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CLIFFDWELLER RANCH RULES AND REGULATIONS

**Recorded at the request of and
after recording please return to:**

CRLA

P.O. Box 333

Hurricane, Utah 84737

DOC # 20110022786

Restrictive Page 1 of 26
Russell Shirts Washington County Recorder
07/28/2011 09:51:01 AM Fee \$ 61.00
By CRLA



**Record against the legal descriptions
and Tax I.D. Numbers of all Lots as
set forth in Exhibit A attached hereto.**

AFFIDAVIT

STATE OF UTAH,)

: SS.

County of Washington)

I, Robert Almy being personally sworn under oath, aver as follows:

I am over the age of 18 years.

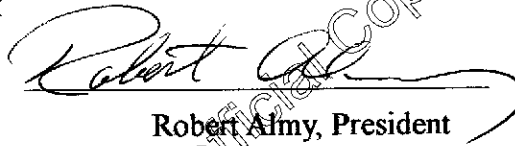
I am the duly elected and acting president of the Cliffdweller Ranch Landowners Association, Inc. ("CRLA"), a Utah non-profit corporation.

The Cliffdweller Ranch Rules and Regulations attached hereto are true and correct copies of the Cliffdweller Ranch Rules and Regulations.

The Cliffdweller Ranch Rules and Regulations attached hereto were duly adopted by a majority of Directors at a meeting on (date).

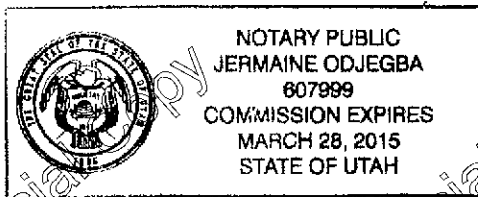
The Certificate of Secretary as set forth in the last page of the Cliffdweller Ranch Rules and Regulations is a true and correct signature of the duly elected and acting Secretary of Cliffdweller Ranch Landowners Association.

DATED this 27th day of July, 2011


Robert Almy, President

SUBSCRIBED AND SWORN to before me this 27th day of July, 2011


NOTARY PUBLIC



CLIFFDWELLER RANCH RULES AND REGULATIONS

EXHIBIT A

All Lots in Cliffdweller Ranch Phase I Subdivision, according to the Official Plat thereof, on file in the Office of the Washington County Recorder; and

All Lots in Cliffdweller Ranch Phase II Subdivision, according to the Official Plat thereof, on file in the Office of the Washington County Recorder.

CFDR-1-1, CFDR-1-2, CFDR-1-3, CFDR-1-4, CFDR-1-5, CFDR-1-6, CFDR-1-7, CFDR-1-8, CFDR-1-9, CFDR-1-10, CFDR-1-11, CFDR-1-12, CFDR-1-13, CFDR-1-14, CFDR-1-15, CFDR-1-16, CFDR-1-17, CFDR-1-18, CFDR-1-19, CFDR-1-20, CFDR-1-21, CFDR-1-22, CFDR-1-23, CFDR-1-24, CFDR-1-25, CFDR-1-26, CFDR-1-27, CFDR-1-28, CFDR-1-29, CFDR-1-30, CFDR-2-31, CFDR-2-32, CFDR-2-33, CFDR-2-34, CFDR-2-35, CFDR-2-36, CFDR-2-37, CFDR-2-38, CFDR-2-39, CFDR-2-40, CFDR-2-41, CFDR-2-42, CFDR-2-43, CFDR-2-44, CFDR-2-45, CFDR-2-46, CFDR-2-47, CFDR-2-48, CFDR-2-49, CFDR-2-50, CFDR-2-51, CFDR-2-52, CFDR-2-53, CFDR-2-54, CFDR-2-55, CFDR-2-56, CFDR-2-57, CFDR-2-58, CFDR-2-59, CFDR-2-60, CFDR-2-61, CFDR-2-62, CFDR-2-63, CFDR-2-64, CFDR-2-65, CFDR-2-66, CFDR-2-67, CFDR-2-68, CFDR-2-69, CFDR-2-70, CFDR-2-71

Cliffdweller Ranch Rules and Regulations

This document supersedes Cliffdweller Ranch Architectural Guidelines filed as Document 00684200, Book 1367, Page 2280, in the Office of the Washington County Recorder and Cliffdweller Ranch Architectural Rules and Regulations With Revisions Approved by Cliffdweller Ranch Directors May 14, 2009

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D CLIFFDWELLER ARCHITECTURAL CONCEPT

1. Introduction: Living in a master-planned community offers many privileges as well as imposing certain restrictions. The Cliffdweller Ranch Landowners Association, Inc. (CRLA) has been developed for the mutual benefit of all its residents. In order to preserve the value, desirability, attractiveness and architectural integrity of the community, the CC&Rs have authorized the formation of the Architectural Control Committee (ACC).

