2024 AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF THE SKYLINE MOUNTAIN RESORT SUBDIVISION

This 2024 AMENDED AND	RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND
RESTRICTIONS OF THE S	KYLINE MOUNTAIN RESORT (hereinafter referred to as the "2024
CC&Rs" and defined in Artic	cle 1, Section 1.1.21 of the CC&Rs) is made and entered into on this
day of	, 2024 by SPORTS HAVEN
INTERNATIONAL, a Utah	non-profit corporation, doing business as SKYLINE MOUNTAIN RESORT
(hereinafter referred to as the	"Association" and defined in Article 1, Section 1.1.13 of the CC&Rs).

RECITALS

WHEREAS, on November 5, 1987, the Association filed its Initial CC&Rs (hereinafter referred to as the "1987 CC&Rs") and its 1987 CC&Rs remain of record at the Sanpete County Recorder's Office at Entry 291780, Book 283, Page 594; and

WHEREAS, the 1987 CC&Rs were amended most recently on January 12, 2015 (hereinafter referred to as the "2015 CC&Rs") and the 2015 CC&Rs were filed and remain of record at the Sanpete County Recorder's Office at Entry 202791, Book 673, Page 1304; and

WHEREAS, the Class A Members seek to amend the 2015 CC&Rs; and

WHEREAS, Article X, Section 10.10 of the 2015 CC&Rs specifies four requirements to amend the 2015 CC&Rs; and

WHEREAS, the first requirement under Article X, Section 10.10 of the 2015 CC&Rs is to secure the affirmative vote, whether in person or by proxy, of a majority of all Class A Members at a Members' Meeting where an amendment to the 2015 CC&Rs is considered; and

WHEREAS, the Association satisfied the first requirement of Article X, Section 10.10 of the 2015 CC&Rs by holding an Annual Meeting of the Class A Members on Saturday, June 17, 2024, proposing the 2024 CC&Rs as an amendment to the 2015 CC&Rs, and noting, in the minutes, an affirmative vote of a majority of Class A Members to adopt the 2024 CC&Rs; and

WHEREAS, the second requirement under Article X, Section 10.10 of the 2015 CC&Rs is to allow only Class A Members to vote on the amendment; and

WHEREAS, the Association satisfied the second requirement of Article X, Section 10.10 of the 2015 CC&Rs by, as noted in the minutes of the June 14, 2024 Annual Meeting, allowing only Class A Members to vote to adopt the 2024 CC&Rs; and

WHEREAS, the third requirement under Article X, Section 10.10 of the 2015 CC&Rs is to secure the signature of the President and Secretary of the Board on the 2024 CC&Rs; and

WHEREAS, the Association satisfied the third requirement of Article X, Section 10.10 of the 2015 CC&Rs by having the President and Secretary of the Board sign the 2024 CC&Rs on the date above written; and

WHEREAS, the fourth requirement under Article X, Section 10.10 of the 2015 CC&Rs is to record the 2024 CC&Rs in the Sanpete County Recorder's Office; and

WHEREAS, the Association satisfied the fourth requirement of Article X, Section 10.10 of the 2015 CC&Rs by causing the 2024 CC&Rs to be recorded in the Sanpete County Recorder's Office; and

WHEREAS, the Association has complied with all the requirements set forth in Article X, Section 10.10 of the 2015 CC&Rs to amend the 2015 CC&Rs; and

WHEREAS, the Association adopts and incorporates by reference all the recitals set forth in the 2015 CC&Rs as if set forth in full in the 2024 CC&Rs.

NOW, THEREFORE, the Association hereby declares that the Association, all Members, and the Subdivision shall be subject to these 2024 CC&Rs:

ARTICLE 1. DEFINITIONS

- 1.1. <u>Definitions</u>. As used in the CC&Rs, the following terms shall have the following meanings:
- 1.1.1. "Account, General" shall mean money that belongs to the Association and is kept in a deposit account that is insured by the federal government. The money is used to pay for the Association's everyday expenses. Money in the General Account may be earmarked for a specific purpose, and once it has been earmarked, it can only be spent for that purpose.
- 1.1.2. "Account, Reserve" shall mean money that belongs to the Association and is kept in a deposit account other than the General Account. Money in the Reserve Account may be kept in a deposit account that is insured by the federal government or invested in safe investments such as money market accounts, high-yield savings accounts, certificates of deposit, treasury bills, and/or U.S. savings bonds. Money in the Reserve Account may be earmarked for a specific purpose, and once it has been earmarked, it can only be spent for that purpose.
- 1.1.3. "Agent" shall mean a Person that is authorized to act on another Person's behalf. For example, an Agent of the Association is a Person authorized by the Association to act on behalf of the Association. An Agent of a Member is a Person authorized by the Member to act on behalf of the Member.
- 1.1.4. "Applicable Laws" shall mean any laws, statutes, ordinances, regulations, or other legal requirements that apply to the Subdivision, Association, or any Member, whether federal, state, or local.
- 1.1.5. "SMR Construction Plan Approval Form" shall mean a document that Lot Owners must submit to the Architectural Control Committee at the Principal Office before excavating a Lot or Improving a Building or Structure on a Lot within the Subdivision. If Sanpete County requires a building permit for the work to be performed on the Lot, the Association requires that the Lot Owner fill out and submit an SMR Construction Plan Approval Form to the Association.

- 1.1.6. "Architectural Control Committee" or "ACC" shall mean the group of Committee Members appointed pursuant to the Governing Documents to ensure that the construction and Improvement to all Buildings, Structures, Lots, and Common Areas within the Subdivision comply with the Architectural Guidelines set forth in Article 9 of the CC&Rs.
- 1.1.7. "Architectural Control Guidelines," "Architectural Guidelines," or "Guidelines" shall mean the rules, regulations, and standards promulgated by the Architectural Control Committee as provided in Article 9, Sections 9.4 through 9.22 of the CC&Rs to govern the aesthetics of the Subdivision.
- 1.1.8. "Articles of Incorporation" shall refer to a Governing Document of the Association and shall include amended and restated Articles of Incorporation, articles of merger, and any document of similar import to any of the aforementioned documents.
- 1.1.9. "<u>Assessments</u>" shall mean a charge levied by the Association on a Class A Member. Unless otherwise specified, the term "Assessment" refers to Regular Assessments and Special Assessments.
- 1.1.10. "<u>Assessment, Regular</u>" shall mean a fixed monetary amount that each Class A Member pays monthly.
- 1.1.11. "<u>Assessment, Special</u>" shall mean a fixed monetary amount that each Class A Member pays for a specific purpose.
 - 1.1.12. "Assessment, Unpaid" shall mean an Assessment that has not been paid by its due date.
- 1.1.13. "<u>Association</u>" shall mean Sports Haven International, a Utah nonprofit corporation doing business as Skyline Mountain Resort, and its successors and assigns.
- 1.1.14. "<u>Association, Principal Office</u>" shall mean the primary physical location where the business and administrative operations of the Association are conducted. The Principal Office of the Association is located at 22130 North 11750 East, Fairview, Utah 84629.
- 1.1.15. "<u>Attorney's Fees</u>" shall mean the legal fees incurred by the Association in any legal action or proceeding, whether in or out of court, before or after a hearing or judgment, to enforce or defend any provision of the Governing Documents. The Association shall not divide Attorney's Fees between it and its attorney. All Attorney's Fees shall be retained by the Association's attorney.
- 1.1.16. "Award of Fees" shall mean in any legal or administrative action or proceeding to enforce or defend any provision of the Governing Documents, the prevailing party or, in the case of an injunction, the party for whom an injunction is entered, shall, by a matter of right, be entitled to recover an amount equal to its costs and Attorney's Fees. To the extent necessary, the court shall, in its discretion, determine what constitutes "prevailing party."

- 1.1.17. "Board" shall mean the entity, regardless of name, with primary authority to manage the affairs of the Association.
- 1.1.18. "Bylaws" shall refer to a Governing Document of the Association and shall include amended and restated Bylaws.
- 1.1.19. "<u>Certificate of Occupancy and Building Compliance</u>" shall mean a certificate issued by the Sanpete County Building Inspection Department prior to the occupancy of any Building, Structure, or Single-Family Dwelling as required by the Sanpete County Land Use Ordinance.
- 1.1.20. "<u>CC&Rs</u>" and "<u>2024 CC&Rs</u>" shall refer to a Governing Document of the Association. Unless otherwise specifically specified, "CC&Rs" refers to the 2024 CC&Rs, or "the CC&Rs."
- 1.1.21. "Collection Costs" shall mean the costs incurred in collecting an Unpaid Assessment, Delinquent Account, or Association-related debt which includes the cost of:
 - sending collection notices;
 - interacting with Members;
 - recording costs;
 - administrative costs;
 - hiring a collection agency;
 - hiring an attorney;
 - Attorney's Fees;
 - negotiating, mediating, or arbitrating;
 - filing a lawsuit;
 - prosecuting a lawsuit;
 - garnishing wages; and/or
 - foreclosing on a Lot.
- 1.1.22. "Commercial Area" shall mean the commercial area designated as such on the Subdivision Plat and property zoned for commercial purposes that the Association owns, maintains, repairs, or administers for the benefit of the Association, all Members, and Guests. Unless otherwise specified in the CC&Rs, Commercial Areas are included in the definition of Common Areas.
- 1.1.23. "Common Areas" shall mean property designated as "Common Areas" on the Subdivision Plat and property that the Association owns, maintains, repairs, or administers for the benefit of the Association, all Members, and Guests. Unless otherwise specified in the CC&Rs, Common Areas include Commercial Areas and Recreational Facilities and only those Subdivision roads owned by the Association.
- 1.1.24. "<u>Conditions</u>" shall mean requirements or qualifications that must be met in order for certain actions or changes to be made within the Subdivision. Examples of Conditions include obtaining approval from the Architectural Committee to construct or Improve a Building or Structure on a Lot and using the Lot in accordance with the requirements set forth in the Governing Documents.

- 1.1.25. "Conflict of Interest" shall mean a personal, financial, or other interest in an issue that is being considered by the Board that does or reasonably could create a situation where the Board Member is not able to make a fair and impartial decision. Decisions affecting all Members of the Association or an identifiable group of Members shall not constitute a Conflict of Interest. Examples of a valid Conflict of Interest include but are not limited to selling a Lot owned by the Association to Family of a Board Member at a price less than fair market value, a Board Member having Family who does work for the Association and the Board Member voting to renew a contract with that member of the Board Member's Family, or a Board Member having a personal interest in an unresolved Nuisance caused by the Board Member's neighbor and the Board Member discussing, at a Board Meeting, possible legal action by the Association against the Board Member's neighbor.
- 1.1.26. "Corporate Records" shall mean the records described in Utah Code § 16-6a-1601 (2000) and Utah Code § 57-8a-227 (2022).
- 1.1.27. "Covenants" shall mean promises or agreements made by Lot Owners and Members to the Association for the benefit of the Lot Owner or Member and other Lot Owners and Members. Examples of Covenants include the payment of Assessments, abiding by Architectural Guidelines, and securing and maintaining insurance to protect the Association.
 - 1.1.28. "Declarant" shall mean the Association in its capacity as developer of the Subdivision.
 - 1.1.29. "Declaration" shall mean the 2024 CC&Rs.
- 1.1.30. "<u>Delinquent Account</u>" shall mean a Member account where the Member has failed to pay the required Assessment, Individual Charge, Fee, Fine, or any other amounts that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision within the timeframe specified in the Governing Documents, Applicable Law, administrative or judicial decision, or notice.
 - 1.1.31.
- 1.1.32. "Dwelling, Single-Family" or "Dwelling" shall mean a Building arranged or designed to be occupied by one Family, the Building having only one dwelling unit. The minimum heated area and measurements of a Single-Family Dwelling are determined by the location of the Single-Family Dwelling within the Subdivision as specified in Article 9 of the CC&Rs. To be considered complete, a Single-Family Dwelling must be issued a Certificate of Occupancy and Building Compliance.
- 1.1.33. "<u>Electronic Communication</u>" shall mean an electronic system that allows Persons to communicate orally in real time. Examples of Electronic Communication include but are not limited to web conferencing, video conferencing, and telephone conferencing.
- 1.1.34. "<u>Electronic Transmission</u>" or "<u>Electronically Transmitted</u>" shall mean a process of communication not directly involving the physical transfer of paper that is suitable for the receipt, retention, retrieval, and reproduction of information by the recipient, whether by email, texting, facsimile, or otherwise.

- 1.1.35. "<u>Family</u>" shall mean one or more Persons related by blood, marriage, or adoption living together in a Single-Family Dwelling.
- 1.1.36. "Fee" shall mean a charge levied by the Association on a Member or Guest on a per-good, per-use, or per-service basis and only charged to those Members or Guests who receive the benefit of the good, use/activity, or service for which the fee is charged. A valid Fee may include but not be limited to a membership transfer fee, statement fee, late fee, Collection Costs, Attorney's Fee, records fee, and fees associated with the use and enjoyment of Recreational Facilities.
- 1.1.37. "<u>Fine</u>" shall mean a monetary penalty levied by the Association on a Member for the violation of one or more provisions of the Governing Documents or Applicable Law.
- 1.1.38. "<u>Foreclosure, Judicial</u>" shall mean a foreclosure of a Lot for the nonpayment of an Assessment. Judicial Foreclosures occur in the manner provided by Applicable Law for the foreclosure of a mortgage on real property.
- 1.1.39. "<u>Foreclosure, Nonjudicial</u>" shall mean the sale of a Lot for the nonpayment of an Assessment. Nonjudicial Foreclosures occur in the same manner as the sale of trust property under Utah Code § \$ 57-1-19 through 57-1-34 and as otherwise provided in Applicable Law.
- 1.1.40. "General Manager" shall mean the Person hired, supervised, and fired by the Board and made responsible for the overall management of the Association.
- 1.1.41. "Governing Documents" shall mean all legal documents adopted and recorded by the Association that establish and govern the operation, management, and administration of the Association and the powers, duties, rights, and protections of the Association and its Members.
- 1.1.42. "<u>Guest</u>" shall mean a Person other than a Member of the Association invited onto or permitted to be upon the Common Areas or a Lot within the Subdivision.
- 1.1.43. "Household Garbage" shall mean all solid waste generated by the normal activities of a Family, including but not limited to paper waste, glass, food and drink remaining after consumption, electronics, cardboard, and organic waste such as kitty litter.
- 1.1.44. "<u>Indemnitee</u>" shall refer individually and collectively to all employees, Agents, General Managers, Committee Members, Board Members, and Officers of the Association.
- 1.1.45. "Improvement" or "Improve" shall mean any temporary or permanent addition, alteration, repair, replacement, or modification to a new or existing Lot, Building, or Structure that enhances or changes its physical appearance, functionality, or value or is designed to enhance or support the use and enjoyment of the Lot, Building, or Structure. Improvements include but are not limited to permanent Buildings and other Structures, replacing or repairing roofs, HVAC systems, electrical wiring, plumbing systems, painting the exterior of a Building or Structure, the addition of foundations, driveways, carports, garages, retaining walls, sanitary systems, utility systems, and grading, excavation, and landscaping.

