

SUNDIAL LODGE CONDOMINIUM PARKING GARAGE
RULES AND REGULATIONS

The following Rules and Regulations were duly adopted by the Management Committee of the Sundial Lodge Condominium Owners Association, Inc. (the "Association") at a Special Meeting of the Management Committee held on November 6, 2013, to regulate the use of the Parking Garage as Common Areas and Facilities of the Sundial Lodge at the Canyons Condominiums (the "Project"). Capitalized terms used herein and not otherwise defined have the same meanings as in the "Declaration" for the Project as defined below.

Recitals

A. The Project is governed by the Declaration of Covenants, Conditions and Restrictions of the Sundial Lodge Condominiums at The Canyons recorded December 15, 1999, as Entry No. 00555290 of the Official Records of the Summit County, Utah Recorder's Office, as amended by the First Amendment to Declaration (collectively the "Declaration").

B. Pursuant to the Second Amendment to the Declaration executed on November 29, 2011 (the "Second Amendment"), the Parking Garage in the Project was converted to Common Areas and Facilities owned by the Association.

C. Section 6.2 of the Declaration and Section 2.3 of the Bylaws of the Association grant the Management Committee the authority to adopt Rules and Regulations governing the use of the Common Areas and Facilities in the Project.

D. The Management Committee deems it necessary to adopt the following Rules and Regulations applicable to the use of the Parking Garage and all of the 155 parking spaces therein (the "Parking Spaces") by all Owners and their guests and invitees to assure the efficient and equitable use of the Parking Garage and that all owners have fair and reasonable access to the Parking Spaces.

NOW THEREFORE, the following Rules and Regulations are adopted by the Management Committee:

1. There are a total of 155 Parking Spaces within the Parking Garage. The Parking Spaces constitute Common Areas and Facilities for the use of all Owners on a non-exclusive and non-discriminatory basis, subject to these Rules and Regulations.

2. The Owner(s) of the Commercial Unit(s) shall have a non-exclusive preferential right to and license for the use of a total of 24 Parking Spaces (155 x 15.6786%) by the Commercial Unit owner and its guests and invitees, regardless of how many Commercial Unit(s) exist or what such Commercial Unit(s) are used for. The location of these 24 Parking Spaces is set forth on Exhibit "A" attached hereto and incorporated herein. The Owner(s) of the Commercial Unit(s) shall have the right to place signage on these 24 Parking Spaces designating these spaces as "Reserved," or for the use of the "Commercial Units" or tenants, guests and

invitees thereof. In the event that the Association or its agent, after five (5) days written notice and opportunity to cure, fails to take reasonable corrective actions to enforce the reserved nature of these 24 Parking Spaces, the Owner(s) of the Commercial Unit(s) may elect to take reasonable and customary steps such as warning, ticketing, booting, or towing to enforce their rights as licensee(s) and the reserved nature of the parking on these 24 Parking Spaces.

3. Owners of the Residential Units shall have a non-exclusive collective preferential right to the use of 131 Parking Spaces (155 x 84.3214%) for use by Owners and their renters, invitees and guests. Each Owner of a Residential Unit shall have a non-exclusive preferential right to one Parking Space on a "first come-first served" basis, for use by such Owner or such Owner's renter, guest or invitee, including temporary parking for rental management agencies or other third parties providing services to such Owner or to the Association. The foregoing rights of an Owner or such Owner's renter, guest or invitee shall exist and apply on a non-discriminatory basis regardless of whether such Owner participates in a rental program through a rental management agency, and regardless of which rental management agency such Owner may contract with. These 131 Parking Spaces may be identified as being "Reserved" for Owners of Residential Units and their renters, invitees and guests.

The Association shall have primary responsibility for all enforcement of the terms of these Rules and Regulations, including the reserved nature of parking spaces, and will take reasonable and customary steps as approved by the Management Committee, such as warning, ticketing, booting and towing, to enforce these Rules and Regulations; provided however, if the Association fails to reasonably enforce the preferential rights and license of the Owner(s) of the Commercial Unit(s) to the 24 Parking Spaces as set forth in paragraph 2 above, the Commercial Unit Owner(s) may assume such enforcement authority as to the 24 Parking Spaces only.