2. Formation: The Association is created by the recording of the Declaration of Covenants, Conditions and Restrictions (CC&Rs). The CC&Rs set forth procedures, rules and regulations which govern the community. The Board of Directors is charged with responsibility for overseeing the business of the Association. The ACC is established by the Board to review all improvements within the Association including new construction and modification to existing properties and to review ongoing compliance with these Rules and Regulations and other Governing Documents. These Rules and Regulations are an extension of the CC&Rs and they are designed to be used in harmony.

3. Purpose: The purpose of the ACC is to ensure consistent application of the Bylaws, CC&R's and these Rules and Regulations. The responsibility of the ACC is to ensure that the harmonious and high quality image of the Association is implemented and maintained in an effort to protect property values. The Rules and Regulations promote those qualities in the Association which enhance the attractiveness and functional utility of the Community. The qualities include harmonious relationship among structures, vegetation, topography and overall design of the community.

4. Scope of Authority: The ACC monitors any portion of any Lot which is visible to the public or from other Lots, the street or Association common areas. This would include backyards which are visually open to other Lots or Association common areas. The ACC is vested with the power to review and approve all improvements made within the Community and to access property periodically to ensure compliance. These improvements include but are not restricted to the

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following: the construction of homes, additions, modifications and alterations to residential dwellings, signs, fences, walls, screens, patios and patio covers, landscaping, building color changes and any other modification of the exterior of a dwelling or other improvement or alteration to your property. **The Board may grant variances from these Rules and Regulations in its sole discretion.** These Rules and Regulations may be amended from time to time by the Board. Owners will be notified of any amendments either electronically or via U.S. Mail. Additional copies of these Rules and Regulations may be obtained by contacting the Cliffdweller Ranch Secretary.

5. Landscaping Concept: Landscaping material shall be drought tolerant species and native desert vegetation. Irrigated lawns are discouraged and plants requiring intense maintenance should be avoided.

6. Maintenance of Lots and Living Units: Each Lot and living unit shall be maintained by the Owner thereof so as not to detract from the appearance of the property and so as not to adversely affect the value of any other Lot or living unit in Cliffdweller Ranch.

7. Architectural Control: The architectural traditions of the Pueblo style evolved as a response to the climate and the available supply of appropriate building material. The thick adobe walls provided thermal buffering that helped keep the building cool during the day by absorbing heat energy. The thermal mass of the traditional adobe building utilized the wide diurnal temperature fluctuation of the southwestern desert to help provide daytime cooling and nighttime heating. Today's increasing energy costs and environmental concerns provide the home builder with functional reasons for emulating the design principles of early Pueblo Architecture.

The adobe and the stucco finish were readily available building materials, clay for roofing tile was also usually locally available. Timber used for structural purposes often had to be transported to the building site from neighboring mountains and was far less abundant. For this reason the use of wood was generally limited to roof framing, typically flat, therefore using less wood, portico coverings, lintels above doors and windows, and in some cases trim around the windows and doors. The dry air and hot sun of the Southwest limits the practicality of wood as a siding material, providing another reason for the stucco and adobe tradition of Pueblo Architecture.

The common elements that characterize the Santa Fe home include horizontal orientation, flat roofs with a parapet, stepped back roofs, thick walls, rounded corners, vigas (supporting beam or rafter), canales (drain spouts), wood lintels, wooden doors, portales (covered porches), courtyards, bancos (built in benches, seating areas), chimeneas (small fireplaces), and earth tone colors and accent colors, typically native to a specific area.

The horizontal orientation was a product of scarce building materials, especially wood required for any upper floor construction. Flat roofs were used in lieu of gabled structures due also to the lack of available materials (IE. wood). Flat roofs required only a minimum amount of

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supporting beams (vigas), that were then covered with smaller wood branches called cactus ribs or latillas, creating a lattice like ceiling finish, over which mud was spread to provide a water tight roof. Stepped back roofs provided the opportunity to have varying ceiling heights in adjoining rooms while giving the structure diversity in its outer appearance. Low slope roofs with clay tiles were used to cover porches (portales) and passageways.

Adobe was used for walls due to its availability, being made from the surrounding land. The thickness was used not only for structural support but also to facilitate in keeping the summer heat out and the winter heat in. It was easier to round the corners rather than try to maintain sharp corners. In time, weather would tend to wear the adobe down giving it a softer look.

Drain spouts (canales) were used to carry the water off the roof and away from the walls. They were made of either wood or clay tile. Wood was used as lintels for windows and doors and usually left exposed. Carved lintels were used to support roofs over porches and passageways.