- 1.1.46. "Individual Charges" shall mean a charge levied by the Association on a Member.
- 1.1.47. "Interest" shall mean a Fee that is charged on unpaid Assessments, Individual Charges, Fines, and post-judgment awards. Interest is 18% per year, compounded and levied on a daily basis.
- 1.1.48. "<u>Late Fee</u>" shall mean a Fee that is charged on an Unpaid Assessment, unpaid Individual Charge, or unpaid Fine. The amount of a Late Fee shall the greater of \$30 or 5 percent of the total unpaid amount of an Unpaid Assessment, unpaid Individual Charge, or unpaid Fine.
- 1.1.49. "<u>Lease</u>" or "<u>Leasing</u>" shall mean regular, exclusive occupancy of a Lot by one or more Persons other than a Member and for which a Member receives consideration, compensation, payment, payment in-kind, reward, benefit, remuneration, donation, service, gratuity, emolument, or any other form of value, whether or not such is received directly or indirectly, and whether or not such occupancy is pursuant to a written lease or rental agreement.
- 1.1.50. "Lot" shall mean a parcel of real property within the Subdivision owned by a Lot Owner and appearing on the Subdivision Plat or described with particularity in a Governing Document of record in the Sanpete County Recorder's Office. All Lots are considered residential. Lots begin with a letter or number designation. Specifically, all Lots within the Subdivision that begin with a letter designation begin with the letter designation A, B, C, D, E, F, G, GC, H, J, K, L, M, N, or O. All Lots within the Subdivision that begin with a number designation begin with the number designation 6.
- 1.1.51. "Lot, Full-Time" shall mean a Lot that is occupied by a Member as a primary residence for 180 calendar days or more of a calendar year. Full-Time Lots include all Lots whose letter designation begins with the letter A, B, C, and E, and Lots M3, M93, M94, M95, M96, and M97.
- 1.1.52. "<u>Lot, Golf Course</u>" shall mean a Lot that is occupied by a Member as a primary residence. Golf Course Lots include all Lots whose letter designation begins with GC and all Lots whose letter designation begins with A or B and whose Lot has at least one property line common to any part of the Skyline Mountain Golf Course. All Golf Course Lots are Full-Time Lots.
- 1.1.53. "<u>Lot, Mountain</u>" shall mean all Lots above the Snow Gates. All Mountain Lots are Part-Time Lots.
- 1.1.54. "<u>Lot Owner</u>" and "<u>Owner</u>" shall mean any one or more Class A-1 or Class A-2 Members possessing title to or an interest in a Lot within the Subdivision. Lot Owner shall not include Persons who hold a Lot as security for the performance of an duty.
- 1.1.55. "Lot, Part-Time" shall mean a Lot that is occupied by a Member as a residence other than a primary residence for fewer than 180 calendar days of a calendar year. Part-Time Lots include all Mountain Lots.
- 1.1.56. "Lot Plan" shall mean plans for the construction or Improvement of a Building, Structure, or Lot that are required to be approved by the Committee before the Lot construction or Improvement may occur and that:
 - is drawn to scale;

- shows the actual shape, dimensions, and location of existing Buildings and Structures on the Lot;
- shows the actual shape, dimensions, and location of the proposed construction or Improvements to Buildings, Structures, or the Lot itself on the Lot;
- shows all:
 - o setbacks;
 - o parking areas; and
 - o utilities, whether above or below ground, including but not limited to water tanks, sewer lines, septic tanks, and drain fields.
- 1.1.57. "<u>Lot, Rental</u>" shall mean an arrangement where a Member Leases a Lot to a Person and receives consideration, compensation, payment, payment in-kind, reward, benefit, remuneration, donation, service, gratuity, emolument, or any other form of value, whether or not such is received directly or indirectly, and whether or not such rental is pursuant to a written lease or rental agreement.
 - 1.1.58. "Manufactured Home, Permanent" shall mean a manufactured home:
 - meeting the heated area, measurement, and one-Family living requirements of a Single-Family Dwelling; and
 - constructed in a factory to the standards of the United States Department of Housing and Urban Development (HUD), the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. § 5401, et. seq.), and HUD Zone Code II or the Uniform Building Code, as amended to the date of the Permanent Manufactured Home's construction.
 - 1.1.59. "Manufactured Home, Temporary" shall mean a manufactured home:
 - with a heated area; and
 - constructed in a factory to the standards of the United States Department of Housing and Urban Development (HUD), the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. § 5401, et. seq.), and HUD Zone Code II or the Uniform Building Code, as amended to the date of the Temporary Manufactured Home's construction.
- 1.1.60. "Meeting, Annual" shall mean a Members' Meeting held once a year by the Association to discuss important matters affecting the Association and its Members. The Annual Meeting is open to all Members, but only Class A Members are permitted to cast votes at the Annual Meeting.
- 1.1.61. "Meeting, Board" shall mean a meeting held by the Board, whether in person or by Electronic Communication, to discuss important matters affecting the Association and its Members. Board Meetings are typically held monthly or quarterly and are open to all Members, but only Board Members are permitted to cast votes at Board Meetings. The action of the Board at a Board Meeting is final and enforceable.
- 1.1.62. "Meeting, Closed Board" shall mean a meeting held by the Board that is closed to all Persons, including Members, except those Persons invited by the Board. Closed Board Meetings are typically held to discuss matters that are confidential or that could prejudice the rights of a Person or the Association. Board Members are permitted to cast votes at Closed Board Meetings. The Board can take binding action at a Closed Board Meeting.

- 1.1.63. "Meeting, Committee" shall refer to a meeting held by the Architectural Control Committee, whether in person or by Electronic Communication, to discuss important matters pertaining to Article 9 of the CC&Rs, including but not limited to Guidelines, Applications for Association-Issued Building Permits, Association-Issued Permits, and noncompliance. Committee Meetings are held on an as-needed basis and are closed to all Persons. Unless otherwise limited by the Governing Documents or Applicable Law, the action of the Committee at a Committee Meeting is final and enforceable.
- 1.1.64. "<u>Meeting, Members</u>" shall refer to an Annual Meeting or Special Meeting. Members' Meetings are open to all Members, but only Class A Members are permitted to cast votes at Members' Meetings.
- 1.1.65. "Meeting, Special" shall mean a Members' Meeting held by the Association at any time to discuss important matters affecting the Association and its Members. Special Meetings are open to all Members, but only Class A Members are permitted to cast votes at Special Meetings.
- 1.1.66. "Member" shall mean one or more Class A-1, Class A-2, or Class B Members of the Association. The Association is not a Member.
- 1.1.67. "Member, Board" shall mean a Class A Member nominated or appointed to serve on the Board.
 - 1.1.68. "Member, Class A" shall mean all Class A-1 and Class A-2 Members.
- 1.1.69. "Member, Class A-1" shall mean a Lot Owner with a Single-Family Dwelling on the Lot Owner's Lot for which a Certificate of Occupancy and Building Compliance has been issued.
 - 1.1.70. "Member, Class A-2" shall mean a Lot Owner:
 - without a Single-Family Dwelling on the Lot Owner's Lot; or
 - with a Single-Family Dwelling on the Lot Owner's Lot for which a Certificate of Occupancy and Building Compliance has not been issued.
- 1.1.71. "Member, Class B" shall mean a Member with a timeshare in the Association. The Association does not and shall not grant Class B Membership to any Person and no existing Class B Member shall sell, convey, or transfer a Class B Membership to any Person other than the Association.
- 1.1.72. "<u>Member, Committee</u>" shall mean an appointed member of the Architectural Control Committee.
- 1.1.73. "Member in Good Standing" shall mean a Member without a Delinquent Account, unpaid Collection Costs, and any other outstanding amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision.
 - 1.1.74. "Member, Safety Committee" shall mean an appointed member of the Safety Committee.

- 1.1.75. "Membership" shall refer to the powers, duties, rights, and protections of one or more Members or class of Members.
- 1.1.76. "<u>Nuisance</u>" or "<u>Nuisance-related</u>" shall mean any Person, Lot, Building, Structure, Improvement, personal property, or Common Area:
 - which is in an unsecured state so as to potentially constitute an attraction to children, a harbor for vagrants, criminals, or other unauthorized Persons, or so as to enable Persons to resort thereto for the purpose of committing an unlawful act;
 - which is not kept clean, sanitary, and free from excessive weeds, garbage, waste, debris, rubbish, litter, unsightly conditions, and the open storage of the same;
 - which constitutes a fire hazard or condition considered dangerous to the health, safety, welfare, or property of Persons within the Subdivision;
 - which substantially detracts from the aesthetic and economic value of neighboring Lots;
 - whereon any condition or object obscures the visibility of an intersection within the Subdivision so as to constitute a hazard;
 - which causes or permits to be caused excessive noise, odors, vibrations, smoke, dust, and light
 pollution that infringes upon the quiet enjoyment or use of the Lot, Building, Structure, or
 personal property of another; or
 - which constitutes an unlawful act or omission that directly interferes, whether temporarily or continually, with the right of another to use and enjoy a Lot, Building, or Structure.
- 1.1.77. "Officer" shall mean a Board Member who is nominated by Board Members to serve as President, Vice-President, Secretary, or Treasurer of the Board.
- 1.1.78. "Persons" shall mean any one or more individuals as well as any one or more natural or legal entities, including a sole proprietorship, corporation, association, nonprofit, partnership, joint venture, limited liability company, estate, trust, public or private organization, other legal entity, or government agency. As used in the CC&Rs, the term "Person" may also include Members, the Association, Guests, and invitees and licensees of the same. As applicable, all Persons shall be subject to the Governing Documents.
- 1.1.79. "<u>President</u>" shall mean a Board Member who is nominated by Board Members to serve as President of the Board. The President is an Officer.
 - 1.1.80. "Proceeding" shall mean and include:
 - a civil suit;
 - a criminal action;
 - an alternative dispute resolution ("ADR") procedure enumerated in Article 8 of the Bylaws;
 - an administrative action; or
 - an investigatory action.
- 1.1.81. "Qualified Arbitrator" means an arbitrator who is currently on the Utah Court Roster of Mediators/Arbitrators.

- 1.1.82. "<u>Recreational Facilities</u>" shall mean any amenity or area owned or maintained by the Association intended for recreational or leisure use by Members and/or Guests. Recreational Facilities include but are not limited to the Skyline Mountain Golf Course, RV park, cabins, swimming pool, tennis courts, basketball court, and pavilions.
 - 1.1.83. "Recreational Vehicle" or "RV" shall mean a vehicle:
 - designed and constructed to travel on the public thoroughfare in accordance with the provisions of the Utah Vehicle Code;
 - designed and built to the approval and conformation of the Recreational Vehicle Industry Standard (RVIA) and the manufacture certifying compliance with standards for RVs (e.g., ANSI A119.2);
 - with a maximum heated area of 350 square feet;
 - designed for human habitation for camping purposes;
 - sometimes described as a recreational trailer, camper, camper trailer, truck camper, travel trailer, camp car, motor home, tiny home (which is exempt from the 350 square feet restriction), or other vehicle with or without motive power;
 - not allowed to be set up as a permanent residence;
 - without skirting or removal of tires and tow hitch; and
 - with a current UDOT license.
- 1.1.84. "Resolution" shall mean a formal statement of the Board's decision on a particular matter. For purposes of the Governing Documents, there are four categories of Resolutions:
 - policy;
 - administrative;
 - special; and
 - general.
- 1.1.85. "<u>Restrictions</u>" shall mean rules, typically limitations or prohibitions on certain activities, that govern Members and the Association. Examples of Restrictions include the prohibition on Leasing a Lot, the prohibition on debris and trash on a Lot, and limitations on Recreational Vehicles on Golf Course Lots.
 - 1.1.86. "Rules and Regulations" shall refer to a Governing Document of the Association.
- 1.1.87. "Safety Committee" shall mean the group of Safety Committee Members appointed pursuant to the Governing Documents to ensure the safety of all persons within the Subdivision. A specific duty of the Safety Committee is found in Article 3, Section 3.13 of the CC&Rs.
- 1.1.88. "<u>Secretary</u>" shall mean a Board Member who is nominated by Board Members to serve as Secretary of the Board. The Secretary is an Officer.

- 1.1.89. "Skyline Mountain Golf Course" shall mean the property, facilities, and amenities used for the game of golf. The Skyline Mountain Golf Course includes but is not limited to the greens, fairways, tees, sand traps, and other features of the course, as well as any Buildings, Structures, Improvements, or equipment used for golf-related purposes such as clubhouses, pro shops, driving ranges, or maintenance facilities. The Skyline Mountain Golf Course is a Recreational Facility of the Association.
- 1.1.90. "SMR Construction Plan Approval Form" shall mean a building permit issued by the Association authorizing a Lot Owner to construct, alter, or Improve a Building or Structure or conduct excavation on a Lot within the Subdivision according to the specifications included in the Application for Building Permit. If Sanpete County requires a building permit for work to be performed on a Lot, the Association requires that the Lot Owner fill out and submit an SMR Construction Plan Approval Form to the Association and that the Lot Owner be issued an approved SMR Construction Plan Approval Form before commencing work on the Lot. An approved SMR Construction Plan Approval Form shall include the signature of at least two Committee Members.
 - 1.1.91. "Snow Gates" shall mean those gates that are locked in the winter.
- 1.1.92. "Structure" shall mean all temporary or permanent construction, Single-Family Dwellings, commercial buildings, free-standing walls, tents, RVs, RV pads, poles, antennas, signs, towers, bridges, culverts, or similar devises or uses which may be fixed to any Lot or Building and that may require a building permit issued by the Association or applicable department of the Sanpete County, Utah government.
- 1.1.93. "Subdivision" shall mean the entire area located within the boundaries of the Skyline Mountain Resort Subdivision as depicted on the Subdivision Plat. It shall include but not be limited to all Common Areas, Lots, Buildings, Structures, Improvements, easements, and other real and personal property of the Association.
- 1.1.94. "Subdivision Plat" shall refer to a Governing Document of the Association. The most recent Subdivision Plat is titled "Skyline Mountain Resort Subdivision" and was recorded on December 29, 2014 in the office of the Sanpete County Recorder in Sanpete County, Utah, and is of record at Entry 202533, Book 673, Page 18.
- 1.1.95. "<u>Treasurer</u>" shall mean a Board Member who is nominated by Board Members to serve as Treasurer of the Board. The Treasurer is an Officer.
- 1.1.96. "<u>With Cause</u>" shall refer to a situation in which a Board Member can be removed from the Board pursuant to the process set forth in Article 4, Section 4.5.2.1 of the Bylaws for:
 - the breach of any duty enumerated in or the violation of any provision of the Governing Documents or Applicable Law; or
 - not qualifying as a Member in Good Standing.
- 1.1.97. "<u>Vice-President</u>" shall mean a Board Member who is nominated by Board Members to serve as Vice-President of the Board. The Vice-President is an Officer.

ARTICLE 2. PROPERTY RIGHTS

2.1. Common Areas.

- 2.1.1. Rulemaking. All Common Areas are subject to the rulemaking power of the Board.
- 2.1.2. Ownership of Common Areas. Lot Owners shall own all surface rights of the Common Areas as tenants in common, with each Lot Owner owning an undivided .001058% interest—based on 945 Lots in the Subdivision. If expansion of the Subdivision shall occur, each Lot Owner's percent ownership of surface rights of Common Areas of the Subdivision shall be calculated as follows: 1/[number of total lots in the Subdivision].
- 2.1.3. <u>Duty to maintain Common Areas</u>. It shall be the duty of the Association to maintain all Common Areas. As part of its duty to maintain all Common Areas, the Association shall have as its goal the preservation and enhancement of the aesthetics of the Subdivision. In support of its duty to maintain all Common Areas, the Association may, as necessary, levy maintenance costs against Class A Members as Assessments.
- 2.1.4. <u>Damage to Common Areas</u>. Each Member shall be jointly and severally liable for and shall indemnify and hold harmless the remaining Members and the Association against any damage to the Common Areas that may be sustained by reason of the negligent, reckless, willful, or intentional acts of a Member and/or a Member's Family, extended family, Guest, invitee, or licensee, to the extent that any such damage is not covered by insurance.
- 2.1.5. <u>Joint and several liability and indemnification on Common Areas and Lots within the</u> Subdivision.

- 2.1.5.1. Common Areas. To the fullest extent of the law, each Member, and for and on behalf of the Member's Family, extended family, Guests, invitees, and licensees, and their successors and assigns, agrees and covenants to be jointly and severally liable for and to indemnify, hold harmless, and defend each and every other Member and the Association against any and all claims, demands, causes of action, liability, loss, damage, injury, or Proceeding, of any kind whatsoever (including without limitation all claims for monetary loss, property damage, equitable relief, personal injury, and/or wrongful death), brought by any Person or imposed by a court of law or by administrative action of any federal, state, or local governmental body or agency, arising out of, in any way whatsoever, the Member's willful misconduct, negligence, recklessness, wantonness, intentional torts, or criminal acts on the Common Areas. This joint and several indemnification applies to and includes, without limitation, the payment of all penalties, fines, judgments, awards, attorney's fees, interest, and related costs or expenses for which the Association may be held liable or against which liability the Association is forced to defend itself and such shall be levied against the Member as an Individual Charge and the Member shall be jointly and severally liable for payment of the same and shall indemnify and hold all other Members and the Association harmless from and against payment, liability, and/or responsibility for payment of the same. Further, each Member agrees and covenants that the Association may repair any damage to the Common Area caused by the Member's willful misconduct, negligence, recklessness, wantonness, intentional torts, or criminal acts and levy the cost thereof against the Member as an Individual Charge and the Member shall be jointly and severally liable for payment of the same and shall indemnify and hold all other Members and the Association harmless from payment of the same.
- 2.1.5.2. Lots. To the fullest extent of the law, each Member, and for and on behalf of the Member's Family, extended family, Guests, invitees, and licensees, and their successors and assigns, agrees and covenants to be jointly and severally liable for and to indemnify, hold harmless, and defend each and every other Member and the Association against any and all claims, demands, causes of action, liability, loss, damage, injury, or Proceeding, of any kind whatsoever (including without limitation all claims for monetary loss, property damage, equitable relief, personal injury, and/or wrongful death), brought by any Person or imposed by a court of law or by administrative action of any federal, state, or local governmental body or agency, arising out of, in any way whatsoever, the Member's willful misconduct, negligence, recklessness, wantonness, intentional torts, or criminal acts on the Member's Lot. This joint and several indemnification applies to and includes, without limitation, the payment of all penalties, fines, judgments, awards, attorney's fees, interest, and related costs or expenses for which the Association may be held liable or against which liability the Association is forced to defend itself and such shall be levied against the Member as an Individual Charge and the Member shall be jointly and severally liable for payment of the same and shall indemnify and hold all other Members and the Association harmless from and against payment, liability, and/or responsibility for payment of the same.

2.2. Roads within the Subdivision.

- 2.2.1. <u>Rulemaking</u>. All roads within the Subdivision are subject to the rulemaking power of the Board.
 - 2.2.2. Ownership.

- 2.2.2.1. <u>As part of a Lot Owner's Lot</u>. Lot Owners shall own to the centerline of any road within the Subdivision abutting the Lot Owner's Lot. Such roads *shall not* be Common Areas but shall be owned by and shall constitute part of the Lot Owner's Lot.
- 2.2.2.2. <u>As tenants in common with all other Lot Owners</u>. All roads within the Subdivision not abutting a Lot Owner's Lot shall constitute a Common Area and, as a Common Area, shall be owned by Lot Owners as specified in Article 2, Section 2.1.2 of the CC&Rs.

2.2.3. <u>Travel on roads</u>.

