snow Park Area and Slalom Village Area to Park City. With respect to the Snowtop Neighborhood and Slalom Village Area, these development areas will be petitioned for annexation either as agreed, or as platted or surveyed (and depicted in Exhibits "D" and "F") in Wasatch County. Park City shall have a specified number of days in which to annex the area(s) submitted on Expedited Petitions. Park City may, but is not required to, allow Property Owners to pursue not more than two (2) Expedited Petitions for annexation of the Snowtop/Hidden Hollow Area, Roosevelt Gap Development or the Slalom Village Area concurrently, simultaneously, or within the same time period.

13. Paragraph 5.3.1.2 is hereby revised as follows:

5.3.1.2 **Track II for Annexation by Park City.** In the event Property Owners are not prepared to record plats or records of survey and have not secured all necessary utilities for the Snowtop Neighborhood Area or Slalom Village Area in Wasatch County, Property Owners may submit petitions for annexation of the Snowtop/Hidden Hollow Area, Roosevelt Gap/Snow Park Area or the Slalom Village Area to Park City sequentially, in any order as determined by Property Owners, with no two petitions being considered by Park City for approval simultaneously without prior approval from Park City. After the passage of the time period in which Park City shall have the exclusive right to review and approve a petition for annexation (120 or 180 days as defined herein), Property Owners may submit for review and consideration a second

petition for annexation of any additional annexation area as contemplated herein. If Property Owners request Park City's assistance in securing utility services and/or other development infrastructure for the Snow Top/Hidden Hollow Area or Slalom Village Area, then the annexation period may be extended for an additional six months at Park City's discretion.

14. Paragraph 5.11.1 is hereby revised as follows:

5.11.1 Right to Construct Roads, Ski Runs, Lift and Related Appurtenances.

The parties acknowledge and agree that certain roads, six (6) ski runs, one (1) ski access trail, one (1) ski lift and certain lift and related appurtenances within the areas contemplated for annexation herein are necessary for the development of areas not contemplated for annexation. In the event Property Owners proceed to develop non-annexation areas prior to Property Owners' petition for annexation, Park City agrees not to interfere with the construction of improvements identified below pursuant to Wasatch County approvals and building permits. Such construction shall not alter the Property Owners' obligations, as set forth and contemplated herein, to offer the first annexation of those areas prior to February 2, 1998 (and the last offer no later than October 31, 1998) and to not construct any further infrastructure or improvements within the proposed annexation areas prior to the determination of annexation, as provided in this Settlement Agreement. The roads, utilities, ski runs, ski lifts and related appurtenances which may be constructed prior to any petition for annexation, or any plat or record of survey approved within the annexation areas are depicted on the attached Exhibits "Z-1" and "Z-

2" and are more particularly described in Paragraph 5.11.1.1, 5.11.1.2 and 5.11.1.3, below:

5.11.1.1 **Ski Lift, Ski Runs and Related Improvements.** Deer Crest Associates I, L.C. intends to add ski terrain to Deer Valley Resort for the 1997-98 ski season. To complete the work Deer Crest Associates I, L.C. will commence work in early Spring 1997 before completing any annexation process. Accordingly, Deer Crest Associates I, L.C. may proceed to complete construction of six (6) ski runs and one (1) ski access trail, including grading and widening, plus any utilities and facilities (i.e., Deer Crest Chairlift) located in the areas shown on Exhibits "Z-1" and "Z-2." The acreage of said runs will be approximately 34 acres. Also, Homerun ski trail (portions of which were constructed Summer '96) may be widened and/or constructed consistent with Paragraph 5.11.1.3 below and Exhibit Z-2. The first step will be a "line of sight" survey for the Deer Crest Chair Lift. Construction will include related improvements such as snowmaking/irrigation/fire protection lines (one common "green line") and equipment, electric power to operate the lifts, transformer housings, telephone lines, an inconspicuously placed maintenance/storage building not exceeding 500 square feet, drainage and water quality control devices, etc., as well as a 250 square foot temporary office at the base of the lift for the use by the operator of the ski facilities (not to be used for real estate sales or promotion). Deer Crest Associates I, L.C. may also construct water and sewer lines along the side of the Kid's Delight run adjacent to Lots 1 through 5, water

lines along the side of the Weasel Run to Roosevelt Gap, and the sewer line along the Deer Hollow Run from Roosevelt Gap to Deer Hollow Road.