Courtyards were used as entries and gathering places and were usually enclosed with adobe walls for privacy and protection. Bancos are built-in seating areas both inside and outside blending into the massive adobe walls and providing a place to relax. Chimeneas are small fireplaces that were placed in rooms to provide heating. Rather than one large fireplace that was inefficient for heating rooms farther away, the chimeneas were built into a corner of a room with clay and adobe, soft curving lines, and bancos and/or shelves for displaying keepsakes.

The color of the structures were defined by the materials used for construction. Hues related to the earth for making adobe, stone for walls and paths, wood for structural items. Accent colors were use to tint or paint trim and were defined by the local plants and materials. Lighter hues of blue and green. Darker hues of brown and black.

II. ARCHITECTURAL CONTROL COMMITTEE

1. Members: The Architecture Control Committee (ACC) shall consist of 3 members appointed by the Board of Directors. If such a committee is not appointed, the Board of Directors shall perform the duties of the ACC. One member of the committee shall serve as chairman and one member shall serve as secretary.

2. Power & Authority: The ACC has discretionary powers in evaluating all construction proposals. The ACC shall have the authority to reject any plan which in their view is not in accordance with appropriate design or aesthetic requirements in these Rules and Regulations or other Cliffdweller Ranch Governing Documents, as amended from time to time. The ACC shall also have authority to periodically access properties within Cliffdweller Ranch to inspect and ensure compliance with these Rules and Regulations and other Governing Documents.

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3. Exclusive Right of Non-waiver: The approval by the ACC of any plans and specifications for any work done or proposed shall not constitute a waiver of any right of the ACC to disapprove any similar plans and specifications on any other proposal at any future date. The ACC may recommend enforcement action to the Board of Directors for any disregard for or violation of these Rules and Regulations or other Governing Documents, as amended from time to time. This includes effecting any changes in structure, regulation, and disposition of objectionable and nuisance factors, and recommending to the Board that corrective action be taken by means of fines and property liens if necessary to obtain compliance, and all costs and attorney fees shall be levied as a Corrective Assessment against the Lot of the violating Owner.

4. Meetings: Attendance of a majority of voting members of the ACC shall constitute a quorum. A majority vote of the ACC shall be sufficient to enact resolutions or motions. The ACC shall meet a minimum of once each ninety (90) days to conduct inspections all Cliffdweller Lots for compliance with Cliffdweller Ranch Governing Documents. Additional meetings may be held to accommodate time and scheduling constraints of others and must include due consideration and deliberation by a quorum.

5. Agendas: The agenda for regular meetings will be established by the chairman 5 days prior to said meetings. Applicants desiring to have their matter reviewed must submit materials as provided for under Plan Review and Approval Process. Late additions to the agenda are at the discretion of the chairman. Agendas and minutes will follow a consistent format, similar to the following:

- A. Meeting Convened: (by whom, time, and place.)
 - A. Members present..
 - B. Others present...
 - C. Approval, minutes of previous meeting..
- B. Review of Plans:
 - A. (...name & lot number...)
 - B. (...name & lot number...)
 - etc.
- C. Plan Modifications/Changes: (as needed)
 - A. (...name & lot number...)
- D. Community Matters:
 - A. Old Business...(including unresolved issues)
 - B. New Business
- E. Administrative Matters: (committee only)

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F. Schedule next meeting

G. Adjournment (...time...)

6. Notice of Meetings: Notices of regular meetings shall be conveyed to all members of the ACC committee at least 10 days prior to the meeting date. Notices of additional meetings shall be conveyed to all members of the ACC committee at least 5 days prior to the meeting date.

7. Waiver of Notice: Attendance at a meeting will constitute waiver of notice.

8. Minutes of Meetings: Minutes will be recorded at all meetings. Copies will be sent to all ACC members and to the Secretary of the Association. The original copy will be filed in the ACC Minutes binder which will be kept at the office of the Secretary and made available to members of the CRLA at reasonable times.

9. Correspondence: The Correspondence and Minutes binder(s) shall be maintained and kept up to date by the Secretary of the Association. The binder(s) shall hold all notices and minutes of meetings, originals of all incoming mail, and copies of all outgoing mail.

10. Right to Records: Association members have the right to request copies of all ACC records for which a reasonable fee may be charged as established by the Board of Directors.

11. Variance Authority Reserved to the Board: If an Owner's application has been denied, the Owner may seek an appeal under III.3, below, or apply for a variance to these ACC Rules and Regulations as set forth below. All variances must be approved by the majority of the Board present at a meeting of the Board where a quorum has been established. Failure to obtain such approval shall constitute denial of the variance request. The approval must be in writing and shall state the terms of the variance. The granting of a variance to these ACC Rules and Regulations shall only act as a variance to the particular property and particular provisions hereof covered by the variance and shall not affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the use of his property.