- 2.2.3.1. <u>Grant of easement</u>. Each Lot Owner, and for and on behalf of the Lot Owner's successors and assigns, and for and on behalf of anyone claiming by, through, or under said Lot Owner, does hereby declare, establish, create, give, grant, and convey a perpetual, non-exclusive easement for ingress and egress in, on, over, and across all roads within the Subdivision owned by the Lot Owner, including roads within the Subdivision that constitute Common Areas, to all Persons.
- 2.2.4. <u>Road maintenance</u>. It shall be the duty of the Association to maintain all roads within the Subdivision. In support of the Association's duty to maintain all roads within the Subdivision, the Board may, as necessary, levy maintenance costs against Class A Members as Assessments.
- 2.2.5. <u>Road Improvements</u>. Pursuant to the Association's duty in Article 2, Section 2.2.4 of the CC&Rs to maintain all roads within the Subdivision, the Board may elect to pave or otherwise Improve dirt roads or repave or otherwise Improve paved roads within the Subdivision.
- 2.2.6. <u>Damage to roads</u>. Because roads are either part of a Lot or Common Area, Article 2, Sections 2.1.4 and 2.1.5 of the CC&Rs shall apply to damage to roads caused by a Member or a Member's Family, extended family, Guests, invitees, and licensees, and their successors and assigns.

2.3. <u>Lots</u>.

- 2.3.1. <u>Rulemaking</u>. All Lots within the Subdivision are subject to the rulemaking power of the Board.
- 2.3.2. Ownership of Lots. Each Lot within the Subdivision shall be owned by a Lot Owner or the Association.
- 2.3.3. <u>Duty to maintain Lots</u>. All Lots, including all Buildings and Structures thereon, shall be maintained in accordance with the Guidelines, Governing Documents, and Applicable Laws in a manner that preserves and enhances the aesthetic of the Subdivision.
- 2.3.4. <u>Breach of duty to maintain Lots</u>. A breach of the duty to maintain a Lot occurs where a Lot Owner violates the Guidelines, Governing Documents, or Applicable Laws.

- 2.3.4.1. <u>Duty to cure breaches</u>. It is the duty of a Lot Owner to cure every breach on the Lot Owner's Lot.
- 2.3.4.1.1. <u>Duty to inspect</u>. Where a breach exists or is reasonably suspected to exist on a Lot, the Association shall have the power and duty to enter upon the Lot to determine whether a breach exists.
- 2.3.4.1.1.1. <u>Notice of inspection</u>. Absent an exception enumerated in Article 2, Section 2.3.4.1.1.1.1 of the CC&Rs, the Association shall provide the Lot Owner with notice of the day and time the Association intends to enter onto the Lot to inspect the beach or suspected breach. The notice shall include:
 - a brief description of the breach or suspected breach;
 - the date and time the Association intends to inspect the breach or suspected breach; and
 - state that the goal of the Association's inspection is to determine whether the breach or suspected breach exists on the Lot Owner's Lot.
 - 2.3.4.1.1.1.1. <u>Exceptions to notice of inspection</u>. No notice is required if:
 - an emergency exists and the Association must act quickly to prevent or mitigate an imminent threat to the health, safety, welfare, or property of the Lot Owner or other Persons; or
 - the Association can inspect the breach or suspected breach from a road or Common Area of the Subdivision.

Examples of an emergency breach include but are not limited to:

- a tree that is about to fall on a another Lot Owner's Building or Structure;
- an overflowing septic tank or standing sewage;
- a Building or Structure infested with mold, animals, or hazardous chemicals; or
- a partially collapsed, dilapidated, or unsafe Building or Structure.
- 2.3.4.1.2. <u>Duty to provide notice of breach</u>. If a breach, whether one or more, exists on a Lot, the Association shall:
 - notify the Lot Owner that the Lot Owner is in breach of the Lot Owner's duty to maintain the Lot Owner's Lot;
 - specifically identify, based on the Guidelines, Governing Documents, or Applicable Laws, the existing breach;
 - provide the Lot Owner a reasonable amount of time, except in cases of emergency as specified in Article 2, Section 2.3.4.1.1.1 of the CC&Rs, to cure the breach; and
 - notify the Lot Owner of the Association's power to cure the breach if the Lot Owner fails to do so within the time allotted by the Association and to levy the cost of curing the breach against the Lot Owner as an Individual Charge.
- 2.3.4.1.2.1. <u>Exception for emergency</u>. In the event of an emergency, as defined in Article 2, Section 2.3.4.1.1.1.1 of the CC&Rs, the Association shall provide notice of the breach to the Lot Owner when feasible, whether before or after curing the emergency breach.

- 2.3.4.2. <u>Duty of the Association to cure an uncured breach</u>. If a Lot Owner, after notice provided in Article 2, Section 2.3.4.1.2 of the CC&Rs, fails to cure a breach, whether one or more, on the Lot Owner's Lot, the Association shall, itself or by means of a contractor, cure the breach.
- 2.3.4.2.1. <u>Duty to levy an Individual Charge</u>. If the Association cures a breach on a Lot Owner's Lot, the Association shall levy the cost to cure the breach on the Lot Owner as an Individual Charge. Costs could include but are not limited to labor of employees or contractors of the Association and fees for renting equipment and disposing of trash, debris, and construction materials not permitted to be disposed of in the Association's dumpster.

2.4. Utilities.

2.4.1. <u>Rulemaking</u>. All utilities within the Subdivision are subject to the rulemaking power of the Board.

2.4.2. Private utilities.

- 2.4.2.1. Ownership. Private utilities are owned by Lot Owners, the Association, or a private utility provider. Examples of private utilities include but are not limited to septic and propane tanks.
- 2.4.2.2. <u>Duty to maintain</u>. It shall be the duty of the Lot Owner to maintain the Lot Owner's private utilities.
- 2.4.2.2.1. <u>Breach of duty</u>. A Lot Owner's breach of the duty to maintain the Lot Owner's private utility shall be cured in the same manner as a Lot Owner's duty to maintain the Lot Owner's Lot. See Article 2, Section 2.3.4 of the CC&Rs.
- 2.4.2.3. <u>Limitation</u>. No private utility shall serve more than one Lot, unless the Lots are adjacent and owned by the same Lot Owner.

2.4.3. Public utilities.

- 2.4.3.1. Ownership. Public utilities are owned by the provider of the public utility.
- 2.4.3.2. Duty to maintain. Each public utility provider shall maintain its public utility.
- 2.4.3.3. <u>Installation and use of public utilities</u>. If public utilities are installed within the Subdivision, each Lot Owner and the Association, if served by the public utility, may connect to the public utility, and enjoy the full use and enjoyment of the same pursuant to the payment of all installation, connection, usage, and other fees charged by the public utility provider.

- 2.4.3.4. Grant of public utility easement and entrance. Subject to and limited by reasonable and customary standards for utility easements under Applicable Law, each Lot Owner and the Association, and for and on behalf of the Lot Owner and Association's successors and assigns, and for and on behalf of anyone claiming by, through, or under the Lot Owner or Association, does hereby declare, establish, create, give, grant, and convey a perpetual, non-exclusive easement to public utility providers for the installation, maintenance, and repair in, on, over, and across the Lot owned by the Lot Owner or the Association and, when reasonably necessary, entry thereupon.
- 2.4.3.4.1. <u>Duty to restore</u>. Every public utility provider exercising rights granted in Article 2, Section 2.4.3.4 of the CC&Rs shall restore the Lot entered to its former condition as substantially as possible, within a reasonable amount of time, and at its own expense.

ARTICLE 3. USE RESTRICTIONS

- 3.1. <u>Rulemaking</u>. All uses are subject to the rulemaking power of the Board.
- 3.2. Enforcement.
- 3.2.1. <u>Cause of action</u>. The failure of any Member to comply with the Governing Documents and Applicable Law shall give rise to a cause of action in the Association and any aggrieved Member pursuant to the Governing Documents and Applicable Law.
- 3.2.2. <u>Award of Fees</u>. As specified and limited in the Governing Documents, any legal action to enforce the provisions of the Governing Documents or Applicable Laws shall entitle the prevailing party to an Award of Fees.
- 3.2.3. <u>Hearings before the Board</u>. In hearings before the Board required by the Governing Documents and Applicable Law, the Board shall have the right and power to deal directly with the Member, rather than legal counsel representing the Member, before, during, and after such hearing.
- 3.2.4. <u>Abatement</u>. The Architectural Committee shall have the power to order an abatement of any Improvement for which approval is required, to the extent that it has not been approved by the Architectural Committee or that it does not conform to the SMR Construction Plan Approval Form or Association-Issued Building Permit submitted to and approved by the Architectural Committee. No work for which approval is required shall be deemed to be approved simply because it has been completed without a complaint, notice of noncompliance, abatement, or commencement of legal action to enjoin such work.
- 3.3. <u>Residential use of Lots</u>. No Lot, nor any portion thereof, shall be used for any purpose other than one Single-Family Dwelling or, as permitted by the Guidelines, two RV pads. All Lots within the Subdivision shall be used for residential purposes only.

- 3.4. <u>Permitted use of Lots</u>. Each Lot may be used in any manner permitted or not limited by the Guidelines, Governing Documents, or Applicable Law. If any applicable provision of the Guidelines, Governing Documents, or Applicable Laws conflict, the more restrictive provision of the same shall apply.
- 3.5. <u>Common Areas</u>. No construction, reconstruction, Improvement, or maintenance that in any way alters the form or appearance of the Common Areas shall be made or done by any Person other than the Association. Only the Association or its Agents shall construct, reconstruct, Improve, or maintain a Building, Structure, or road within the Common Areas.
- 3.6. <u>Interference with access</u>. No Lot Owner shall interfere with or otherwise restrict the right of passage of other Persons over roads or Common Areas of the Subdivision.
- 3.7. <u>Nuisances prohibited</u>. No Nuisance or offensive activity shall be carried on within the Subdivision, nor shall anything be done or placed within the Subdivision which may be or become a Nuisance or cause unreasonable embarrassment, disturbance, or annoyance to other Members in the enjoyment of their Lots or Common Areas.
- 3.8. <u>Parking</u>. No motor or off-road vehicle, RV, trailer (for hauling), boat, or the like shall be parked or left on any portion of the Subdivision, unless the same is parked in the driveway or other permitted parking area of a Lot or is temporarily parked in a Common Area while the owner uses the Common Area. Violation of this Section shall subject the owner of the motor or off-road vehicle, RV, trailer (for hauling), boat, or the like to towing at the owner's expense. If the Association removes the motor or off-road vehicle, RV, trailer (for hauling), boat, or the like it may levy an Individual Charge against the Member for the cost of removal, which may include the cost of towing, storage, and disposal.
- 3.9. Inoperable, dilapidated, and/or unregistered motor vehicle, RV, trailer, boat, or the like. No Lot Owner shall park or store any inoperable, dilapidated, or unregistered motor or off-road vehicle, RV, trailer (for hauling), boat, or the like on the Lot Owner's Lot or Common Areas. If the Association determines that a motor or off-road vehicle, RV, trailer (for hauling), boat, or the like on the Lot Owner's Lot or Common Areas is inoperable, dilapidated and that the same is parked or stored, the Association shall send written notice to the Lot Owner requesting removal of the same from the Lot Owner's Lot or Common Area within 10 days of the date of the notice. If the Lot Owner fails to remove the inoperable, dilapidated, or unregistered motor or off-road vehicle, RV, trailer (for hauling), boat, or the like within the 10-day period, the Association may remove inoperable, dilapidated, or unregistered motor or off-road vehicle, RV, trailer (for hauling), boat, or the like and levy an Individual Charge against the Lot Owner for the cost of removal, which may include the cost of towing, storage, and disposal.
- 3.9.1. <u>Exception</u>. Article 3, Section 3.9 of the CC&Rs shall not apply to any motor or off-road vehicle, RV, trailer (for hauling), boat, or the like that is temporarily disabled or inoperable due to repairs or maintenance and parked or stored on the Lot Owner's Lot.
 - 3.10. Animals.

- 3.10.1. <u>Pets</u>. A pet is any domesticated animal that is kept for companionship or pleasure, including but not limited to dogs, cats, birds, fish, and reptiles. Lot Owners shall be responsible to pick up after pets and dispose of waste properly.
- 3.10.2. <u>Animals other than pets</u>. Animals other than pets include but are not limited to livestock and poultry. Animals other than pets do not include wildlife. Lot owners shall be responsible to pick up after animals other than pets and dispose of waste properly.
 - 3.10.3. <u>Requirements</u>. Pets and animals other than pets shall:
 - be allowed within the Subdivision;
 - not be kept or raised for breeding or other commercial purposes;
 - be clean:
 - be properly vaccinated against rabies and other diseases;
 - be housed or confined properly when outside;
 - be sanitary;
 - be confined to its Lot Owner's Lot and not trespass on another Lot Owner's Lot or the Common Areas;
 - not make undue or excessive noise, be destructive, emit foul odors, or otherwise interfere with or disturb another Lot Owner's quiet enjoyment of that Lot Owner's Lot;
 - not intimidate or harass any Person within the Subdivision;
 - be under its owner's control at all times while in the Subdivision; and
 - not disturb wildlife.
 - 3.11. <u>Hunting</u>. No hunting shall be permitted within the Subdivision.
- 3.12. <u>Discharge of firearms</u>. The discharge of any firearm shall be prohibited within the Subdivision.
- 3.13. Open fires. This Section applies only to exterior fires, not those inside Single-Family Dwellings or external fireplace fires for which the sole fuel is propane or natural gas, and for which a quick turn off-valve is immediately nearby.
- 3.13.1. <u>Permitted external fires</u>. Unless restricted due to weather, government mandate, or other legal reason, external fires shall be permitted within the Subdivision so long as such fire is set and contained within a fire pit that has been approved by the Safety Committee.
- 3.13.1.1. <u>Approval of an external fire pit by a Safety Committee Member</u>. Lot Owners shall make an informal request to the Association at its Principal Office for approval of a fire pit. The Safety Committee Member will inspect and approve or deny a fire pit based on but not limited to the following criteria:
 - type of fire pit—portable or in-ground;
 - location—distance from propane tanks, Single-Family Dwellings, Buildings and Structures; and
 - use—cooking, burning brush, or ambience.
- 3.13.2. <u>Prohibited</u>. All external fires and/or fire pits not permitted by the CC&Rs shall be prohibited.

- 3.14. <u>Fireworks</u>. All fireworks are prohibited within the Subdivision.
- 3.15. <u>Garbage and Refuse Disposal</u>. Lot Owners shall be responsible for removing and preventing the accumulation of all garbage, waste, debris, rubbish, litter, unsightly conditions, and the open storage of the same from the Lot Owner's Lot. Lot Owners shall transport all such garbage, waste, debris, rubbish, litter, unsightly conditions, and the open storage of the same to the Sanpete County landfill or any other landfill or disposal facility.
- 3.16. <u>Household Garbage</u>. All Household Garbage shall be placed in the dumpster located in the Commercial Area of the Subdivision. The dumpster located in the Commercial Area of the Subdivision shall be limited to use by Members only. Other than Household Garbage, no other materials or refuse shall be placed in the dumpster. The Association shall empty the dumpster on a regular basis.
- 3.17. No Right to Lease or collect Lot Rent. No Lot Owner shall Lease a Lot or any Building or Structure thereon and no Lot Owner shall charge or collect Lot Rent.
- 3.18. <u>Division or subdivision of Lots</u>. Without the prior written consent of the Association, no Lot or Lot line shall be divided, subdivided, or adjusted.
- 3.18.1. Exception. A Lot may be split or subdivided without the prior written consent of the Association if the resulting additional Lot is conveyed to the Association for inclusion in the Common Area.
- 3.19. <u>Drainage</u>. Without prior written consent of the Association, no Lot Owner shall construct, reconstruct, Improve, or do any act that would interfere with the natural or established drainage systems or patterns inside or outside the boundaries of the Subdivision.
- 3.20. Oil, gas, minerals, water, and geothermal resources. The Association hereby reserves unto itself all oil, gas, minerals, water, and geothermal resources rights, including but not limited to, the right to explore for, develop, produce, and market oil, gas, minerals, water, and geothermal resources, in, on, and under the real property of the Subdivision, and to enter upon the real property of the Subdivision for such purposes. The Association may grant or lease any or all the oil, gas, minerals, water, and geothermal resources to any Person. The Association shall not be liable for any damages or injuries arising out of the exploration, development, production, or marketing of oil, gas, minerals, water, and geothermal resources. No drilling, exploration, refining, quarrying, or extraction operations of any kind shall be conducted or permitted to be conducted on any part of the Subdivision except upon the prior written approval of the Association and, as to such operations to the extent they affect the surface rights of a Lot, the prior written approval of the Lot Owner of the affected Lot. No drilling for water or geothermal resources or the installation of wells shall be allowed on any Lot unless specifically approved in writing by the Association and affected Lot Owner.

3.21. Water use. No Lot Owner whose Lot is contiguous to a stream or body of water shall have any rights over or above those of other Lot Owners with respect to use of the water, the land thereunder, or the water therein. No Person shall acquire or be divested of title to any land adjacent to or beneath such water within the Subdivision due to accretion, erosion, or change in water levels. No Lot shall be contoured or sloped, nor may drains be placed upon any Lot, so as to encourage drainage of water from such Lot into any body of water without the prior written approval of the Association. All streams and other natural bodies of water within the Subdivision are protected as watershed and access thereto by Persons and household pets is strictly prohibited.

Watering on any Lot is permitted.