5.11.1.2 **Other Open Space Improvements.** Deer Crest Associates I, L.C. will construct or restore in the open space and annexation areas contemporaneously with the construction identified in subparagraph 5.11.1.1 above, biking and hiking trails as shown on Exhibit "Z-2," (i.e., restoration and/or construction of super spin and spin cycle).

5.11.1.3 **Roads Serving Non-Annexation Areas.** Deer Crest Associates I, L.C. may proceed with construction of Deer Hollow Road (formerly known as Keetley Road), Summit Drive (formerly known as Little Baldy Road) and Deer Crest Estates Drive (formerly known as St. Louis Drive) all of which access a non-annexation area. Also, Home Run will serve as the temporary secondary access to such areas and may have to be widened in places. Road construction will also include the permanent west gates and gate house as well as utilities (sanitary sewer, water, irrigation, storm water, power, telephone, gas, and cable tv) in the roadway corridors, and improvements associated with the roadways such as retaining walls, guardrails, lighting, signs, and certain utilities that must be placed in the roadway or adjacent open space areas.

5.11.1.4 **Mini-Review Process.** Deer Crest Associates I, L.C. will provide Park City with plans and applications relating to the construction activities provided under this Section 5.11.1, twenty-one (21) days in advance of filing the same with

Wasatch County for Park City's substantive review and comment for conformance with the Settlement Agreement, as amended.

5.11.1.5 **Review Fees.** Upon submitting any application under 5.11.1.4 Property Owner shall pay all Park City Community Development permit review fees associated with permitted construction activity within the annexation areas.

15. Add new paragraph 5.13 to define terms of timing annexation applications as follows:

5.13 **Timing of Annexation Applications.** Pursuant to subparagraphs 5.2.1.1, 5.2.2.4 - 5.2.2.6, 5.2.3.1 Deer Crest Associates I, L.C. is obligated to submit complete applications for annexation of the Snowtop/Hidden Hollow Area, Roosevelt Gap Development Area, and Slalom Village Area. Property Owners may submit an application for annexation to Park City of one or all of these areas at anytime, but shall submit the first application for annexation to Park City of these areas no later than February 2, 1998 and the last application for annexation to Park City of these areas no later than October 31, 1998.

16. Paragraph 7.4 is hereby revised to read as follows:

7.4 **Notice.** Except where a longer period is provided in Section 5.11.1 above, Deer Crest Associates I, L.C. will provide Park City with copies of plan packages and other processing documents (i.e. building permit applications) to be filed by

Deer Crest Associates I, L.C. in Wasatch County ten (10) days in advance of filing with the County. Upon receipt, Deer Crest Associates I, L.C. will promptly provide Park City with copies of any written communications from Wasatch County in response to such submittals. Deer Crest Associates I, L.C. will attempt to accommodate Park City's comments under Paragraph 5.11.1.4 and this Paragraph 7.4 in the spirit of good faith and cooperation before any submittal is made to Wasatch County. To the extent notice is required by this Agreement, such notice shall be given in writing and personally delivered or sent by registered or certified mail, return receipt requested, postage prepaid, to the parties at the following addresses:

Deer Crest Associates I, L.C.:

c/o LCC Properties Group, L.C.
David M. Luber
Managing Member
136 Heber Ave. Suite 308
P.O. Box 8888
Park City, Utah 840060

Park City Municipal Corporation

Toby Ross
City Manager
445 Marsac Avenue
P.O. Box 1480
Park City, Utah 84060

Executed this 8 day of April, 1997.

DEER CREST ASSOCIATES I, L.C.

By: LCC PROPERTIES GROUP, L.C.


By: David M. Lubcr
Managing Member

PARK CITY MUNICIPAL CORPORATION


By: Bradley A. Olch, Mayor

ATTEST:


Jan Scott, City Recorder



APPROVED AS TO FORM:

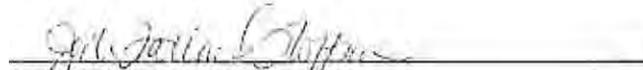

Jodi Hoffman, City Attorney

EXHIBIT "B"

DEVELOPMENT PLAN

SECOND AMENDMENT TO THE TELEMAR PARK SETTLEMENT AGREEMENT

This Second Amendment to the Telemark Park Settlement Agreement (this "Second Amendment") is entered into this 6th day of April, 2001 by and between Hidden Hollow Associates, LLC, a Utah limited liability company ("Hidden Hollow"), Deer Crest Associates I, L.C., a Utah liability company ("Deer Crest") and Park City Municipal Corporation, a political subdivision of the State of Utah ("Park City").