(a) A variance may be granted only if one of the requirements of (i), (iv) and the requirement in (v) are met:

(i) literal enforcement of these ACC Rules and Regulations would cause an unreasonable hardship for the applicant that is not necessary to carry out the general purpose of these ACC Rules and Regulations; or

(ii) there are special circumstances attached to the Lot that do not generally apply to the other Lots in the Cliffdweller Ranch Properties; or

(iii) granting the variance is essential to the enjoyment of a substantial property

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right possessed by other Lot owners in the Cliffdweller Ranch Properties; or

(iv) the variance will not substantially affect these ACC Rules and Regulations and will not be contrary to the interest of the Association; and

(v) the spirit of these ACC Rules and Regulations is observed and substantial justice done.

(b) In determining whether or not enforcement of these ACC Rules and Regulations would cause unreasonable hardship the Board may not find an unreasonable hardship if the hardship is self-imposed or economic.

(c) The applicant shall bear the burden of proving that all of the conditions justifying a variance have been met. Variances run with the land. In granting a variance, the Board may impose additional requirements on the applicant that will (a) mitigate any harmful effects of the variance; or (b) serve the purpose of the standard requirement that is waived or modified.

(d) Neither the Board, the ACC nor any member thereof acting in good faith, shall be liable to the Association or to any Owner for any damage, loss, or prejudice suffered or claimed on account of the approval or rejection of, or failure to approve or reject, any variance requests.

III. PLAN REVIEW AND APPROVAL PROCESS

To assist Property Owners who are planning to build at Cliffdweller Ranch, the ACC has prepared this outline of procedures to be followed by the applicant in preparing plans for ACC approval. Each lot owner shall be provided a copy of these Rules and Regulations to assist in the development and design of their home upon notice by the owner to the ACC of purchase of the property. The ACC encourages the use of professional designers familiar in the Pueblo style of building. Failure of a lot owner to receive these Rules and Regulations shall not relieve the lot owner from compliance with the terms hereof.

1. Application Submission: Prior to commencement of new construction, any addition, alteration or construction work of any type, the owner must first file a Construction Application and receive written approval from the ACC. Failure to obtain approval of the ACC constitutes a violation of these Rules and Regulations and may require the modification or removal of unauthorized work or improvements at the owner's expense.

2. Application Process: The ACC will review each submission and respond within thirty (30)

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days after receipt of a complete application for approval. The ACC will respond in one of the following three forms:

Approved: The entire document submitted is approved.

Conditionally Approved: The document is partially approved and the Owner must comply with any and all notations on the submitted plan.

Denied: The entire document is not approved and no work may commence.

3. Appeal Process: Property Owners may appeal the decision of the ACC to the Board for consideration, in which case the decision of the Board shall prevail. The Owner must submit a written request to the Board for a hearing within ten (10) days of the written decision of the ACC. The Board will schedule a hearing within fifteen (15) days of receipt of the request from the property Owner. The Owner may state their case at the hearing, but the Board is not required to render a final decision at the hearing. The Board will notify the property owner of their decision in writing within five (5) days of the hearing. The decision of the Board shall be conclusive.

4. Construction Deposit: When plans and specifications for the construction of improvements are submitted to the ACC pursuant to these Rules and Regulations, said submission shall, at the request of the ACC, be accompanied by a maximum deposit of \$1,000.00 to guarantee that the construction site during the course of construction shall be maintained reasonably free of debris at the end of each working day and that the construction will be completed and that drainage swales and structures will correctly drain surplus water to the street or other approved locations, all as shown on the plans and specifications submitted to the ACC for approval. In the event of a violation of this restriction, the ACC may give written notice thereof to the builder and property Owner in question that if such violation is not cured or work commenced to cure the same within forty-eight (48) hours after mailing of said notice, the ACC may correct or cause to be corrected said violation and use said deposit, or as much thereof, as may be necessary to cover the cost of such correction work. In the event that the cost of curing said violation shall exceed the amount of said deposit, said excess cost shall be paid to the Association by the property Owner in question. Said deposit or any portion thereof remaining in the hands of the ACC at the satisfactory completion of the construction work shall be returned by the ACC to the person who made the deposit.

5. Time Allowance For Plan Review and Approval: Working drawings must be submitted to the Secretary of the Association for delivery to the chairman of the ACC a minimum of 15 days prior to a regular scheduled meeting of the ACC in order to be placed on the agenda. Preliminary drawings may be submitted to the Secretary of the Association or any committee member 10 days prior to a regular scheduled meeting of the ACC in order to be placed on the agenda. Special meetings are discouraged but may be scheduled with the consent of a majority of committee members. Without preliminary drawings, more than one submission may be required to satisfy ACC requirements. This may extend the time for approval and affect schedules, so the Owner is advised to include this additional time in their finance and building schedule.