- 3.22. <u>Compliance with Governing Documents and Applicable Laws</u>. Each Member and Person within the Subdivision using or enjoying a Lot or Common Area covenants and agrees to comply with and be bound and governed by all the terms and conditions of the Governing Documents and Applicable Law.
- 3.23. <u>Insurance and legal considerations</u>. Nothing shall be done or kept in any Lot or Common Area of the Subdivision that might increase the rate of, or cause the cancellation of insurance on the Subdivision, or any portion of the Subdivision, without the prior written consent of the Association. Nothing shall be done or kept in any Lot or Common Area of the Subdivision that violates the Governing Documents or Applicable Laws. No personal property belonging to a Member shall remain within any portion of the Common Areas.
- 3.24. <u>Mountain Lots</u>. A Mountain Lot shall not be used or occupied for more than 180 calendar days per calendar year.

ARTICLE 4. MANAGEMENT OF AND MEMBERSHIP IN THE ASSOCIATION

- 4.1. <u>Management of the Subdivision</u>. In accordance with Article 5 of the Bylaws, management of the Association shall be vested in the Board in accordance with the Governing Documents and Applicable Law.
- 4.2. <u>Membership in the Association</u>. Membership in the Association is specified in its entirety in Article 3 of the Bylaws and the same is referenced and adopted by the CC&Rs as if fully stated herein. Transfer of Membership in the Association shall occur only as specified in Article 3, Section 3.2 of the Bylaws.

ARTICLE 5. POWERS, DUTIES, AND LIMITATIONS OF THE ASSOCIATION

5.1. Powers.

- 5.1.1. General powers. The Association shall have all the powers of a nonprofit corporation organized under Utah law, subject only to the limitations set forth in the Governing Documents and Applicable Law. Further, the Association shall have the power to do any lawful thing that may be authorized, required, or permitted to be done by the Association or Board under the Governing Documents and Applicable Law, and to do and perform any act that may be necessary or proper for or incidental to, the exercise of any of the express powers of the Association or Board, including, without limitation, the powers described in the CC&Rs and the general and specific powers, including the power to pass and enforce Resolutions, enumerated in Article 5, Section 5.1 of the Bylaws.
- 5.1.2. <u>Additional powers</u>. Without prejudice to the general powers of the Association as specified in Article 5, Section 5.1.1 of the CC&Rs and subject to any limitations in the Governing Documents or Applicable Law, the Association's additional powers shall include but not be limited to the power to:
 - regulate public utilities, including utility easements;
 - prevent and cure breaches of the Governing Documents and Applicable Law;
 - represent Members' interests;
 - create emergency protocols;
 - ensure the health, safety, and welfare of all Persons within the Subdivision;
 - engage in a Proceeding, sue, be sued, and defend itself in its own name;
 - set, levy, and collect Assessments, Individual Charges, Fees, and Fines;
 - regulate activities within the Subdivision;
 - contract in its own name;
 - purchase, hold, and sell real and personal property in its own name;
 - open and maintain a General Account and Reserve Account in its own name;
 - enter and inspect Lots as provided in the Governing Documents and Applicable Law;
 - amend the Governing Documents;
 - determine Membership in the Association;
 - enforce the Governing Documents; and
 - dedicate or transfer all or any party of the Common Areas not already so dedicated or transferred, to any Person for such purposes and subject to such conditions as may be agreed to by the Association, subject to a majority vote of the Class A Members at a Members' Meeting and notation of the same in the minutes of the Members' Meeting.

5.2. <u>Duties</u>.

5.2.1. General duties. In addition to the powers delegated to the Association by the Governing Documents and Applicable Law, and without limiting their generality, the Association, acting by and through the Board, has the duty to conduct all business affairs of common interest to all Members and to perform each of the duties of a nonprofit corporation organized under Utah law, subject only to the limitations set forth in the Governing Documents and Applicable Law. Further, the Association shall have the duty to do any lawful thing that may be authorized, required, or permitted to be done by the Association or Board under the Governing Documents and Applicable Law, and to do and perform any act that may be necessary or proper for or incidental to, the exercise of any of the express duties of the Association or Board, including, without limitation, the duties described in the CC&Rs and duties enumerated in Article 5, Section 5.2 of the Bylaws.

- 5.2.2. <u>Additional duties</u>. Without prejudice to the general duties of the Association as specified in Article 5, Section 5.2.1 of the CC&Rs and subject to any limitations in the Governing Documents or Applicable Law, the Association's additional duties shall include but not be limited to the duty to:
 - reimburse, pursuant to Article 4, Section 4.8 of the Bylaws, Board Members for expenses incurred in the performance of the Board Member's duty and pursuant to written proof by the Board Member of payment of the expense;
 - reimburse, pursuant to Article 9, Section 9.2.2.10 of the CC&Rs, Committee Members for expenses incurred in the performance of the Committee Member's duty and pursuant to written proof by the Committee Member of payment of the expense;
 - equally enforce the Governing Documents and Applicable Law by any means necessary and appropriate;
 - ensure compliance with Governing Documents and Applicable Law;
 - not deny a Member any right protected or granted by Utah Code § 57-8a-218 (2023);
 - pay, or where appropriate, contest, all real and personal property taxes and tax assessments and all other taxes levied against the Subdivision and Association;
 - pay all income taxes and file annual federal and state income tax returns;
 - acquire and provide public utilities to Lot Owners;
 - regulate utility easements;
 - obtain and pay the cost of professional services;
 - operate, maintain, and otherwise manage or provide for the operation, maintenance, and management of the Common Areas and all Buildings, Structures, and Improvements thereon, all personal property owned or maintained by the Association, and all roads within the Subdivision;
 - enter and inspect Lots as provided in the Governing Documents and Applicable Law;
 - establish and maintain the General Account and Reserve Account, manage all finances, prepare financial statements, and not comingle the Association's funds with the funds of any other Person;
 - provide, pursuant to Utah Code § 57-8a-211 (2021), a reserve analysis of the Reserve Account at least once every six years;
 - prepare and adopt, pursuant to Utah Code § 57-8a-215 (2011), an annual budget;
 - hold Member Meetings, Board Meetings, Committee Meetings, record communications, and organize and keep, maintain, provide, and make available all Corporate Records as required by the Governing Documents and Applicable Law;
 - set, levy, and collect Assessments, Individual Charges, Fees, and Fines;
 - file with the Division of Corporations and Commercial Code the annual report required by Utah Code § 16-6a-1607 (2008);
 - provide, pursuant to Utah Code § 57-8a-206 (2004), a written statement of Unpaid Assessments for a \$10 Fee;
 - provide, pursuant to Utah Code § 57-8a-106 (2012), payoff information needed in connection with financing, refinancing, or closing of a Lot Owner's sale of the Lot Owner's Lot for a \$50 Fee; and
 - maintain Guidelines.

ARTICLE 6. COVENANT TO PAY ALL ASSESSMENTS, INDIVIDUAL CHARGES, FEES, FINES,

AND ANY OTHER AMOUNT THAT THE ASSOCIATION IS ENTITLED TO RECOVER UNDER THE GOVERNING

DOCUMENTS, APPLICABLE LAW, OR AN ADMINISTRATIVE OR JUDICIAL DECISION

- 6.1. Covenant to pay all Assessments, Individual Charges, Fees, and Fines and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision. Each Member and, as applicable, Person, covenants and agrees to pay to the Association all Assessments, Individual Charges, Fees, Fines, and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision, levied or assessed against the Member or Person by the Association in accordance with the Governing Documents or pursuant an administrative or judicial decision. The Member or Person's obligation to pay all Assessments, Individual Charges, Fees, Fines, and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision, shall continue in full force and effect notwithstanding the sale, transfer, or other alienation of the Member's Lot.
- 6.1.1. <u>Joint and several covenant</u>. As provided in the Governing Documents and Applicable Law and where applicable, the covenant in Article 6, Section 6.1 of the CC&Rs shall be joint and several.
 - 6.2. Chart of Assessments, Individual Charges, Fees, and Fines.

TABLE 1. BASIC OVERVIEW OF ASSESSMENTS, INDIVIDUAL CHARGES, FEES, AND FINES.

Туре	Applicability	Description	Frequency	Amount	Payment Deadline
Regular Assessment	Class A Members	A fixed monetary amount that each Class A Member pays monthly	Monthly	Fixed	Last day of the month
Special Assessment	Class A Members	A fixed monetary amount that each Class A Member pays for a specific purpose	As needed	Varies	Within 30 days of notice or as otherwise specified
Individual Charge	All Members (as applicable, jointly and severally with other Persons)	A fixed amount each Member pays to cover costs associated with actions or services that are not covered by Assessments, Fees, and Fines and are specific to the Member	As needed	Varies	Within 30 days of notice or as otherwise specified
Fee	All Persons	A fixed amount that each Person pays for services, activities, and goods	At time of purchase of service, activity, or goods	Varies	At time of purchase of service, activity, or goods
Fine	All Members	A fixed monetary penalty levied by the Association	Upon a Member's	Varies	Within 30 days of

(as applicable,	on a Member or Person	second	notice or as
jointly and	for the violation of one or	violation or	otherwise
severally with	more rules or provisions	failure to cure	specified
other Persons)	of the Governing	the Member's	
	Documents	fist violation	

6.3. Assessments.

6.3.1. General.

- 6.3.1.1. Applicability. Assessments shall apply to all Class A Members.
- 6.3.1.2. <u>Power and duty of the Board to levy Assessments</u>. Subject to certain conditions set forth in Article 6, Section 6.3 of the CC&Rs, the Board shall have the power and duty to levy Assessments
- 6.3.2. <u>Regular Assessments</u>. A Regular Assessment is a fixed monetary amount that each Class A Member pays monthly.
- 6.3.2.1. <u>Purpose</u>. All Class A Members pay Regular Assessments monthly to cover the costs of operating and maintaining the Subdivision and Association.
- 6.3.2.2. <u>Amount of Regular Assessments</u>. The Board shall determine the amount of Regular Assessments.
- 6.3.2.3. <u>Adjusting the amount of Regular Assessments</u>. The Board may adjust the amount of Regular Assessments only if the following conditions are met:
 - the Board must approve the adjustment of the amount of the Regular Assessments by a majority vote at a Board Meeting;
 - the Board must provide notice of the adjustment of the amount of the Regular Assessment to the Class A Members at least 30 days before the adjusted Regular Assessment is due; and
 - the adjustment of the Regular Assessment must not exceed an increase of more than 25 percent in any calendar year without the approval of a majority of the Class A Members at a Special Meeting called by the Board.
- 6.3.2.4. <u>Payment of Regular Assessments</u>. Regular Assessments are levied each calendar month. Unless otherwise specified by the Board or Governing Documents, Regular Assessments shall be due and payable by the last day of the month in which the Regular Assessment is levied.
- 6.3.2.5. <u>Failure to pay a Regular Assessment</u>. Any Class A Member who fails to pay a Regular Assessment by the last day of the month shall be subject to any one or more penalties for Delinquent Accounts as set forth in Article 7 of the CC&Rs.
- 6.3.3. <u>Special Assessments</u>. A Special Assessment is a fixed monetary amount that each Class A Member pays for a specific purpose.

- 6.3.3.1. <u>Purpose</u>. All Class A Members pay Special Assessments from time to time for specific purposes as those purposes arise.
- 6.3.3.2. Power and duty of the Board to levy Special Assessments. The Board shall have the power and duty to levy Special Assessments in order to defray the cost of any extraordinary expenses incurred or reasonably predicted to be incurred by the Association including but not limited to the cost of repairing or replacing any Common Area or property owned by the Association that is damaged or destroyed by fire, flood, or other casualty for which insurance is insufficient, the cost of defending the Association against any threatened or real legal action, the cost of complying with any government regulation, and any other extraordinary expense that is not otherwise covered by the Association's budget, General Account, or Reserve Account.
- 6.3.3.3. <u>Conditions for levying Special Assessments</u>. The Board may only levy a Special Assessment if the following conditions are met:
 - the Board must approve the Special Assessment by majority vote at a Board Meeting;
 - the Board must provide notice of the Special Assessment to all Class A Members at least 30 days before the Special Assessment is due;
 - the amount of the Special Assessment must be reasonable and necessary to defray the cost of extraordinary expenses; and
 - the amount of the Special Assessment must fall within the parameters set forth in Article 6, Section 6.3.3.4 of the CC&Rs.
- 6.3.3.4. <u>Limitations on the amount of Special Assessments during a calendar year</u>. Within any calendar year, any Special Assessment which, by itself or in conjunction with a previously levied Special Assessment, amounts to a total of more than one-third of the annual aggregate amount of the monthly Regular Assessment then in force shall require approval by Class A Members at a Members' Meeting called by the Board.
- 6.3.3.4.1. <u>Example</u>. If the monthly Regular Assessment in a year is \$60, then the annual aggregate amount of the monthly Regular Assessment is \$720. If one or more Special Assessments levied by the Board within that calendar year exceed \$720, the Board must call a Special Meeting for the Special Assessment(s) to be approved by the Class A Members.
- 6.3.3.5. <u>Payment of Special Assessments</u>. Unless otherwise specified by the Board, Special Assessments shall be due and payable in full within 30 days of notice of the levy of a Special Assessment.
- 6.3.3.6. <u>Failure to pay a Special Assessment</u>. Any Class A Member who fails to pay a Special Assessment within the timeframe specified by the Board or within 30 days of notice of the levy of a Special Assessment, whichever is greater, shall be subject to any one or more penalties for Delinquent Accounts as set forth in Article 7 of the CC&Rs.
- 6.4. <u>Individual Charges</u>. An Individual Charge is a charge levied by the Association on a Member. It may be levied jointly and severally on a Member and a Member's Family, extended family, Guest, invitee, and/or licensee. See, for example, Article 2, Sections 2.1.5.1 and 2.1.5.2 of the CC&Rs.

- 6.4.1. <u>Applicability</u>. Individual Charges shall apply to all Members.
- 6.4.2. <u>Purpose</u>. All Members pay Individual Charges to cover costs associated with actions or services that are not covered by Assessments, Fees, and Fines and are specific to the Member.
- 6.4.2.1. <u>Example</u>. If a Member's Lot constitutes a Nuisance and, after notice, the Member fails to cure the Nuisance and the Association cures the Nuisance, the cost of the Association's labor and expense to cure the Nuisance constitutes an Individual Charge the Board may levy against the Member.
- 6.4.2.2. <u>Example</u>. If a Member or the Member's Guest damages Common Areas, the cost to repair the same constitutes an Individual Charge the Board may levy against the Member, and the Member shall be jointly and severally liable with the Member's Guest to pay the Individual Charge.
- 6.4.3. <u>Power and duty of the Board to levy Individual Charges</u>. The Board shall have the power and duty to levy Individual Charges.
- 6.4.4. <u>Conditions for levying Individual Charges</u>. The Board may only levy an Individual Charge if the following conditions are met:
 - the Board must approve the Individual Charge by majority vote at a Board Meeting;
 - the Board must provide notice of the Individual Charge to the Member at least 30 days before the Individual Charge is due; and
 - the amount of the Individual Charge must be reasonable.
- 6.4.5. <u>Amount of Individual Charges</u>. Individual Charges shall not be used as a means of generating revenue for the Association or as a substitute for Assessments. The Board shall ensure that Individual Charges are levied only to cover costs that are associated with the actions or services specific to the Member.
- 6.4.6. <u>Payment of Individual Charges</u>. Unless otherwise specified by the Board, Individual Charges shall be due and payable in full within 30 days of notice of the levy of an Individual Charge.
- 6.4.7. <u>Failure to pay an Individual Charge</u>. Any Member who fails to pay an Individual Charge within the timeframe specified by the Board or within 30 days of notice of the levy of a Special Assessment, whichever is greater, shall be subject to any one or more penalties for Delinquent Accounts as set forth in Article 7 of the CC&Rs.
 - 6.5. <u>Fees</u>.
 - 6.5.1. <u>Applicability</u>. As applicable, Fees shall apply to all Persons.
 - 6.5.2. <u>Purpose</u>. All Persons pay Fees for services, activities, and goods.
- 6.5.2.1. Example. If a Member requests, in writing, a statement indicating any unpaid Assessments, Individual Charges, Fees, and/or Fines, the Association may, in accordance with Utah Code § 57-8a-206(1)(a)(ii) (2004), charge a \$10 Fee for the statement.

- 6.5.2.2. Example. If a Member requests, in writing, records of the Association, the Association may, in accordance with Utah Code § 57-8a-227(4)(b)(ii)(B) (2004), charge a Fee of up to 10 cents per page and \$15 per hour for an employee's time in gathering and supplying the records to the Member.
- 6.5.2.3. <u>Example</u>. If a Member and Guest wish to play golf at the Skyline Mountain Golf Course, each pays a green fee.
- 6.5.2.4. <u>Example</u>. If a Member or Guest wishes to purchase a shirt with the Association's logo, the Member or Guest pays a Fee to purchase the shirt.
- 6.5.2.5. <u>Example</u>. If a Lot Owner wishes to build a Structure on his or her Lot, the Lot Owner pays the applicable Fee to have the Architectural Control Committee review the Lot Owner's plans for the Structure.
- 6.5.3. <u>Power and duty of the Board to levy Fees</u>. The Board shall have the power and duty to levy Fees.
- 6.5.4. <u>Conditions for levying Fees</u>. The Board may only levy a Fee if the following conditions are met:
 - the Board must approve the Fee by majority vote at a Board Meeting;
 - the Board must post notice of the Fee in a conspicuous place in the Principal Office or on the Association's website for at least 10 days or must include the same in the Governing Documents; and
 - if the Fee is governed by law, the Fee must fall within the parameters of the Applicable Law.
- 6.5.5. <u>Amount of Fees</u>. In determining the amount of any Fee, the Board shall take into consideration the actual cost to the Association for providing the service, activity, or good, including any direct costs such as materials, equipment, labor, and/or maintenance, and any indirect costs such as administrative expenses and overhead.
- 6.5.6. <u>Payment of Fees</u>. Unless otherwise specified by the Board, Fees shall be due and payable in full at the time the service or activity is provided or the good is purchased.
- 6.5.7. <u>Failure to Pay a Fee</u>. Any Person who fails to pay a Fee for a service, activity, or good shall not be entitled to the service, activity, or good. The Person shall be responsible for any costs incurred by the Association and/or provider of the service, activity, or good as a result of the Person's failure to pay the Fee.