Recitals

A. Pursuant to a Settlement Agreement between Park City Consolidated Mines Company, Inc., a Utah corporation ("Consolidated Mines"), Trans-Wasatch Company, L.L.C., a Utah limited liability company ("Trans-Wasatch"), and Park City dated December 29, 1995 (the "Settlement Agreement"), the parties thereto made reciprocal promises affecting among other parcels, the parcel of land described in Exhibit "A" (the "Hidden Hollow Property").

B. The parties to the Settlement Agreement agreed that four (4) single family Estate lots would be permitted on the Hidden Hollow Property, with building envelopes, configurations, and other features further specified within the Settlement Agreement and its Exhibits.

C. Pursuant to a First Amendment to the Settlement Agreement between Deer Crest, the successor in interest to Consolidated Mines and Trans-Wasatch with respect to a portion of the subject property, and Park City dated April 8, 1997 (the "First Amendment"), the parties thereto made certain revisions of and clarifications to the Settlement Agreement.



D. Deer Crest and Park City approved additional revisions of and clarifications to the Settlement Agreement in December of 1998, but never recorded said amendments in written form. The parties now wish to include those revisions in this Second Amendment (Paragraph 5, below).

E. Hidden Hollow owns the Hidden Hollow Property and is the successor in interest to all of the rights and obligations in the Hidden Hollow Property which resulted from the Settlement Agreement and the First Amendment.

F. Upon Hidden Hollow's application to Park City to subdivide the property, Hidden Hollow expressed its willingness to redesign the subdivision based upon input from the Park City Community Development staff and the Park City Planning Commission. Several of the more visible building envelopes were eliminated, thereby decreasing opportunities for building sites. In exchange for this concession, Park City agreed to allow five (5) single family Estate lots on the Hidden Hollow Property with the building envelopes, configurations, and other features further specified in this Second Amendment.

G. The parties to this Second Amendment wish to amend the Settlement Agreement and the First Amendment to reflect Park City's decision to allow five (5) single family Estate lots on the Hidden Hollow Property with the building envelopes, configurations, and other features further specified in this Second Amendment. Park City wishes to do so without decreasing the total number of lots permitted to the owners of other real property parcels which were subject to the Settlement Agreement.

Agreement

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Second Amendment, intending to be legally bound, hereby agree as follows:

1. The following paragraphs in the Settlement Agreement and the First Amendment are hereby amended to delete references to four (4) single family Estate lots on the Hidden Hollow Property, and references to five (5) single family Estate lots on the Hidden Hollow Property are hereby inserted in place of the deleted references:

Settlement Agreement	First Amendment
Paragraphs 5.2 to 5.2.1.5, inclusive; Exhibit B, "Develop. Density Table"	Paragraphs 2 and 3

2. The following paragraphs in the Settlement Agreement and the First Amendment are hereby amended to delete references to one hundred fifty (150) total single family units lying West of the East Perimeter Gate, and references to one hundred fifty-one (151) total single family units lying West of the East Perimeter Gate are hereby inserted in place of the deleted references:

Settlement Agreement	First Amendment
Paragraph 5.2(e)	Paragraph 2

3. The following paragraphs in the Settlement Agreement and the First Amendment are hereby amended to delete references to five hundred forty-five (545) units, and references to five hundred forty-six (546) units are hereby inserted in place of the deleted references:

Settlement Agreement	First Amendment
Paragraph 5.2	Paragraph 2

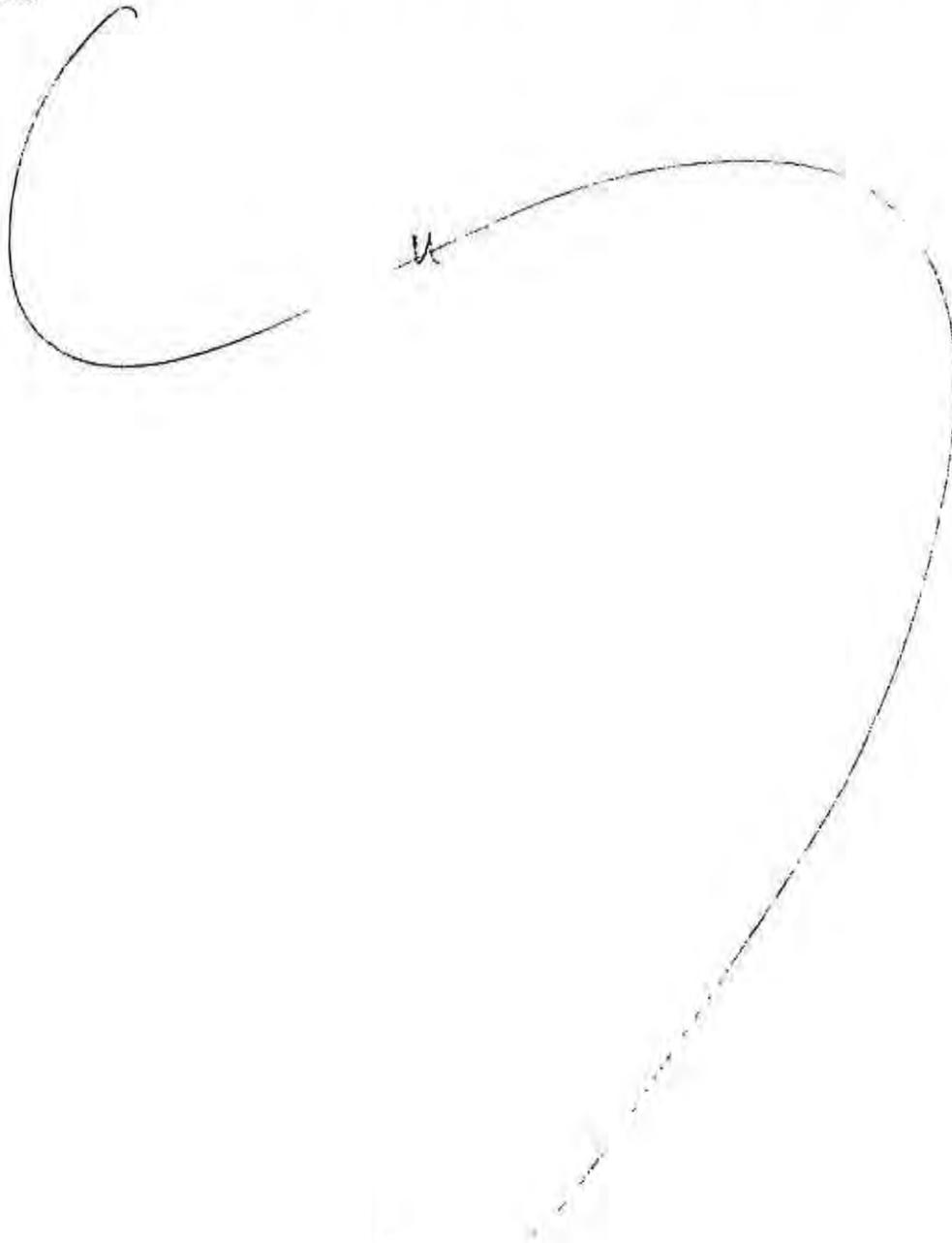
Any other references in the Settlement Agreement and First Amendment to unit numbers which should be increased by virtue of the increase in total single family units from one hundred fifty (150) to one hundred fifty-one (151) shall be deemed so increased.

4. The map attached hereto as Exhibit "B" supersedes any inconsistent exhibits contained in the Settlement Agreement and First Amendment for the Hidden Hollow and Snow Top property, including, but not limited to, Settlement Agreement Exhibits "B", "D", "N" and "U" and First Amendment Exhibits "B", "D", "N" and "U". Accordingly, for purposes of the Settlement Agreement, as amended, and development of the Hidden Hollow and Snow Top properties, Exhibit "B" controls over other plats and maps.