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6. Time Limits for Building Permits and Completion: Building permits must be obtained within one year from the date of plan approval by the ACC unless the ACC provides written approval for variance from this requirement. Construction must be completed within fifteen months from the date of building permit issuance or plans must be resubmitted for review and approval by the ACC. Once building has begun it must be continued with no interruption until completion. The ACC must be informed if a delay of more than 14 days occurs or is anticipated to determine what action, if any, should be taken.

7. Preliminary Drawings: The ACC encourages submitting preliminary plans/concept sketches for review prior to incurring costs of working drawings. Preliminary drawings can allow the Owner/Owner's Representative and the ACC to critique the plans and work out any discrepancies, provide suggestions, reduce the possibility of expensive revisions to working drawings, and will prevent delays in the formal approval process. A preliminary review letter shall be delivered to the Owner within 30 days. The preliminary drawings/concept sketches shall be drawn to scale and include but not be limited to:

- A. A plot plan showing the general location of the house, outbuildings, corrals, driveways, patios/courtyards, walls, setbacks, LGP storage tanks, heating/cooling equipment, and limits of construction (minimizing the impact and damage to the natural landscape).
- B. A rough floor plan showing the general shape and square footage of the house, window and door locations, courtyards/patios, walls, and equipment locations.
- C. A minimum of four (4) elevations of the house with window and door locations and proposed or future courtyard/privacy walls.
Submit two (2) sets of drawings to the ACC for review. One set will be kept by the ACC and one set will be returned to the Owner/Owner's Representative.

8. Working Drawings: Three (3) sets of completed working drawings shall be submitted to the ACC for review and approval at a regular scheduled meeting. Drawings shall be reviewed in detail by the ACC. One set will be kept by the ACC and maintained in the office of the Secretary of the Association. Two (2) sets will be returned to the Owner/Owners Representative; one set being kept readily available at the building site and one being submitted to the building department for a building permit. The ACC shall approve the working drawings as submitted, accept the working drawings with conditional changes, or reject the working drawings at the meeting. A letter stating the approval, conditional changes, or rejection shall be delivered to the Owner within 30 days of which the complete drawings were submitted. A copy of the letter shall be kept in the Correspondence binder of the ACC. Owners must have written approval before proceeding with the work. Working drawings shall be drawn to scale and include but not be limited to:

- A. **Plot Plan:** drawn to a scale of 1/10, 1/20, 1/8 or 1/16 and shall show:
 - 1) Lot dimensions and adjacent street names

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- 2) Building locations with setbacks from all property lines
- 3) Topographic contours at 2 foot elevation intervals
- 4) Location and size of courtyards and patios
- 5) Location of courtyard/privacy walls
- 6) Location of outdoor heating/cooling/pool equipment
- 7) Location of LPG storage tanks
- 8) Location and size of driveway and guest parking
- 9) Location of fences, corrals, etc.
- 10) Easements
- 11) Outside utility locations and easements
- 12) Limits of construction (showing staging areas, access areas, and major bushes or trees that will be removed)
- 13) Square footage of each building, corral area, and total lot area

B. Floor Plan: drawn to a scale of 1/4" = 1'-0" and shall show:

- 1) Location of doors and windows
- 2) All courtyards and patios
- 3) Courtyard/privacy/screening walls
- 4) Overhangs and patio covers
- 5) Location of outdoor heating/cooling equipment
- 6) Location of power meter
- 7) Location of gas meter

C. Roof Plan: drawn to a scale of 1/4" = 1'-0" and shall show:
Location of rooftop equipment (if any)

D. Exterior Elevations: minimum of four (4) and drawn to a scale of 1/4" = 1'-0" and shall show:

- 1) All exterior windows and doors
- 2) Overhangs and patio covers
- 3) Courtyard/privacy/screening walls
- 4) Skylights, if profile projects above top of parapet
- 5) Proposed finished grade

E. Construction Details: drawn to a scale of 1/4, 3/8, 1/2, or 3/4" per foot and shall show (if any):

- 1) Vigas
- 2) Lintels
- 3) Retaining walls
- 4) Gates
- 5) Canales

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9. Changes to Buildings: Any additions, alterations, changes, or modifications which affect the exterior appearance of the structure, surrounding area, and/or lot and are not part of the approved drawings shall be submitted to the ACC for approval; with no exceptions. The ACC may allow time at each monthly meeting to consider construction revisions with the Owner and/or Builder. The ACC, being responsive to construction schedules and deadlines, will expedite the review as quickly as possible. Minor alterations and/or additions will be ruled on at the meeting. However, the Owner and Builder must understand that major changes may take some time and it is very important that the Owner and/or Builder contact the ACC prior to deviating from the approved drawings to allow adequate time to render a fair and reasonable decision.