6.6. <u>Fines</u>.

6.6.1. <u>Applicability</u>. Fines shall apply to all Members. Fines may be levied jointly and severally on a Member and a Member's Family, extended family, Guest, invitee, and/or licensee. See, for example, Article 2, Sections 2.1.5.1 and 2.1.5.2 of the CC&Rs.

- 6.6.2. <u>Purpose</u>. A Fine is a monetary penalty levied by the Association on a Member for the violation of one or more rules or provisions of the Governing Documents. Fines discourage Members and other Persons from violating the rules and provisions of the Governing Documents.
- 6.6.2.1. <u>Example</u>. If a Member disposes of a dishwasher in the dumpster in violation of Article 3, Section 3.16 of the CC&Rs, the Board may levy a Fine against the Member for violation of a Restriction set forth in the CC&Rs.
- 6.6.3. <u>Power and duty of the Board to set and levy Fines</u>. The Board shall have the power and duty to set and levy Fines.
- 6.6.4. <u>Before levying a Fine</u>. Before levying a Fine, the Board shall give the Member a written warning that:
 - describes the violation;
 - cites to and quotes the Article and Section of the Governing Documents that the Member's conduct violates;
 - states that the Board may, in accordance with Article 6, Section 6.6 of the CC&Rs, levy Fines against the Member if a continuing violation is not cured or if the Member commits similar violations within one year after the day on which the Board gives the Member written warning or levies a Fine against the Member under Article 6, Section 6.6 of the CC&Rs; and
 - if the violation is a continuing violation, states a time that is not less than 48 hours after the day on which the Board gives the Member written warning by which the Member shall cure the violation.
- 6.6.4.1. Example. The Board sends a written warning to a Member warning the Member not to throw appliances (i.e., a dishwasher) in the Association's dumpster because appliances do not constitute Household Garbage under Article 1, Section 1.1.43 of the CC&Rs. Further, under Article 3, Section 3.16 of the CC&Rs, only Household Garbage is permitted to be disposed of in the Association's dumpster. The Board informs the Member that if the Member, within one year of the date of the written warning, disposes of anything other than Household Garbage in the Association's dumpster, the Member will be subject to a fine of \$250 per item disposed of in violation of Article 3, Section 3.16 of the CC&Rs. If necessary and possible, the Association may remove the dishwasher from the Association's dumpster and levy an Individual Charge against the Member for the Association's labor. Or the Association may, if time permits, demand that the Member remove the dishwasher from the Association's dumpster within 48 hours.
 - 6.6.5. <u>Levving a Fine</u>. The Board may levy a Fine against a Member if:
 - within one year after the day on which the Board gives the Member a written warning required by Article 6, Section 6.6.4 of the CC&Rs, the Member commits another violation of the same rule or provision identified in the written warning; or
 - for a continuing violation, the Member does not cure the violation within the period that is stated in the written warning required by Article 6, Section 6.6.4 of the CC&Rs.

- 6.6.6. <u>Additional Fines</u>. After the Board levies a Fine against a Member under Article 6, Section 6.6 of the CC&Rs, the Board may, without further warning, levy an additional Fine against the Member each time the Member:
 - commits a violation of the same rule or provision within one year after the day on which the Board levies a Fine for a violation of the same rule or provision; or
 - allows a violation to continue for 10 calendar days or longer after the day on which the Board levies the Fine.
- 6.6.7. <u>Amount of Fines</u>. A Fine levied under Article 6, Section 6.6 of the CC&Rs shall be determined by the Board and shall:
 - be made for a violation of a rule or provision of the Governing Documents;
 - be in the amount provided for in the Governing Documents; and
 - accrue Interest and Late Fees as provided in the Governing Documents.

6.6.8. <u>Informal hearing</u>.

6.6.8.1. <u>Request for hearing</u>. A Member against whom a Fine is levied under Article 6, Section 6.6 of the CC&Rs may request an informal hearing before the Board to dispute the Fine within 30 calendar days after the day on which the Member receives notice that the Fine has been levied against the Member and is due and payable.

6.6.8.2. <u>Hearing</u>. At a hearing, the Board shall:

- provide the Member a reasonable opportunity to present the Member's position to the Board; and
- allow the Member, a member of the Board, or any other Person involved in the hearing to participate in the hearing by means of Electronic Communication.
- 6.6.8.3. <u>Appeal</u>. A Member may appeal a Fine levied against the Member by initiating a civil action within 180 days after:
 - if the Member timely requests an informal hearing under Article 6, Section 6.6.8.1 of the CC&Rs, the day on which the Member receives a final written decision from the Board; or
 - if the Member does not timely request an informal hearing under Article 6, Section 6.6.8.1 of the CC&Rs, the day on which the time to request an informal hearing under Article 6, Section 6.6.8.1 of the CC&Rs expires.
- 6.6.9. <u>Payment of Fines</u>. Fines shall be due and payable as specified in writing by the Board. If no such specification is made by the Board, all Fines shall be due and payable within 30 days of the day on which the Member receives notice that the Fine has been levied against the Member and is due and payable.
- 6.6.10. <u>Failure to pay a Fine</u>. Any Member who fails to pay a Fine within the timeframe specified by the Board or within 30 days of notice of the levy of a Fine, whichever is greater, shall be subject to any one or more penalties for Delinquent Accounts as set forth in Article 7 of the CC&Rs.

- 6.7. Any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision. Any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision, is a charge levied by the Association or a judicial or quasi-judicial body on a Member. Such amounts may be levied jointly and severally on a Member and a Member's Family, extended family, Guest, invitee, and/or licensee. See, for example, Article 2, Sections 2.1.5.1 and 2.1.5.2 of the CC&Rs.
- 6.7.1. <u>Applicability</u>. Any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision shall apply to all Members.
- 6.7.2. <u>Purpose</u>. All Members pay amounts that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision to comply with the same.
- 6.7.2.1. Example. A Member fails to pay Assessments. The Association places a lien on the Member's Lot for the amount of the Unpaid Assessments. The Member fails to pay the Unpaid Assessments and amount of the lien within the period specified in the Governing Documents. The Association initiates Nonjudicial Foreclosure proceedings. The Association prevails in the Nonjudicial Foreclosure proceeding and is granted, as the prevailing party, an Award of Fees. The Award of Fees constitutes an amount that the Association is entitled to recover under the Governing Documents and a judicial decision. The Board may levy the Award of Fees against the Member and/or, if permitted by Applicable Law before the sale of the Member's Lot, against the Member's Lot as an addition to the existing lien or an additional lien.
- 6.7.3. Power and duty of the Board to levy an amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision. The Board shall have the power and duty to levy any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision.
- 6.7.4. Before levying an amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision. Before levying an amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision, the Board shall give the Member notice that:
 - cites to and quotes the Governing Document, Applicable Law, or administrative or judicial decision that entitles the Association to recovery;
 - specifies the amount the Association is entitled to recover;
 - specifies the date by which the Member is to pay the amount the Association is entitled to recover, which date shall not precede any date provided by the Governing Documents, Applicable Law, or an administrative or judicial decision; and
 - describes any penalties to which the Member may be subject if the Member fails to pay the amount the Association is entitled to recover by the date the amount is due.

6.7.5. Failure to pay an amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision. Any Member who fails to pay an amount the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision within 30 days of the notice provided in Article 6, Section 6.7.4 of the CC&Rs or as specified in Applicable Law or the administrative or judicial decision, whichever is later, shall be subject to any one or more penalties for Delinquent Accounts as set forth in Article 7 of the CC&Rs.

ARTICLE 7. PENALTIES FOR THE BREACH OF THE COVENANT IN ARTICLE 6, SECTION 6.1 OF THE CC&RS

- 7.1. Breach of the covenant in Article 6, Section 6.1 of the CC&Rs. If any Member fails to pay any Assessment, Individual Charge, Fee, Fine, or other amount the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision when due, the Member shall be in breach of the covenant in Article 6, Section 6.1 of the CC&Rs. Further, the Member's failure to pay the same shall, as applicable, result in an Unpaid Assessment or Delinquent Account and shall subject to the Member to the remedial actions in this Article and any actions available at law, equity, or Applicable Law, whether enumerated in the CC&Rs or not.
- 7.2. Remedies for breach of the covenant in Article 6, Section 6.1 of the CC&Rs. If any Member is in breach of Article 6, Section 6.1 of the CC&Rs, the Association may take any of the remedial actions in Article 7 of the CC&Rs and any actions available at law, equity, or Applicable Law, whether enumerated in the CC&Rs or not. Any such action may be taken, including litigation, without satisfying the requirement of Article 8, Section 8.4 of the Bylaws.

7.3. Remedial Actions.

7.3.1. <u>Late Fee</u>.

- 7.3.1.1. <u>Applicability</u>. A Late Fee shall apply to Unpaid Assessments, Delinquent Accounts, Collection Costs, and unpaid Individual Charges, Fines, and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision.
- 7.3.1.2. When levied. A Late Fee shall be levied the day immediately following the due date of an unpaid Assessment, Individual Charge, Fine, or other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision.
- 7.3.1.3. <u>Rate</u>. A Late Fee shall not exceed the greater of \$30 or 20% of the total unpaid Assessment, Individual Charge, Fine, or other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision.

7.3.2. <u>Interest</u>.

- 7.3.2.1. <u>Applicability</u>. Interest shall apply to Unpaid Assessments, Delinquent Accounts, Collection Costs, and unpaid Individual Charges, Fines, and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision.
- 7.3.2.2. When levied. Interest shall be levied the day immediately following the due date of an unpaid Assessment, Individual Charge, Fine, or amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision and shall compound every day thereafter that the same remains unpaid.
 - 7.3.2.3. Rate. Interest shall be 18% per year, compounded and levied on a daily basis.

7.3.3. Suspension of a Member's rights.

- 7.3.3.1. <u>Applicability</u>. The suspension of rights shall apply to Unpaid Assessments, Delinquent Accounts, Collection Costs, and unpaid Individual Charges, Fines, and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision.
- 7.3.3.2. <u>Suspension of a Member's rights</u>. The Association may suspend the rights of a Member with a Delinquent Account:
 - to access and use Recreational Facilities; and
 - to cast a vote at a Members' Meeting.
- 7.3.3.3. <u>Notice</u>. Before a Member's rights may be suspended, the Board shall provide notice to the Member. The notice shall state:
 - that the Association will suspend the Member's rights as specified in Article 7, Section 7.3.3.2 of the CC&Rs if the Association does not receive payment of the Delinquent Account as specified in the notice, as specified in the Governing Documents, as otherwise specified by the Board, or, if the foregoing do not apply, within 30 days of receipt of the notice;
 - the amount of the Delinquent Account, including any interest, Late Fees, and/or Collection Costs; and
 - the Member's right to request a hearing.

7.3.3.4. Hearing.

- 7.3.3.4.1. <u>Member's right to request a hearing</u>. A Member who has received notice under Article 7, Section 7.3.3.3 of the CC&Rs that the Member's rights may be suspended may submit a written request to the Board for an informal hearing to dispute the Delinquent Account.
- 7.3.3.4.2. <u>Timely request for a hearing</u>. A written request by the Member shall be submitted within 14 days after the date the Member receives the notice required by Article 7, Section 7.3.3.3 of the CC&Rs.
 - 7.3.3.4.3. <u>Hearing</u>. At a hearing, the Board shall:
 - provide the Member a reasonable opportunity to present the Member's position to the Board; and

- allow the Member, a member of the Board, or any other Person involved in the hearing to participate in the hearing by means of Electronic Communication.
- 7.3.3.5. <u>Stay of suspension</u>. If a Member requests a hearing, the Association shall not suspend the Member's rights until after the Board conducts the hearing and enters a final decision.
 - 7.3.3.6. <u>Duration</u>. The suspension of a Member's rights shall be effective:
 - if the Member fails to pay the Delinquent Account within the timeframe provided in the notice required by Article 7, Section 7.3.3.3 of the CC&Rs, then the day after the date whereupon the Member was to pay the Delinquent Account; or
 - if the Member requests a hearing, then after the Board conducts a hearing and only if the Board's decision is to suspend the Member's rights, then the suspension of the Member's rights shall be effective immediately.
- 7.3.3.7. <u>Reinstatement</u>. A Member's rights shall be reinstated immediately upon the Member's payment in full of the Delinquent Account.

7.3.4. <u>Collection Costs.</u>

- 7.3.4.1. <u>Applicability</u>. Collection Costs shall apply to Unpaid Assessments, Delinquent Accounts, and unpaid Individual Charges, Fines, and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision.
- 7.3.4.2. When levied. Collection Costs shall be levied as accrued and may begin accruing the day immediately following the due date of an unpaid Assessment, Individual Charge, Fine, or amount the Association is entitled to recover under the Governing Documents, Applicable law, or an administrative or judicial decision.
- 7.3.4.3. <u>Notice to pay Collection Costs</u>. Collection Costs shall become due and payable 30 days after levied. To collect Collection Costs, the Association shall send notice to the Member:
 - demanding payment of the Delinquent Account and Collection Costs;
 - stating (and delineating) the total amount of the Delinquent Account;
 - stating (and delineating) the total amount of Collection Costs;
 - specifying the date by which the Delinquent Account must be paid in full;
 - specifying that Collection Costs must be paid in full within 30 days of the date of the notice; and
 - outlining the consequences of nonpayment, which include any one or more of the penalties in Article 7 of the CC&Rs or available at law, equity, or Applicable Law.

7.3.5. <u>Lien</u>.

7.3.5.1. <u>Applicability</u>. Liens by the Association shall apply to Unpaid Assessments, Delinquent Accounts, Collection Costs, and unpaid Individual Charges, Fines, and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision.

- 7.3.5.2. <u>Notice</u>. Pursuant to Utah Code § 57-8a-301(1)(b) (2024), "the recording of [the CC&Rs] constitutes record notice and perfection of a lien" by the Association on a Lot for Unpaid Assessments, Delinquent Accounts, Collection Costs, and unpaid Individual Charges, Fines, and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision.
- 7.3.5.3. When levied. Pursuant to the CC&Rs and Applicable Law, record notice and perfection of the Association's lien on a Lot shall be levied the day immediately following the due date of Unpaid Assessments, Delinquent Accounts, Collection Costs, and unpaid Individual Charges, Fines, and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision.
- 7.3.5.4. <u>Priority</u>. The Association's lien shall have priority over all other liens and encumbrances on a Lot, except those specified in Utah Code § 57-8a-301(4)(a) through (c) (2024).
- 7.3.5.5. Enforcement. The Association may enforce its lien by any means permitted by law including but not limited to Judicial Foreclosure or Nonjudicial Foreclosure, taking a deed in lieu of Judicial Foreclosure or Nonjudicial Foreclosure, or an action to recover the amount for which the lien was created.
- 7.3.5.6. <u>Notice of lien</u>. If the Association chooses to enforce its lien on a Lot, the Association shall provide notice to the Lot Owner of:
 - the amount of the lien;
 - the date the lien was created;
 - the steps the Lot Owner must take to satisfy the lien; and
 - the consequences of failing to follow the steps to satisfy the lien.
- 7.3.5.7. <u>Release of lien</u>. The Association shall release its lien on a Lot upon payment in full of the lien, plus any Late Fees, Interest, and Collection Costs that have accrued. The Association may release its lien if the Lot Owner provides the Association with a satisfactory bond or other security in an amount equal to the lien.

7.3.6. Judicial Foreclosure.

- 7.3.6.1. <u>Applicability</u>. Judicial Foreclosure shall apply to the enforcement of the Association's lien for nonpayment of Unpaid Assessments, Delinquent Accounts, Collection Costs, and unpaid Individual Charges, Fines, and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision.
- 7.3.6.2. <u>Procedure</u>. Judicial Foreclosures occur in the manner prescribed by Applicable Law for the foreclosure of a mortgage on real property.
- 7.3.6.3. <u>Award</u>. In all cases of Judicial Foreclosure, a court entering a judgment or decree shall award the prevailing party an Award of Fees.

7.3.7. <u>Nonjudicial Foreclosure</u>.

7.3.7.1. <u>Applicability</u>. Nonjudicial Foreclosure shall apply to the enforcement of the Association's lien for nonpayment of Unpaid Assessments, Delinquent Accounts, Collection Costs, and unpaid Individual Charges, and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision, except Fines.

7.3.7.2. Qualified trustee of the Association.

- 7.3.7.2.1. <u>Appointment</u>. The Association shall appoint a qualified trustee in accordance with Utah Code § 57-8a-302 (2013).
- 7.3.7.2.2. <u>Powers</u>. The Association's qualified trustee shall possess and shall be authorized to exercise all powers under Applicable Law and, more specifically, Utah Code § 57-8a-302 (2013) and Utah Code § 57-1-19 through 57-1-34.
- 7.3.7.2.3. <u>Duties</u>. The Association's qualified trustee shall exercise all duties under Applicable Law and, more specifically, Utah Code § 57-8a-302 (2013) and Utah Code §§ 57-1-19 through 57-1-34.