4. Subject to paragraphs 5 and 6 below, all Parking Spaces shall be used only for vehicular parking.

5. Notwithstanding paragraph 4 above, the Owner(s) of the Commercial Unit(s) may collectively designate up to six (6) of the Parking Spaces as to which it has a preferential right for other purposes, such as: storage, construction staging, etc., provided that the use of those up to six (6) Parking Spaces for purposes other than vehicular parking does not interfere with access to or use of the other Parking Spaces or the Parking Garage, or violate applicable governmental requirements. Any such storage and staging shall comply with all applicable governmental regulations and requirements, including County parking requirements.

6. Notwithstanding paragraph 4 above, the Management Committee may, at its option, elect to designate up to six (6) of the Parking Spaces as to which the Owners of Residential Units have a preferential right for other purposes, such as: storage, construction staging, etc., provided that the use of those up to six (6) Parking Spaces for purposes other than vehicular parking does not interfere with the access to or use of the other Parking Spaces or the Parking Garage, or violate applicable governmental requirements. Any such storage and staging shall comply with all applicable governmental regulations and requirements, including County parking requirements.

7. Permissible use of the Parking Spaces by Owners shall be regulated between "Peak Use Periods" and "Non-Peak Use Periods." "Peak Use Periods" shall be: (a) from December 20th through January 3rd each ski season; (b) during the Sundance Film Festival; (c) President's Day week; (d) the period commencing two days prior to the July 4th weekend and ending two days after the July 4th weekend; and (e) any other twenty-four (24) hour period in which either eighty percent (80%) of the Residential Units are occupied or rented, or eighty percent (80%) of the Parking Spaces (*e.g.*, 124 Parking Spaces) are in use. "Non-Peak Use Periods" shall be all time periods that are not Peak Use Periods.

8. During Peak Use Periods, no Residential Owner (including such Residential Owner's renters, guests and invitees shall use more than one (1) Parking Space, regardless of the size of the Residential Owner's Unit, or how many "lock out" rentable rooms or renters such Unit or Owner has.

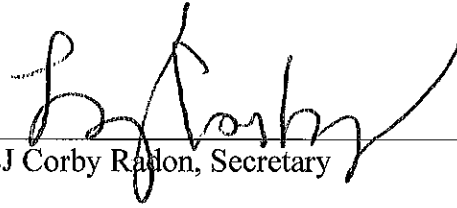
9. The Association shall not charge Owners for the use of Parking Spaces. Notwithstanding the foregoing, the Owner(s) of the Commercial Unit(s) may elect to charge the tenants, customers or invitees occupying or using the Commercial Unit(s) a fee for parking in the 24 Parking Spaces as to which the Commercial Unit Owner(s) have a preferential right, and such fees shall belong to such Commercial Owner(s). In the event the Management Committee determines at a future date to make any of the 131 Parking Spaces available for short-term temporary rental by non-Owners, all net proceeds received shall belong to the Association, and shall be credited to costs and assessments otherwise payable by the Residential Owners. No such potential future rental of any Parking Spaces by the Association shall interfere with the use of Parking Spaces by Owners.

10. The Management Committee may supplement or modify these Rules and Regulations as necessary to promote the safe, fair and efficient operation of the Parking Spaces, including for example, the implementation of parking passes or parking access cards to those authorized to park in the Parking Garage. No amendment or modification of these Rules and Regulations shall be made which decreases the rights of the Owner(s) of the Commercial Unit(s) under paragraph 2 above, without the express written approval of the Owner(s) of the Commercial Unit(s), or if applicable, the designated long term lessee of the Commercial Unit(s), and the mortgagee or beneficiary of any first mortgage or first trust deed encumbrance on the Commercial Unit(s). The Management Committee and/or its designated Manager or agent is authorized to take all reasonable steps to enforce the foregoing Rules and Regulations, including informing all Owners of such Rules and Regulations, providing written warnings to those not in compliance, and to the extent necessary, warning, ticketing, booting and towing vehicles in the Parking Garage that are not in compliance with these Rules and Regulations.

The undersigned hereby certify the adoption of these Rules and Regulations as of the date set forth above.



Bob Flaig, President



LJ Corby Radon, Secretary

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