IV. OVERSIGHT

1. Inspections: The ACC may conduct inspections, at any time, of work in progress for which approval has been granted. Inspections may include assurances that construction is in accordance with approved plans. If the ACC finds that such work was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such noncompliance, specifying the particulars of noncompliance, and shall require the owner to remedy the same. If, upon the expiration of thirty (30) days from the date of such notifications, the owner shall have failed to remedy such noncompliance, the ACC shall notify the Board of such failure. The Board shall notify the Owner of a hearing date which shall be within ten (10) days of the ACC's notice to the Board. After affording such Owner notice and hearing, the Board shall determine whether this is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If noncompliance exists, the Owner shall remedy or remove the same within a period of not more than thirty (30) days from the date of announcement of the Board ruling. If the Owner does not comply with the Board ruling within such period, the Board, at its option, may either remove the non-complying improvement or remedy the noncompliance, and the Owner shall reimburse the Association, upon demand, for all expenses incurred in connection therewith. If such expenses are not promptly repaid by the Owner to the Association, the Board thereof shall levy a special lien assessment against such Owner for reimbursement.

2. Building Permit: If the plans submitted by an Owner require a building permit, the approval by the ACC is not a guarantee that such plans will be approved by Washington County or the City of Hurricane. If the county or city requires modifications to such plans, such modifications must be submitted to and be approved by the ACC. The ACC and the Association assume no responsibility for obtaining these reviews and approvals. Likewise, these Rules and Regulations may be more stringent than county or city requirements. The Owner must comply with the more restrictive requirements of the county, the city or these Rules and Regulations.

3. Move On: No structure of any kind shall be moved from any other place onto any Lot without prior written approval of the ACC.

4. Protection of Neighbors: The interest of neighboring properties must be protected by making

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reasonable provisions for such matters as access, surface water drainage, sound and sight buffers, light and air, and other aspects of design, which may have a substantial effect on neighboring properties. Written consent of neighbors may be required by the ACC when it is deemed the proposed project would affect the neighboring property. Failing to gain consent by a neighbor will not necessarily result in the ACC declining the application. Such matter would be brought before the Board and their decision shall be conclusive.

5. Waiver: The approval of the ACC to any proposals or plans and specifications or drawings for any work done or proposed or in connection with any other matter requiring the approval and consent of the ACC, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specification, drawings or matter whatever subsequently or additionally submitted for approval or consent.

6. Workmanship: The quality of workmanship evidenced in construction must be equal to, or better than, that of surrounding properties. In addition to being visually objectionable, poor construction practices can cause functional problems and create safety hazards. The Association and the ACC assume no responsibility for the safety or liability of construction by virtue of architecture or workmanship. The review of plans is for aesthetic purposes only.

7. Tracking: The ACC shall maintain a record of all inspections that it makes of a work in progress. The inspection reports shall be kept a part of the official records of the ACC.

V. ARCHITECTURAL CONSIDERATIONS

General: All proposed construction must be compatible with the architectural characteristics of the property itself, adjoining properties and the neighboring setting. Compatibility is defined as harmony in style, scale, materials, color and construction details. In general, any exterior addition or alteration to an existing residence shall be compatible with the architectural character of the original structure.

In keeping with the Pueblo design motif of the Cliffdweller Ranch Development, certain building materials and compositions shall be prohibited. Metal roofing, gabled roofs, wood, brick, or vinyl siding, exposed horizontal tube rain gutters and exposed vertical down spouts.

Residential buildings and related structures are to be stucco finish. While actual adobe is likely not used in modern construction, the architectural concept remains. Long horizontal lines with no elevation change and sharp corners are discouraged. All roofing visible from the street shall be clay tile with tones matching the surrounding natural area. Flat roofs shall be hidden from visibility by parapet walls. Roof drains may be internal, with low sidewall outlets and splash blocks or canales.

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Exterior decorative materials of tile, wood, or stone should be of tones matching the surrounding natural area, in keeping with the Pueblo design, and will be subject to review and approval by the ACC.

Miscellaneous equipment buildings are subject to the same architectural provisions as set forth for residential structures. Architectural review will require that barns and equipment buildings be of a visual scale that fits into the residential nature of the Cliffdweller Ranch Development. Metal buildings will not be permitted for any purpose at Cliffdweller Ranch.

Heating and cooling equipment, L P gas tanks, and trash receptacles shall be screened or located in an inconspicuous manner. Roof mounted heating and cooling equipment visible from the street shall be hidden so that the screening design is consistent with the architecture of the building. The ACC may regulate the installation of satellite dishes and other antennae in accordance with applicable federal regulations.