7.3.7.3. <u>Procedure</u>.

- 7.3.7.3.1. <u>Notice</u>. At least 30 days before the day on which the Association initiates a Nonjudicial Foreclosure by filing for record a notice of default, the Association shall deliver notice to the Lot Owner of the Lot that is the intended subject of the Nonjudicial Foreclosure. The notice shall:
 - notify the Lot Owner that the Association intends to pursue Nonjudicial Foreclosure with respect to the Lot Owner's Lot to enforce the Association's lien for an Unpaid Assessment;
 - notify the Lot Owner of the Lot Owner's right to demand Judicial Foreclosure in the place of Nonjudicial Foreclosure;
 - be in substantially the same form as that specified in Utah Code § 57-8a-303(2)(a)(iii) (2020); and
 - be sent to the Lot Owner by certified mail, return receipt requested.
- 7.3.7.4. <u>Prohibition on Nonjudicial Foreclosure</u>. The Association shall not use Nonjudicial Foreclosure to enforce a lien if:
 - the Association fails to provide notice as specified in Article 7, Section 7.3.7.3.1 of the CC&Rs.
 - the lien includes a Fine; or
 - the Lot Owner mails the Association a written demand for Judicial Foreclosure:
 - o by U.S. mail, certified with a return receipt requested;
 - o to the address stated in the Association's notice sent in accordance with Article 7, Section 7.3.7.3.1 of the CC&Rs; and
 - within 30 days after the day on which the return receipt described in Article 7, Section
 7.3.7.3.1 of the CC&Rs shows the Association's notice sent in accordance with Article 7,
 Section 7.3.7.3.1 of the CC&Rs was delivered.

- 7.3.7.5. <u>Award</u>. In all cases of Nonjudicial Foreclosure, a court entering a judgment or decree shall award the prevailing party an Award of Fees.
 - 7.3.8. Taking a deed in lieu of Judicial Foreclosure or Nonjudicial Foreclosure.
- 7.3.8.1. <u>Applicability</u>. Taking a deed in lieu of Judicial Foreclosure or Nonjudicial Foreclosure shall apply to Unpaid Assessments, Delinquent Accounts, Collection Costs, and unpaid Individual Charges, Fines, and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision.
- 7.3.8.2. <u>Process</u>. The Association may take a deed in lieu of Judicial Foreclosure or Nonjudicial Foreclosure if the deed is taken before the sale or Judicial Foreclosure or Nonjudicial Foreclosure of the Lot Owner's Lot.

7.3.9. <u>Legal Action</u>.

- 7.3.9.1. <u>Applicability</u>. Legal action shall apply to Unpaid Assessments, Delinquent Accounts, Collection Costs, and unpaid Individual Charges, Fines, and any other amount that the Association is entitled to recover under the Governing Documents, Applicable Law, or an administrative or judicial decision
- 7.3.9.2. <u>Right</u>. The Association reserves the right to, by any legal means necessary and available, whether in law or equity, cure or prevent a breach of Article 6, Section 6.1 of the CC&Rs.
- 7.3.9.3. <u>Award</u>. In all cases, a court entering a judgment or decree shall award the prevailing party an Award of Fees.
- 7.4. Remedial Actions are Cumulative. All actions and remedies pursued by the Association under Article 7 of the CC&Rs shall be cumulative and shall not be deemed to be exclusive of any other remedy or action provided by law, equity, or the Governing Documents. The Association may pursue all actions and remedies allowed by law, equity, and the Governing Documents, either singularly or in any combination, as the Association deems appropriate to recover for the breach of a covenant in Article 6, Section 6.1 of the CC&Rs.

ARTICLE 8. ASSOCIATION AND MEMBER INSURANCE, Losses, AND CONDEMNATION

- 8.1. <u>Insurance to be purchased and maintained by the Association</u>.
- 8.1.1. <u>General</u>. For all insurance required to be purchased and maintained by the Association, the following shall apply:
 - the Association shall obtain the insurance;
 - the insurance shall be maintained with an insurance company licensed in Utah;
 - the insurance shall name the Association as the insured for the benefit of the Members;
 - the Association shall be responsible for all premiums and other costs associated with the insurance;

- if the Association fails to maintain the required insurance, it shall be liable for any damages that are caused as a result of that failure;
- the Association may, as the Board considers appropriate, obtain an additional type of insurance than otherwise required or a policy with greater coverage than otherwise required;
- no insurance issued to the Association may prevent a Lot Owner from obtaining insurance for the Lot Owner's own benefit; and
- insurance premiums may be levied against Members as Assessments.
- 8.1.2. <u>Liability insurance</u>. The Association shall purchase and maintain comprehensive public liability insurance in the amount of not less than One Million Dollars (\$1,000,000) to cover itself, its Board, Committee Members, Members, Guests, and Agents and assigns of the same, for any injuries, including death, or damage caused by the ownership, use, or maintenance of Common Areas. The insurance shall also include cross-liability coverage so that insured parties cannot sue each other. The liability insurance may include the following coverages:
 - property damage;
 - bodily injury;
 - personal injury;
 - advertising injury;
 - medical payments;
 - umbrella liability;
 - excess liability;
 - General Managers and officers liability;
 - employment practices liability;
 - fiduciary liability;
 - cyber liability;
 - professional liability; and/or
 - any other coverages that the Association deems necessary.
- 8.1.3. <u>Fire and extended coverage</u>. The Association shall purchase and maintain fire and extended coverage for the Common Areas. The fire and extended coverage must cover the full replacement cost of all Buildings, Structures, and personal property, or the depreciated value if replacement cost coverage is not available. The insurance must also cover any risks that are commonly covered for Subdivisions of a similar construction, location, and use.
- 8.1.4. <u>Additional insurance</u>. The Board shall purchase and maintain the following additional insurance:
 - workers' compensation insurance in accordance with Utah Code Ann. § 34A-2-101 et seq.;
 - insurance to cover losses including but not limited to employee dishonesty, credit card theft, forgery, computer fraud and theft, funds transfer fraud, and the disappearance or destruction of Association property; and
 - insurance on personal property owned by the Association for the full replacement cost, or the depreciated value if replacement cost coverage is not available.
 - 8.2. <u>Insurance to be purchased and maintained by Members</u>.

- 8.2.1. <u>Association's liability</u>. The Association shall not be responsible for any liability arising out of the ownership, use, or maintenance of a Member's property, whether real or personal, including, but not limited to, bodily injury, death, property damage, or personal injury.
- 8.2.2. <u>Liability, property, and additional insurance</u>. Because the Association is not responsible for any liability that arises out of the ownership, use, or maintenance of a Member's property, whether real or personal, Members shall purchase and maintain liability, fire, and extended coverage, and as needed, additional insurance. All insurance purchased and maintained by Members shall be for the replacement cost of all Buildings, Structures, and personal property, or the depreciated value if replacement cost coverage is not available.

8.3. <u>Losses</u>.

- 8.3.1. <u>Association loss</u>. In the event of a loss covered by insurance, the Association may repair or reconstruct the same without the consent of the Members, regardless of the amount of available insurance proceeds.
- 8.3.1.1. <u>Contract</u>. In the event of a loss covered by insurance, the Association shall obtain at least two bids for repair or reconstruction from contractors licensed and insured in Utah and shall award the contract for repair or reconstruction to the most reasonable bidder. The Association shall enter into a written contract with the winning bidder. It shall be the duty of the Association to ensure that repair or reconstruction:
 - begins and ends within a reasonable time;
 - is completed within the established budget; and
 - meets applicable standards.
- 8.3.1.2. <u>Power to levy Special Assessments</u>. Where insurance proceeds are insufficient to cover the cost of repair or reconstruction, the Association shall have the power to levy a Special Assessment for such costs.
- 8.3.2. <u>Lot Owner loss</u>. In the event of a loss covered by insurance to any Building or Structure on a Lot, the Lot Owner shall, within a reasonable time after the loss, have the following options:
 - repair or reconstruct the Building or Structure in substantial conformity with its appearance, design, and structural integrity immediately prior to the loss in accordance with Article 9 of the CC&Rs and Applicable Law; or
 - clear the damaged Building or Structure from the Lot and landscape the Lot in accordance with Article 9 of the CC&Rs and Applicable Law.
- 8.3.2.1. Failure of Lot Owner to cure loss. In the event of a loss covered by insurance to any Building or Structure on a Lot, if the Lot Owner fails to, within a reasonable amount of time, cure the loss pursuant to the options provided in Article 8, Section 8.3.2 of the CC&Rs, the Association shall have the option to cure the loss by clearing the damaged Building or Structure from the Lot and levying, as an Individual Charge, the cost to cure the loss against the Lot Owner.

8.4. Condemnation.

8.4.1. Common Areas.

8.4.1.1. Sale in lieu. If an action for condemnation of all or a portion of the Common Areas is proposed or threatened by any Person having the right of eminent domain, then on the affirmative vote of a majority of the Class A Members present in person or by proxy at a Members' Meeting, the affected Common Areas may be sold by the Association. The proceeds of the sale shall be deposited into the Reserve Account and earmarked for the purpose of developing and maintaining the remaining Common Areas, if any, and if no Common Areas remain, then the proceeds of the sale shall not be earmarked and shall be deposited into the Reserve Account and used as necessary and appropriate.

8.4.1.2. Award. If any Person having the right of eminent domain takes any part of the Common Areas, the Association will deposit the money from the condemnation judgment, minus the Association's Attorney's Fees and costs, as required by Article 8, Section 8.4.1.1 of the CC&Rs.

ARTICLE 9. ARCHITECTURAL CONTROL

- 9.1. <u>Requirements for all construction and Improvement work within the Subdivision</u>. Subject to any exceptions in Article 9 of the CC&Rs, no Building, Structure, or Lot shall be excavated, erected, constructed, enlarged, altered, repaired, moved, Improved, removed, converted, or demolished without:
 - an approved SMR Construction Plan Approval Form issued by the Committee;
 - a building permit issued by the Sanpete County Building Department; and
 - a copy of the building permit issued by the Sanpete County Building Department on file with the Association at its Principal Office.
- 9.1.1. <u>Exceptions</u>. Notwithstanding Article 9, Section 9.1 of the CC&Rs, no requirement in Article 9, Section 9.1 of the CC&Rs shall be required for:
 - construction or Improvements which had been properly approved by the Board or the Committee prior to the recording of the 2024 CC&Rs;
 - normal maintenance of previously exempted or previously approved Buildings and/or Structures prior to the recording of the 2024 CC&Rs;
 - rebuilding a previously exempted or previously approved Building and/or Structure prior to the recording of the 2024 CC&Rs in accordance with its original design and dimensions;
 - changes to the interior of a previously exempted or previously approved Building and/or Structure prior to the recording of the 2024 CC&Rs; or
 - work reasonably required to be performed in an emergency for the purpose of protecting any Person or property, whether real or personal, from damage.

9.2. Architectural Control Committee.

9.2.1. Committee Members.

- 9.2.1.1. Number. The Committee shall be comprised of three to five Committee Members.
- 9.2.1.2. Appointment. The Board shall appoint all Committee Members.

- 9.2.1.3. <u>Qualifications</u>. Committee Members shall be over the age of 18 and a Class A Member in Good Standing.
- 9.2.1.4. <u>Term.</u> Each Committee Member shall serve for a term of two years. Terms shall begin on January 1 and shall expire on December 31. For purposes of the 2024 CC&Rs, unless otherwise changed by Resolution of the Board, Committee Members' terms shall expire as follows:
 - the two most senior Committee Members' term shall expire on December 31, 2025; and
 - the remaining Committee Members' term shall expire on December 31, 2026.
- 9.2.1.5. <u>Resignation of a Committee Member</u>. A Committee Member may resign at any time and for any reason or no reason at all by providing notice to the President of the Board. A Committee Member who resigns does not have to provide a reason for such resignation. Resignations shall be effective immediately upon the date of submission of the notice to the President of the Board—no exceptions.
- 9.2.1.6. <u>Removal of a Committee Member</u>. A Committee Member may be removed for any reason or no reason at all by a majority vote of the Board.
- 9.2.1.7. <u>Vacancy</u>. A vacancy in the Committee shall be deemed to exist on the occurrence of the death, resignation, or removal of any Committee Member.
- 9.2.1.8. <u>Filling a vacancy</u>. The Board shall have the power and duty to fill any vacancy on the Committee. The newly appointed Committee Member shall serve the remaining term of the Committee Member whose vacancy the newly appointed Committee Member was appointed to fill.
- 9.2.1.9. <u>Compensation</u>. No Committee Member shall receive compensation for any service rendered to the Association.
- 9.2.1.10. <u>Reimbursement</u>. Committee Members shall be entitled to reimbursement for expenses incurred in the performance of the Committee Member's duty and pursuant to written proof of the Committee Member's payment of the expense.
- 9.2.2. <u>Committee Meetings</u>. Committee Meetings shall be on an as-needed basis and shall follow the requirements set forth in Article 4, Section 4.12.2 of the Bylaws. Committee Meetings shall be closed to all Persons and shall follow the requirements set forth for Closed Board Meetings in Article 4, Section 4.11 of the Bylaws.

9.2.3. Powers and duties of the Committee.

- 9.2.3.1. <u>Powers</u>. The Committee shall have the power:
- to regulate all construction and Improvement work within the Subdivision;
- to enter and inspect Lots as provided in the Governing Documents;
- to issue decisions as provided in the Governing Documents;
- specifically delegated to it in the Governing Documents; and
- specifically delegated to it by the Board.

- 9.2.3.2. <u>Duties</u>. The Committee shall have the duty:
- to regulate all construction and Improvement work within the Subdivision;
- to enter and inspect Lots as provided in the Governing Documents;
- to issue decisions as provided in the Governing Documents;
- to establish, amend, and equally enforce the Guidelines;
- to act as required by Board Members in Article 5, Sections 5.2.3 through 5.2.9 of the Bylaws;
- specifically delegated to it in the Governing Documents; and
- specifically delegated to it by the Board.
- 9.2.4. <u>Location</u>. The location and address of the Committee shall be the Principal Office. The Principal Office shall be the place for the submittal of plans and specifications and the place where copies of the Guidelines and all records of the Committee shall be kept.
 - 9.3. Guidelines. The Guidelines are set forth in Article 9, Sections 9.4 through 9.22 of the CC&Rs.
- 9.3.1. <u>Purpose</u>. Guidelines are intended to promote the architectural integrity and uniformity of the Subdivision. The Guidelines are designed to:
 - regulate all construction and Improvements within the Subdivision;
 - protect the value of Lots within the Subdivision;
 - create a sense of community among Lot Owners;
 - promote a safe and attractive environment for all Persons; and
 - comply with all Applicable Laws.
- 9.3.2. <u>Application</u>. The Guidelines shall be interpreted and applied in a reasonable and consistent manner. The Committee shall have the power and duty to enforce the Guidelines consistent with the Governing Documents.
- 9.3.3. <u>Availability</u>. Guidelines shall be available at the Principal Office and on the member-only page of the Association's website.
 - 9.3.4. <u>Amendments</u>. With Board approval, the Committee may amend the Guidelines.
- 9.4. <u>Construction and Improvement standards</u>. All construction and Improvements shall comply with the requirements of the Governing Documents and Applicable Law. In the event of a conflict of Applicable Law, which includes the Governing Documents, the more restrictive Applicable Law shall govern and apply.
- 9.5. <u>Association-Issued Building Permit</u>. No Building, Structure, or Lot shall be excavated, erected, constructed, enlarged, altered, repaired, moved, Improved, removed, converted, or demolished without satisfying the requirements in Article 9, Section 9.1 of the CC&Rs. Excavation shall include but not be limited to digging or removing soil or rock from the ground to alter or construct a new Building and/or Structure, install a driveway, retention wall, or drainage, or landscape a Lot. The Committee reserves the right to restrict, on a case-by-case basis, the depth of excavation, the type of equipment that can be used, and the hours during which excavation can be conducted.