5. Paragraph 5.2.2.5 of the Settlement Agreement is hereby deleted, and replaced by the following amended Paragraph 5.2.2.5, approved by the City Council of Park City in December of 1998:

5.2.2.5 Annexation Agreement for Alternative A for the Roosevelt Gap/Snow Park Hotel Area. If the Roosevelt Gap/Snow Park Development Area is annexed into Park City under Alternative A, then the following conditions of development shall bind the parties: (a) the density of the Roosevelt Gap Lodge shall not exceed 105 Park City Unit equivalents; (b) the funicular tramway shall be installed at the earliest opportunity; (c) Property Owners shall make offers of dedication of conservation easements, and shall designate development envelopes, all as depicted in Exhibit "N" attached hereto; (d) the remainder of the Roosevelt Gap/Snow Park Development Area shall be dedicated open space to Park City as depicted in Exhibit "N" attached hereto; and (e) there shall be no overnight parking at Roosevelt Gap Lodge unless the Planning Commission approves overnight parking at Roosevelt Gap Lodge in conjunction with a Master Planned Development of a luxury resort hotel, upon Property Owner's demonstration that the remainder of the Project has been modified to result in no net increase of traffic on the Keetley Road as a consequence of the provision of overnight parking at Roosevelt Gap. The Planning Commission may approve up to 105 overnight parking spaces at Roosevelt Gap without further Council action.

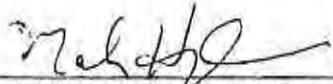
6. Any references within the Settlement Agreement or the First Amendment which are inconsistent with the intent of the parties to this Second Amendment, as set forth in paragraph "G" in the "Recitals" section and paragraphs 1, 2, and 3, above of this Second Amendment, are hereby reformed and shall be construed to be consistent with this Second Amendment.

A large, handwritten signature in black ink, consisting of a large, sweeping loop that starts on the left, curves up and over to the right, and then loops back down and left. A small, stylized mark resembling a 'u' or 'h' is written near the top of the loop.

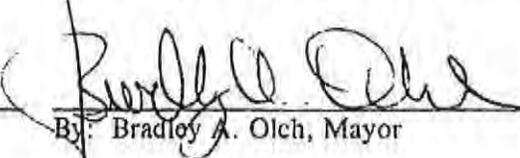
IN WITNESS WHEREOF, the parties have executed this Second Amendment as of the date first written above.

APPROVED AS TO FORM:

PARK CITY MUNICIPAL CORPORATION



Mark Harrington, City Attorney



By: Bradley A. Olch, Mayor

ATTEST:



Jan Scott, City Recorder



HIDDEN HOLLOW ASSOCIATES, LLC

By: Skyline Land Company, Inc.

Its: Manager



By: Harry F. Reed
Its: President

DEER CREST ASSOCIATES I, L.C.

By: Grand Harvest Venture, LLC

Its: Manager



By: Angela C. Sabella
Its: Manager

**EXHIBIT "A" To Second Amendment to
Telemark Park Settlement Agreement**

Beginning at a point on the Summit-Wasatch County line, said point being South 0°30'11" West 529.16 feet along the section line and East 5719.73 feet from the East quarter corner of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence North 4°33'29" East 142.89 feet; thence North 12°19'16" East 761.76 feet; thence North 0°40'51" West 620.11 feet more or less; thence along the South line of the Republican Mining Claim (MS 4980) South 68°19'00" East 310.72 feet more or less; thence along the East line of the Republican Mining Claim North 31°00'00" East 1281.41 feet more or less; thence along the North line of the Queen Esther No. 5 Mining Claim (MS 6979) South 66°45'00" East 1350.12 feet more or less; thence along the East line of the Queen Esther No. 4 and the Queen Esther No. 5 Mining Claims South 18°45'00" West 1174.00 feet more or less; thence along the North line of the Queen Esther No. 3 Mining Claim South 66°45'00" East 251.90 feet more or less; thence along the East line of the Queen Esther No. 3 Mining Claim South 18°31'53" West 799.74 feet; thence along the Summit-Wasatch County line the following 4 courses: 1) North 43°00'37" West 488.15 feet; thence 2) North 85°09'01" West 382.13 feet; thence 3) South 73°11'51" West 485.08 feet; thence 4) South 73°02'55" West 812.81 feet to the point of beginning.

TOGETHER WITH all rights-of-way and easements appurtenant to such real property set forth in the Declaration of Easements, Covenants and Restrictions, recorded July 1, 1996 as Entry No. 457356 in Book 975 at Page 335 of the official records of the Summit County Recorder.

TOGETHER WITH Water Right No. 35-8833, Certificate No. 3006, as such right is more particularly defined in the records of the Utah Division of Water Rights.