2. Avoid Common Mistakes: The authentic Pueblo style home gains elegance from its authentic simplicity. Avoid excessive detail and over use or incorrect use of design elements such as vigas. Vigas are structural elements (beams) which support the roof. In adobe buildings the vigas often protrude through the exterior walls on opposite sides of the building. These beams do not cross, in other words, vigas should not appear on all four walls of a square or rectangular building. The over use of vigas or other architectural elements can turn the pleasing simplicity of the authentic Pueblo style into a cluttered collection of architectural cliches. The adobe structures of the Pueblo style had thick walls and slightly rounded corners. The characteristics of this natural building material provide some guidelines about authenticity. The recent popularity of the Adobe and Pueblo motif has caused a proliferation of contemporary interpretations of the architectural style, many of which are poor imitations. Prospective home builders are, therefore, encouraged to consult architects and builders who have experience in creating Pueblo style homes.

3. Antennae: Antennae and satellite dishes (if used) shall be no higher than the parapet walls on the roof. Those that have shiny metal surfaces may be required by the ACC to be painted using desert colors to blend in with the surrounding environment and stucco color of the home. Satellite dishes larger than one (1) meter should be located behind buildings out of sight from the street and/or screened from casual view with walls and/or bushes. Satellite dishes one (1) meter and smaller shall be placed so that they are not visible from the street in front of the house or be painted the color of the house. The installation of satellite dishes and other antennae shall be in accordance with applicable federal regulations.

4. Carports: Carports can not be substituted for garages.

5. Chimneys: Chimneys should be planned to match the house in style, material and color.

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Where feasible a chimney structure should be used to conceal equipment/fireplace flues, allowing only the minimum amount of metal flue showing. Chimneys shall be proportional to the structure while maintaining proper clearances to meet the two (2) foot requirement above roof level.

6. Color Scheme: Exterior colors should be addressed as soon as possible in the construction phase. Earth tones and those used in the historical Pueblo buildings should be considered as the primary colors for exterior use. ACC approval of exterior color schemes are not required to receive ACC approval of construction drawings. However, colors must be approved by the ACC prior to the application of any exterior colors.

7. Corrals: Plans for corrals, pens, paddocks and fencing for Phase I only shall be submitted to and approved by the ACC prior to construction.

8. Dog Runs: Dog runs should be screened from casual view and erected with fencing materials matching the existing rail fencing in the development. No chain link fencing will be allowed. A welded wire mesh of no greater than 10 gauge, 6" x 6" may be applied to the rail fencing no higher than the top rail, to prevent escape.

9. Drainage: When construction interferes with the natural drainage of the land, such as blocking a natural wash or drainage ditch, measures shall be taken, such as culverts or auxiliary ditches, to ensure that drainage is maintained. Construction shall be in accordance with engineered plans and constructed in a manner that will prevent damage to the Common Areas and adjoining lots.

10. Driveways: Driveways shall be paved or graveled with tones matching the surrounding natural area and not exceeding sixteen (16) feet in width. Asphalt may be used but a surface coat using natural colors should be used if possible.

11. Dumpsters: Dumpsters must be placed on site during construction. All rubbish, trash, debris, etc., shall be contained therein and the dumpster shall be emptied as soon as it becomes full to prevent trash and debris from blowing out and onto the surrounding land. Contractors and Owners will be equally responsible for debris that is allowed to blow across the desert. If outside services are required by the association to effect cleanup, the cost shall be taken from the deposit and/or levied as a Corrective Assessment as necessary.

12. Easements: Easements for overhead and underground utilities are generally ten (10) feet on either side of the utility. Any structures, such as walls or fences, placed within these easements are the responsibility of the owner should they be damaged or removed in order to access the

CLIFFDWELLER RANCH RULES AND REGULATIONS

utilities. Easements for drainage ditches as shown on the plats as described in the Declaration shall remain clear of structures and shall be maintained by the Association. All other drainage ditches shall remain clear of structures and shall be maintained by the private lot owner.

13. Enclosures: Outdoor heating/cooling equipment, pool equipment, trash cans, LPG (propane) tanks, satellite dishes, and other miscellaneous equipment shall be hidden/screened from casual view by appropriately sized and positioned walls, or by landscaping.

14. Fences: All fencing shall be three (3) rail, peeled, lodge pole pine fencing at least four (4) feet high with cedar posts. Brown metal corral fencing may be allowed if proposed use, reason and drawing are submitted to and approved by the ACC.

15. Garages: Garages may be attached or detached, capable of storing 2 vehicles, and not less than 400 Sq. Ft. of interior area. In designing and building the garage/house, it is encouraged to have the doors face away from the street.

16. Gates: Design and construction of gates should use materials in keeping with the desert architecture concept, as described herein, and blend in with the style and character of the buildings.