- 9.5.1. <u>SMR Construction Plan Approval Form</u>. If the Sanpete County Building Department requires a building permit for the work to be performed on a Lot, the Association requires that the Lot Owner fill out and submit an SMR Construction Plan Approval Form to the Association.
- 9.5.1.1. <u>Availability</u>. A Lot Owner may request an SMR Construction Plan Approval Form from the Association at the Principal Office during business hours.
- 9.5.1.2. <u>Fee.</u> The Committee, with approval from the Board, shall establish a Fee pursuant to Utah Code § 57-8a-109 (2013) for submission of an SMR Construction Plan Approval Form. The Fee shall be nonrefundable and shall be paid in full before the Committee reviews the SMR Construction Plan Approval Form.
- 9.5.1.3. <u>Contents</u>. An SMR Construction Plan Approval Form shall contain at the least the following:
 - the Lot Owner's contact information;
 - the letter and number designation of the Lot;
 - a detailed description of the work to be performed;
 - the type of use proposed for the completed work;
 - the proposed duration of the project to complete the work;
 - the proposed days and times work will be performed;
 - the amount of any Fee(s) required by the Association;
 - as an attachment, at least the following:
 - o two copies of a Lot Plan;
 - o if available, two copies of an as-built survey prepared by a professional land surveyor to establish the location of existing Buildings and Structures on the Lot; and
 - o color samples for any exterior painting and/or roofing.
 - sworn statement by the Lot Owner that the Lot Owner:
 - o owns the Lot upon which the work is to be performed;
 - o will perform the work for the Lot Owner's personal, non-commercial, non-public use;
 - o does not have a Delinquent Account and does not owe the Association any money for any reason;
 - o understands that work to be performed on the project must be performed by the following:
 - the Lot Owner;
 - a licensed contractor; or
 - employees of the Lot Owner who are covered by workers' compensation and on whom all payroll taxes are withheld and paid; and
 - any other Person working under the supervision of the Lot Owner to whom no compensation or only token compensation is paid.
 - o understands that the Lot Owner shall be jointly and severally responsible for the actions of the contractors performing the work;
 - o agrees to perform the work described in the SMR Construction Plan Approval Form and shown on the Lot Plan or as-built survey in compliance with the same and to notify the Committee of any changes to the work to be performed;
 - o agrees that the work to be performed is in total compliance with the most restrictive provision of Applicable Law or the Governing Documents;

- o agrees to perform the work during the proposed days and times in the SMR Construction Plan Approval Form;
- o agrees to complete the work within the timeframe granted by the Committee;
- o agrees to apply for a building permit from the Sanpete County Building Department and provide a copy of the same to the Committee *before* and as a condition precedent to commencing work on the Lot;
- o acknowledges that the Committee shall return one copy of the Lot Plan or as-built survey to the Lot Owner and shall retain all other documents submitted to the Committee as part of the SMR Construction Plan Approval Form at the Principal Office;
- o certifies that the information and documents provided are true and correct to the best of the Lot Owner's knowledge, understanding, and belief;
- o certifies that the Lot Owner has read, understood, and had all questions answered about the Guidelines and Governing Documents;
- o authorizes the Association, Committee Members, and their Agents to enter upon and inspect the Lot to ensure compliance with the Association-Issued Building Permit; and
- o agrees to supply the Committee with additional documents and information requested by the Committee including but not limited to documents and information that would explain in further detail the status of the Lot and how the use meets or exceeds the following criteria:
 - compatibility with snow load requirements;
 - compatibility with the aesthetic of the Subdivision;
 - compatibility with surrounding Lots;
 - compatibility with materials and workmanship requirements;
 - potential issues with the Lot and/or surrounding Lots;
 - development or lack of development of the Lot and/or surrounding Lots;
 - present and future utility requirements;
 - safeguards or attempts to minimize Nuisances; and
 - impact on the health, safety, welfare, or property of the Subdivision and surrounding Lot Owners.
- 9.5.2. <u>Submission of an SMR Construction Plan Approval Form and other documents and information</u>. All Applications for Association-Issued Building Permit and Committee requested documents and information shall be submitted to the Committee at the Principal Office during business hours.

9.5.3. Committee review process.

- 9.5.3.1. <u>Consideration</u>. All Applications for Association-Issued Building Permit shall be considered on a case-by-case basis pursuant to the SMR Construction Plan Approval Form and all documents and/or information provided to the Committee.
- 9.5.3.2. <u>30-day timeframe for review</u>. Upon submission of an SMR Construction Plan Approval Form by a Lot Owner to the Committee at the Principal Office, the Committee shall review the Lot Owner's SMR Construction Plan Approval Form and render a final decision within 30 calendar days.

- 9.5.3.2.1. <u>Requesting additional documents and/or information</u>. Within the 30-day timeframe for review of the Lot Owner's SMR Construction Plan Approval Form, the Committee shall be entitled to request additional documents and information. When requesting additional documents and information, the Committee shall provide the Lot Owner with a written request containing at least the following:
 - the document or information requested;
 - why or how the document or information requested is relevant to the Committee's review of the Lot Owner's SMR Construction Plan Approval Form;
 - the date by which the document or information must be submitted to the Committee at the Principal Office by the Lot Owner; and
 - notification that if the Lot Owner fails to submit the document or information to the Committee at the Principal Office by the date in the request, the Lot Owner's SMR Construction Plan Approval Form will be automatically denied, and the Lot Owner will be required to submit a new SMR Construction Plan Approval Form.
- 9.5.3.2.1.1. <u>Stay upon request for additional documents and/or information</u>. If, during the 30-day timeframe for review of the SMR Construction Plan Approval Form, the Committee requests additional documents and/or information, the 30-day timeframe for review shall be stayed and the Committee shall have an additional 30-day timeframe to review the additional documents and/or information starting on the day the additional documents and/or information are submitted to the Committee at the Principal Office.
- 9.5.3.2.1.2. <u>Limitation on requests for additional documents and/or information.</u>
 After making an initial request for additional documents and/or information from a Lot Owner, unless the Lot Owner amends the work to be completed or any other pertinent information the consideration of which would constitute a denial of the SMR Construction Plan Approval Form, the Committee shall be permitted to make only one additional request for additional documents and/or information. As specified in Article 9, Section 9.5.4.1.1.1 of the CC&Rs, if the Committee requests a second submission of additional documents and/or information, the 30-day timeframe for review shall be stayed and the Committee shall have an additional 30-day timeframe to review the additional documents and/or information starting on the day the additional documents and/or information are submitted to the Committee at the Principal Office.
- 9.5.3.3. <u>Decision</u>. Before the expiration of the 30-day timeframe for review and as stayed by one or more requests for additional documents and/or information, the Committee shall render a written decision to the Lot Owner, either approving or denying the Lot Owner's SMR Construction Plan Approval Form.
- 9.5.3.3.1. <u>Granting the SMR Construction Plan Approval Form.</u> If the Committee grants the Lot Owner's SMR Construction Plan Approval Form, the Committee shall issue an approved SMR Construction Plan Approval Form. The Committee shall return one copy of the Lot Plan or as-built survey to the Lot Owner and shall retain all other documents at the Principal Office. Granting an SMR Construction Plan Approval Form binds the Lot Owner to perform the work as specified in the SMR Construction Plan Approval Form.

- 9.5.3.3.2. <u>Denying the SMR Construction Plan Approval Form.</u> If the Committee denies the Lot Owner's SMR Construction Plan Approval Form, the Committee shall issue a written decision citing all the reasons for which the Lot Owner's SMR Construction Plan Approval Form was denied. The Committee shall return one copy of the Lot Plan or as-built survey to the Lot Owner and shall retain all other documents at the Principal Office.
- 9.5.3.3.2.1. Request for reconsideration of a denied SMR Construction Plan Approval Form. If the Committee denies an SMR Construction Plan Approval Form, the Lot Owner shall have 15 calendar days from the date of the denial to request reconsideration of the SMR Construction Plan Approval Form. The Committee shall refer the request for reconsideration to the Board and the Board, within a reasonable amount of time, but no more than 60 days from the date of the request for reconsideration, shall review the SMR Construction Plan Approval Form and render a final decision in accordance with Article 9, Sections 9.5.3.3.1 and 9.5.3.3.2 of the CC&Rs.
- 9.5.3.4. <u>Waiver</u>. The Committee and Board shall not be bound by any previous decision to grant or deny an approved SMR Construction Plan Approval Form, even if the proposed work in an SMR Construction Plan Approval Form is substantially similar to a project that was previously granted or denied.
- 9.6. <u>Building permit issued by the Sanpete County Building Department</u>. Only upon receipt of an approved SMR Construction Plan Approval Form shall a Lot Owner apply for a building permit from the Sanpete County Building Department. And upon receipt of a building permit from the Sanpete County Building Department, the Lot Owner shall present a copy of the same to the Committee at the Principal Office in accordance with Article 9, Section 9.1 of the CC&Rs.
- 9.7. <u>Duration and expiration of an approved SMR Construction Plan Approval Form</u>. Every Association-Issued Building Permit shall, in duration and expiration, be tied to the duration and expiration of the building permit issued by the Sanpete County Building Department. Therefore, all work to be performed by the Lot Owner pursuant to the Association-Issued Building Permit shall be performed while the building permit issued by the Sanpete County Building Department is in full force and effect.

9.8. Prohibitions.

- 9.8.1. Work without an approved SMR Construction Plan Approval Form. No Lot Owner shall violate Article 9, Section 9.1 of the CC&Rs by excavating, erecting, constructing, enlarging, altering, repairing, moving, Improving, removing, converting, or demolishing any Building, Structure, or Lot without an approved SMR Construction Plan Approval Form.
- 9.8.2. Work without a building permit from the Sanpete County Building Department. No Lot Owner shall violate Article 9, Section 9.1 of the CC&Rs by excavating, erecting, constructing, enlarging, altering, repairing, moving, Improving, removing, converting, or demolishing any Building, Structure, or Lot without a building permit issued by the Sanpete County Building Department.

- 9.8.3. Work without a building permit from Sanpete County Building Department on file with the Committee at its Principal Office. No Lot Owner shall violate Article 9, Section 9.1 of the CC&Rs by excavating, erecting, constructing, enlarging, altering, repairing, moving, Improving, removing, converting, or demolishing any Building, Structure, or Lot without a building permit issued by the Sanpete County Building Department on file with the Committee at its Principal Office.
- 9.8.4. Work with an expired building permit from the Sanpete County Building Department. Because, as specified in Article 9, Section 9.7 of the CC&Rs, the duration and expiration of an approved SMR Construction Plan Approval Form is tied, in duration and expiration, to the duration and expiration of a building permit issued by the Sanpete County Building Department, work performed after the expiration of a building permit issued by the Sanpete County Building Department shall be prohibited and shall, according to Article 9, Section 9.10 of the CC&Rs, constitute noncompliance.
- 9.9. Entry and inspection. The Association, Committee, and their Agents are hereby authorized and empowered to enter upon any Lot in the Subdivision at reasonable times and upon reasonable notice to inspect the same for compliance or suspected noncompliance with Article 9, Section 9.1 of the CC&Rs, the Guidelines, a granted or denied SMR Construction Plan Approval Form, an approved SMR Construction Plan Approval Form, the Governing Documents, and/or Applicable Law. Each Lot Owner hereby consents and agrees to provide access to the Association, Committee, and their Agents for inspection in accordance with this Section.
- 9.10. <u>Noncompliance</u>. If a Lot Owner is in violation or suspected violation of Article 9, Section 9.1 of the CC&Rs, the Guidelines, a granted or denied SMR Construction Plan Approval Form, an approved SMR Construction Plan Approval Form, the Governing Documents, and/or Applicable Law and the Association, Committee, and their Agents enter upon and inspect the Lot pursuant to Article 9, Section 9.9 of the CC&Rs, and finds, upon inspection, that a Lot is not in compliance with Article 9, Section 9.1 of the CC&Rs, the Guidelines, a granted or denied SMR Construction Plan Approval Form, an approved SMR Construction Plan Approval Form, the Governing Documents, and/or Applicable Law, the Committee shall issue a notice of noncompliance to the Lot Owner.

9.10.1.1. <u>Notice of noncompliance</u>.

- 9.10.1.1.1. Contents. The notice of noncompliance shall include:
- the particulars of the noncompliance;
- a reasonable period—no fewer than 10 calendar days and no more than 30 calendar days—to remedy the noncompliance; and
- notification that if the Lot Owner fails to remedy the noncompliance before the deadline, the Committee will refer the matter to the Board.

- 9.10.1.1.2. <u>Referral to the Board</u>. If the Lot Owner fails to remedy the noncompliance before the deadline provided in Article 9, Section 9.10.1.1.1 of the CC&Rs by the Committee, the Committee shall refer the matter to the Board. The Board shall have the power and duty to remedy the noncompliance in any manner it deems appropriate, including but not limited to removing the noncompliant Building or Structure, halting Improvements to the Building, Structure, or Lot, and/or reporting the noncompliance to the Sanpete County Building Department. The Board may also record a certificate of noncompliance with the Sanpete County Recorder and require that the Lot Owner, to release the certificate of noncompliance, pay a Fee.
- 9.10.1.1.2.1. <u>Individual Charge</u>. All costs incurred by the Board in curing noncompliance pursuant to Article 9, Section 9.10 of the CC&Rs shall be levied against the Lot Owner as an Individual Charge.

9.11. Lot requirements.

9.11.1. <u>All Lots</u>.

- 9.11.1.1. <u>Residential use only</u>. Every Lot in the Subdivision is considered as residential and shall be used for residential use only.
- 9.11.1.2. <u>Single-Family Dwellings</u>. Only one Single-Family Dwelling shall be permitted on each Lot within the Subdivision.

9.11.1.3. <u>Exteriors of Single-Family Dwellings.</u>

- 9.11.1.3.1. <u>Exterior material</u>. The exterior of every Single-Family Dwelling within the Subdivision shall be constructed of one or more of the following materials:
 - log;
 - cedar siding;
 - brick;
 - rock;
 - stucco;
 - T.111 plywood;
 - fiber cement siding; or
 - if metal siding is submitted for approval by the Committee, it must not show on more than 60% of any single wall's surface.

Other siding types may be approved on a case-by-case basis by the Committee granting a variance as contemplated in Article 9, Section 9.19 of the CC&Rs.

- 9.11.1.3.1.1. <u>Siding limitations</u>. Aluminum or vinyl siding materials may be used only for soffit or fascia.
- 9.11.1.3.2. <u>Color.</u> The exterior of every Single-Family Dwelling must be painted or colored with colors that are natural to the Lot's surroundings, such as earth tones or forest green.

9.11.1.4. <u>Utilities</u>. All private and public utilities and any costs associated with installation, connection, and use shall be the sole responsibility of the Lot Owner. See, more specifically, Article 2, Section 2.4 of the CC&Rs.

9.11.1.5. <u>RVs</u>.

- 9.11.1.5.1. <u>Guest RVs.</u> A Lot Owner may permit a Guest to park the Guest's RV on the Lot Owner's Lot for up to two consecutive weeks. After the two-week period expires, the Guest's RV must be moved from the Lot Owner's Lot for at least one week. After the one-week period in which the Guest's RV is removed from the Lot Owner's Lot, the Guest's RV may return to the Lot Owner's Lot for another period of up to two consecutive weeks. During the one-week removal of the Guest's RV from the Lot Owner's Lot, the Guest may:
 - store the RV, for a Fee, in a Commercial Area of the Association—specifically, the RV storage area;
 - stay at the Association's Recreational Facility—specifically, the RV park; or
 - remove the RV from the Subdivision.
- 9.11.1.5.2. <u>Absolute restriction on connecting a Guest's RVs to septic or sewer systems</u>. At no time many a Guest's RV be connected to a Lot's septic or sewer system.
- 9.11.1.5.3. <u>Allowance of a Lot Owner's RV to be connected to a septic or sewer system on the Lot Owner's Lot</u>. A Lot Owner's RV may be connected to a septic or sewer system on the Lot Owner's Lot.
- 9.11.1.6. <u>Storage of a trailer (for hauling) or boat</u>. No more than one trailer (for hauling) or boat shall be stored on any Lot within the Subdivision.

9.11.2. Golf Course Lots.

- 9.11.2.1. <u>Minimum size of Single-Family Dwellings</u>. Single-Family Dwellings shall be constructed on a permanent foundation and must be at least 1,250 square feet of main floor area and must not exceed 32 feet in total height from original average grade prior to construction.
- 9.11.2.2. <u>Roof requirements</u>. Although metal or tile roofing is recommended, fiberglass or other class A fire-resistant composition roofing is permitted.

9.11.2.3. Additional Structures.

- 9.11.2.3.1. <u>Conex or shipping containers.</u> No Conex, shipping container, or the like shall be permitted on a Golf Course Lot.
- 9.11.2.3.2. <u>Detached Structures</u>. All detached Structures shall conform in design and materials with the Single-Family Dwelling.

9.11.2.4. <u>Permanent and Temporary Manufactured Homes</u>. No Permanent or Temporary Manufactured Home shall be permitted on a Golf Course Lot.

9.11.2.5. RVs.

- 9.11.2.5.1. <u>During construction of a Single-Family Dwelling</u>. During the construction of a Single-Family Dwelling on a Golf Course Lot, one RV shall be permitted. Under this Section, an active Association-Issued Building Permit is required.
- 9.11.2.5.2. On Golf Course Lots with a Single-Family Dwelling. One RV may be stored on a Golf Course Lot, provided it is parked next to or behind, but not in front of, the Single-Family Dwelling.
 - 9.11.2.6. <u>Utilities</u>. All Golf Course Lots shall have underground utilities.

9.11.3. Full-Time Lots.

- 9.11.3.1. <u>Minimum size of Single-Family Dwellings</u>. Single-Family Dwellings shall be constructed on a permanent foundation and must be at least 1,000 square feet of main floor area and must not exceed 32 feet in total height from original average grade prior to construction.
- 9.11.3.2. <u>Roof requirements</u>. Although metal or tile roofing is recommended, fiberglass or other class A fire-resistant composition roofing is permitted.

9.11.3.3. Additional Structures.

- 9.11.3.3.1. <u>Conex or shipping containers</u>. Above grade Conex or surplus shipping containers are permitted with the addition of a pitched roof with a minimum of 4/12 pitch and, if not covered with siding, painted with colors that are natural to the surroundings, such as earth tones or forest green.
- 9.11.3.3.2. <u>Detached Structures</u>. All detached Structures shall conform in design and materials with the Single-Family Dwelling.
- 9.11.3.4. <u>Permanent and Temporary Manufactured Homes</u>. No Permanent or Temporary Manufactured Home shall be permitted on a Full-Time Lot whose letter designation is "E" or on a Golf Course Lot.

9.11.3.5. <u>RVs</u>.

9.11.3.5.1. On Full-Time Lots with a Single-Family Dwelling. One RV may be stored on a Full-Time Lot, provided it is parked next to or behind, but not in front of, the Single-Family Dwelling.

- 9.11.3.5.2. On Full-Time Lots without a Single-Family Dwelling. On Full-Time Lots without a Single-Family Dwelling, no more than two RV pads, which are defined as concrete or gravel pads with utility hookups, may be constructed or used at any time.
- 9.11.3.6. <u>Utilities</u>. Although underground utilities are recommended, where permitted by a utility provider, overhead utilities are permitted.

9.11.4. Part-Time Lots.

- 9.11.4.1. <u>Minimum size of Single-Family Dwellings</u>. Single-Family Dwellings shall be constructed on a permanent foundation and must be at least 480 square feet of main floor area with a minimum of 600 total square feet.
 - 9.11.4.2. <u>Roof requirements</u>. Metal roofs are required.
 - 9.11.4.3. <u>Additional Structures</u>.
- 9.11.4.3.1. <u>Conex or shipping containers</u>. Above grade Conex or surplus shipping containers are permitted and, if not covered with siding, painted with colors that are natural to the surroundings, such as earth tones or forest green, and that conform in color (meaning the color does not clash) with the Single-Family Dwelling, if applicable,.
- 9.11.4.3.2. <u>Detached Structures</u>. All detached Structures shall conform in design and materials with the Single-Family Dwelling.
- 9.11.4.4. <u>Permanent and Temporary Manufactured Homes</u>. Permanent or Temporary Manufactured Homes shall be permitted on Part-Time Lots.
 - 9.11.4.5. <u>RVs</u>.
- 9.11.4.5.1. On Part-Time Lots with a Single-Family Dwelling. One RV may be stored on a Part-Time Lot, provided it is parked next to or behind, but not in front of, the Single-Family Dwelling.
- 9.11.4.5.2. On Part-Time Lots without a Single-Family Dwelling. On Part-Time Lots without a Single-Family Dwelling, no more than two RV pads, which are defined as concrete or gravel pads with utility hookups, may be constructed or used at any time.
 - 9.11.4.6. <u>Utilities</u>. All Part-Time Lots shall have underground utilities.
 - 9.12. Structures.
 - 9.12.1. <u>Compliance</u>. All Structures must comply with the Guidelines.
 - 9.13. <u>Utilities</u>.

- 9.13.1. <u>Roads</u>. Any cut or grade to an existing Subdivision road requires written permission from the Association. Driveway access must include a pipe at least 8-inches in diameter for drainage, or as required by the Association. Any damage done to a Subdivision road in consequence of the approved placement of utilities or cuts or grades by the Lot Owner shall be repaired by the Lot Owner at the Lot Owner's expense. See, specifically, Article 2, Sections 2.1.5.1 and 2.1.5.2 of the CC&Rs.
- 9.13.2. <u>Utility interruption</u>. Any interruption to utility services requires written approval from the Association. Blue stakes are required before any excavation occurs.
- 9.13.3. <u>Irrigation interruption</u>. Any interruption to irrigation services by the Association or one or more Lot Owners requires written approval of the controlling irrigation company.
- 9.14. <u>Rights of way and easements</u>. All rights of way and easements must be respected and maintained. Neither Lot Owners nor the Association shall obstruct or interfere with the use of rights of way and easements.

9.15. <u>Damage</u>.

- 9.15.1.1. Responsibility for damage. In addition to the indemnification and joint and several liability enumerated in Article 2, Sections 2.1.5.1 and 2.1.5.2 of the CC&Rs, each Lot Owner shall be jointly and severally responsible for any damage caused by any contractor, subcontractor, or employee of such Lot Owner, or by any equipment or vehicle owned, leased, or operated by any such Lot Owner or Lot Owner's contractor, subcontractor, or employee. Each Lot Owner shall be responsible for informing all such contractors, subcontractors, and employees of the Governing Documents and for ensuring that the Lot Owner's contractor, subcontractor, and employees comply with the same. Each Lot Owner shall also be responsible for policing the behavior of all such contractors, subcontractors, and employees, including ensuring that they do not operate vehicles at excessive speeds. If any damage is caused by any Lot Owner or Lot Owner's contractor, subcontractor, or employee, such Lot Owner shall be jointly and severally responsible for repairing the damage or paying for the cost of repairs. Such Lot Owner shall also be jointly and severally responsible for all costs incurred because of the damage, including, if applicable, the repair of the damage by the Association, and such costs shall be levied against the Lot Owner as an Individual Charge.
- 9.16. <u>Use Restrictions</u>. The use Restrictions enumerated in Article 3, Sections 3.3 through 3.24 of the CC&Rs are incorporated into the Guidelines as if restated and fully set forth herein and enforceability of the same shall be a power and duty of the Committee.
- 9.17. <u>Signs</u>. Each Lot shall display a Lot designation identifier (i.e., A.10) which shall include the letter and number designation of the Lot and may include the Lot Owner's name. Except for estate sale signs that meet the requirements of Applicable Law, private or commercial signs or billboards may not be erected or displayed on any Lot.

9.18. Fences.

- 9.18.1. <u>Privacy Fences</u>. Subject to a variance being granted by the Committee as contemplated in Article 9, Section 9.19 of the CC&Rs, other than privacy fences around hot tubs, decks, gardens, or patios, privacy fences are prohibited.
- 9.18.2. <u>Lot-line fences</u>. Fences along or near front, side, and rear Lot lines are not allowed on Lots, except Golf Course Lots and Lots that begin with a letter designation of "E". Fences on Lots that begin with a letter designation of "E" or are Golf Course Lots shall not be allowed between the front Lot line and the front of the Single-Family Dwelling and, where permitted, such fences shall be see-through, though chain link fences are not permitted.
- 9.19. <u>Variances</u>. The Committee is hereby authorized and empowered to grant variances to the Guidelines based on but not limited to the following relevant factors:
 - the impact of the proposed project on the overall appearance and value of the Subdivision;
 - the impact of the proposed project on the privacy and enjoyment of other Lot Owners;
 - the compliance of the proposed project with all Applicable Laws; and
 - whether the proposed project would be in the best interests of the Subdivision.
- 9.20. <u>Complaints</u>. Members may submit written complaints to the Committee at the Principal Office. Complaints shall be restricted to reporting suspected noncompliance with Article 9, Section 9.1 of the CC&Rs, the Guidelines, a granted or denied SMR Construction Plan Approval Form, an approved SMR Construction Plan Approval Form, the Governing Documents, and/or Applicable Law. The Committee shall investigate and address all complaints. If necessary, the Committee may forward complaints to the Board for resolution or disciplinary action.
- 9.21. <u>Estoppel certificate</u>. If a Lot Owner or the Lot Owner's mortgagee requests an estoppel certificate in writing, the Committee shall provide the same within 30 calendar days of the written request. The estoppel certificate shall be signed by two Committee Members and shall be binding on the Association and anyone who relies on it in good faith.
- 9.22. <u>Liability</u>. Because the Committee, Board, and Association are authorized by the CC&Rs to determine whether or not to issue, deny, suspend, revoke, or limit an SMR Construction Plan Approval Form or Association-Issued Building Permit based on Article 9, Section 9.5 of the CC&Rs, Committee Members, Board Members, and the Association shall not be liable for any injury caused by the issuance, denial, suspension, revocation, or limitation of, or by the failure or refusal to issue, deny, suspend, revoke or limit the same. More specifically, Committee Members, Board Members, and the Association shall not be liable to the Association or any Member, Lot Owner, or Person for any damages, loss, or prejudice suffered or claimed on account of any of the following:
 - the issuance, denial, suspension, revocation, or limitation of any SMR Construction Plan Approval Form or Association-Issued Building Permit;
 - the construction or performance of any work, whether or not pursuant to an approved Lot Plan, as-built survey, or the like;
 - the development of any portion of the Subdivision;
 - the execution and filing of an estoppel certificate pursuant to Article 9, Section 9.21 of the CC&Rs; or
 - the filing of a certificate of noncompliance pursuant to Article 9, Section 9.10.1.1.2 of the CC&Rs, whether or not the facts therein are correct, if the Committee, Board, and any Committee

Member or member of the Board has acted in good faith on the basis of such information as may be possessed at the time of the act.

ARTICLE 10. GENERAL PROVISIONS

- 10.1. Enforcement. The Association and all Members shall have the right to enforce all Covenants, Conditions, Restrictions, Articles, and Sections of the CC&Rs in accordance with the Governing Documents, including Article 8 of the Bylaws. Failure by the Association or any Member to enforce any Covenant, Condition, Restriction, Article, or Section of the CC&Rs shall in no event be deemed a waiver of the right to do so thereafter. The Association shall have the power and duty to order the abatement or removal of any construction, Improvement, or other matter for which approval of the Committee is required, if the same has not been approved by the Committee or does not conform to Article 9, Section 9.1 of the CC&Rs, the Guidelines, a granted SMR Construction Plan Approval Form, an approved SMR Construction Plan Approval Form, the Governing Documents, and/or Applicable Law. No work for which Committee approval is required shall be deemed approved simply because it has been completed without a compliant, notice of noncompliance, certificate of noncompliance, or injunction. In the event of any Proceeding to enforce any Covenant, Condition, Restriction, Article, or Section of the CC&Rs, the prevailing party shall be entitled to an Award of Fees as well as any other available remedies, including damages.
- 10.2. <u>Violations and Nuisance</u>. Every act or omission whereby a Covenant, Condition, or Restriction of the CC&Rs is violated in whole or in part is hereby declared to be a Nuisance and may be enjoined or abated, whether or not the relief is for negative or affirmative action, by the Association or any Member.

10.3. Notices.

- 10.3.1. <u>Electronic Transmission</u>. Unless otherwise specifically specified in the CC&Rs, any writing, notice, or communication required or permitted to be filed, provided, prepared, delivered, or mailed by the Association or to the Association in the CC&Rs may be filed, provided, prepared, delivered, or mailed in an electronic medium or by Electronic Transmission.
- 10.3.2. <u>Preferred method</u>. Email shall be the preferred method for the delivery of any and all notices or other communications or deliveries required or permitted to be provided in the CC&Rs.
- 10.3.3. <u>Notice requirements</u>. Any and all notices or other communications or deliveries required or permitted to be provided in the CC&Rs shall:
 - be in writing;
 - signed (including electronically pursuant to the Uniform Electronic Transactions Act found in Utah Code § 46-4-101, et. seq.) by the party giving such notice; and
 - delivered to the recipient in accordance with Article 10, Sections 10.3.2 and 10.3.4 of the CC&Rs.

- 10.3.4. <u>Delivery</u>. All notices or other communications or deliveries required or permitted to be provided in the CC&Rs shall be deemed given and effective on the earliest of:
 - the date of transmission, if such notice or communication is delivered via email at or prior to 5:00 p.m. Mountain (Standard) Time;
 - the day after the date of transmission, if such notice or communication is delivered via email at or after 5:01 p.m. Mountain (Standard) Time;
 - the day after transmission, if such notice or communication is delivered via first-class United States Postal Service within the state of Utah;
 - the third day after transmission, if such notice or communication is delivered via first-class United States Postal Service outside the state of Utah;
 - the date of delivery, if such notice or communication is delivered in person; or
 - upon actual receipt by the party to whom such notice or communication is required to be given.
- 10.4. <u>Deadlines falling on holidays or days the Principal Office is closed</u>. If a date of any act required to be performed by the CC&Rs or notice falls on a holiday or day the Principal Office is closed, then the same shall not be required to be performed until the next day the Principal Office is open.
- 10.5. <u>Mergers and consolidations</u>. To the extent permitted by Applicable Law, the Association may participate in mergers and consolidations with other nonprofit associations organized for the same purposes as the Association, provided that any such merger or consolidation shall require the affirmative vote of a majority of all Class A Members present in person or by proxy at a Members' Meeting when such merger or consolidation is considered.
- 10.6. <u>Construction and headings</u>. The provisions of the CC&Rs shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a planned community and for the maintenance of the Subdivision. The Article and Section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.
- 10.7. <u>Severability</u>. The provisions of the CC&Rs shall be deemed independent and .severable, and the invalidity or partial invalidity of any provision or provisions contained herein shall not invalidate any other provisions hereof.
- 10.8. <u>Perceived invalidity</u>. If any Article, Section, subsection, paragraph, sentence, clause, or phrase of the CC&Rs shall seem invalid through printing or typographical error, such error or misprint shall not serve to misconstrue or invalidate the intent thereof, nor affect in any way the intent or validity of any other Articles, Sections, subsections, paragraphs, sentences, clauses, or phrases of the CC&Rs.
- 10.9. <u>Inurement and binding effect</u>. The CC&Rs shall inure to the benefit of and be binding upon the Members, the Association, their respective successors and assigns, and the heirs, personal representatives, grantees, Agents, guardians, conservators, of each and every Member and the Association. Any right, power, or remedy granted to any party under the CC&Rs may be exercised by or on behalf of such party's successors and assigns, and any notice or other communication required or permitted to be given to any party under the CC&Rs may be given to such party's successors and assigns.

- 10.10. <u>Liability for Member debts</u>, <u>obligations</u>, <u>and liabilities</u>. Notwithstanding anything to the contrary in the CC&Rs, the Association shall not be liable for any debts, obligations, or liabilities of any Member, and each Member shall be solely responsible for that Member's respective debts, obligations, or liabilities.
- 10.11. <u>Violation of Applicable Law</u>. Any violation of any Applicable Law pertaining to the ownership, occupation, or use of any portion of the Subdivision, inclusive of the Lots, Common Areas, and roads, is hereby declared to be a violation of the CC&Rs and subject to any or all of the enforcement procedures herein set forth.
- 10.12. <u>Singular includes plural</u>. Whenever the context of the CC&Rs requires same, the singular shall include the plural, the masculine shall include the feminine, and vice versa.
- 10.13. <u>Conflict between governing documents</u>. If there is any conflict among or between the Governing Documents, the provisions of the Governing Documents shall be enforced in the following order:
 - Subdivision Plat; then
 - CC&Rs; then
 - Articles of Incorporation; then
 - Bylaws; then
 - Rules and Regulations; and then
 - Resolutions of the Board.
- 10.14. <u>Term.</u> The CC&Rs shall run with the land and shall continue in full force and effect for a period of 20 years from the date on which the CC&Rs are executed. After that time, the CC&Rs, with or without a vote of the Class A Members, shall be automatically extended for successive 10-year periods unless revoked.
- 10.15. Revocation. The CC&Rs may be revoked by an instrument executed by the Board pursuant to the affirmative vote of a majority of all Class A Members present in person or by proxy at a Members' Meeting when such revocation is considered. Upon recordation of the revocation instrument in the Office of the Sanpete County Recorder, the CC&Rs shall be revoked.
- 10.16. <u>Amendment or restatement</u>. The CC&Rs may be amended or restated by an instrument executed by the Board pursuant to the affirmative vote of a majority of all Class A Members present in person or by proxy at a Members' Meeting when such amendment or restatement is considered. Upon recordation of the amendment or restatement in the Office of the Sanpete County Recorder, the CC&Rs shall be amended or restated and, unless otherwise stated in the amended or restated CC&Rs, shall be enforceable immediately upon recordation.

- 10.17. <u>Duty and presumption</u>. It is the duty of each Lot Owner, if a security holder's consent is a condition for revoking or amending the CC&Rs, to secure permission from the Lot Owner's security holder. Further, if consent of a Lot Owner's security holder is a condition for revoking or amending the CC&Rs, the Lot Owner shall provide the Association with the security holder's mailing address and a copy of its written policy for approving revocations or amendments to the CC&Rs. If the Association is not provided with the mailing address or written policy of the Lot Owner's security holder, the Association presumes the consent of the Lot Owner's security holder is not a condition for revoking or amending the CC&Rs.
- 10.18. <u>Duty to read CC&Rs</u>. Each Member shall be deemed to have read and accepted the terms of the CC&Rs, and each Member shall be responsible for complying with all the terms and conditions of the CC&Rs. No Member shall be entitled to claim ignorance of any provision of the CC&Rs as a defense to any enforcement of the CC&Rs or action brought or penalty levied by the Association against the Member.

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THE SIGNATURES OF THE PRESIDENT AND SECRETARY OF THE BOARD, WHO ARE, PURSUANT TO UTAH CODE § 57-8A-216(2)(F) (2011) AND ARTICLE 6, SECTION 6.2 OF THE BYLAWS, AUTHORIZED TO PREPARE, EXECUTE, CERTIFY, AND RECORD THE CC&RS ON BEHALF OF THE ASSOCIATION, ARE FOUND ON PAGE 59 OF THE CC&RS, ALONG WITH THE SEAL OF THE NOTARY PUBLIC.

Execution by the President of the Board

The undersigned, as President of the Board and a duly authorized representative of the executed the CC&Rs on the day of	Association, has , 2024 pursuant to a
majority vote of the Class A Members at a duly called Members' Meeting.	, 2021 pursuant to a
SPORTS HAVEN INTERNATIONAL, a Utah nonprofit corporation, dba SKYLINE NRESORT	MOUNTAIN
By:	
, President	
Execution by Secretary of the Board	
The undersigned, as Secretary of the Board and a duly authorized representative of the executed the CC&Rs on the day of, majority vote of the Class A Members at a duly called Members' Meeting.	Association, has , 2024 pursuant to a
SPORTS HAVEN INTERNATIONAL, a Utah nonprofit corporation, dba SKYLINE MRESORT	MOUNTAIN
By: , Secretary	
Notary Public	
STATE OF UTAH) SANPETE COUNTY)	
On theday of	ociation, whose oved to me on the at and Secretary, dba SKYLINE bers present at a
By:	
, Notary Public	