17. Horses: Horses are allowed only in Cliffdweller Ranch Phase I. As a result of the limited size of lots and potential erosion problems, horses shall be kept in an area not to exceed twenty-five percent (25%) of the total Lot area. This area shall include corrals, pens, paddocks and open areas and exclude the house, garage, barn, or other out-buildings (IE. shops, sheds, etc.). The location of the 25% area shall be determined by the Architectural Control Committee and the Owner for each specific Lot on which horses are permitted. For further information regarding horses and other animals see Article VII, Section 10 of the Clarification and Amendment to the Declaration.

18. Landscaping: Refer to the Landscaping Considerations for coverage of landscaping and related subjects.

19. Outdoor Equipment: Screening should surround and be high enough to conceal the equipment and still provide access for servicing. Heating/cooling equipment, pool equipment, and other machinery are inherently noisy and should be located with that in mind. In order to minimize the noise and disturbance of neighbors, noise attenuation by erecting walls is preferable, however planting bushes may be acceptable.

20. Outdoor Furniture & Fixtures: Items such as, umbrellas and patio furniture shall be kept

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Playground equipment, trampolines, basketball standards/backboards, and other such apparatus shall be collapsible and stored when not in use or concealed from public view. Pool slides shall not protrude above the surrounding wall and are typically discouraged. Clotheslines shall be out of public view.

21. Parking: Parking on the streets within Cliffdweller Ranch is prohibited. Exceptions may be made for events and social functions if submitted and approved by the Board of Trustees. Adequate parking on the lot should be provided for guests (a minimum of two cars) without blocking access to the garage. All vehicles stored on lots are to be licensed and in working condition. All seasonal, auxiliary, non licensed, and/or inoperable vehicles shall be in garages or screened from the view of neighboring lots and the street. This includes but is not limited to trailers, motor homes, boats, trucks larger than ¾ ton and miscellaneous mobile equipment. Seek approval from the Board of Directors for short term parking of the above vehicles.

22. Pillars: Driveway entry pillars are required for all lots. Front corner pillars on a lot are an option and must be reviewed and approved by the ACC. All pillars shall be constructed of steel or wood framing, sheathed with wood, covered with foam or felt, and finished with synthetic stucco. Type and color of stucco can be obtained from the ACC.

23. Portable Toilets: Portable toilets shall be placed on the lot when site preparation begins, serviced regularly, and removed as soon as construction is complete.

24. Precedents: Approval granted for unusual architectural aspects does not set a precedent for future situations.

25. Propane Tanks: According to their size, tanks will be located a safe distance from the house. Screening must surround and be high enough to conceal the equipment and still provide access for servicing. Walls or bushes may be used to completely conceal propane tanks.

26. Remodels: All exterior remodels require the same approval procedures as initial construction.

27. Roofs: Main roof structures shall be flat roofs, with minimum pitch for drainage, and hidden by parapet walls. Secondary roof structures, such as those over a patio, walkway, portico or balcony may be low slope and covered with tile of natural tones matching the surrounding natural area. Wood shingles, shakes, metal, or asphalt roofing is prohibited.

28. Rooftop Equipment: Rooftop equipment is discouraged. If necessary all rooftop equipment shall be screened from view by appropriate means, such as parapet walls. In the case

CLIFDWELLER RANCH RULES AND REGULATIONS

of existing rooftop equipment, if it is visible, it shall be painted to match the existing color of the structure.

29. Screened Porches: Screened porches are not an element of the Pueblo architecture and are discouraged.

30. Septic Systems: Prior to commencing excavation for the septic system, the contractor shall obtain a percolation test to determine the location of the absorption field, bed or seepage trench. The contractor shall then submit a plan showing the intended location of the septic tank and the absorption field, bed or seepage trench to the ACC for their records.

31. Setbacks: All buildings shall be subject to the following setbacks: Setbacks for Lots 1 through 30 shall be: Front - 150 ft., Sides - 25 ft., Back - 25 ft. Setbacks for Lots 31 through 71 shall be: Front - 75 ft., Sides - 25 ft., Back - 25 ft. The ACC secretary must notify the Board and all immediately adjacent CRLA property owners of any petition for a setback variance under consideration prior to granting such variance.

32. Solar Panels: Alternative energy, particularly solar, is very appropriate for this area. Design plans for solar energy systems must be submitted to the ACC for approval. Plans should be drawn to scale, showing the various elevations of the panels as well as all ancillary equipment (plumbing runs, electric conduits, etc.). Solar equipment, once installed, must not be visible from the street in front of the residence.

33. Sun Screens: Installation of sun screens (shade-cloth) shall be horizontal and firmly secured. Colors shall be approved by the ACC prior to installation.

34. Trash Containers: Trash containers may be on the street for pickup the day before pickup and shall be stored out of sight of neighbors and common areas and streets no later than the evening of the day of pickup.

35. Trash & Weeds: During the construction period, trash and/or construction debris shall be periodically removed from the site and at the completion of construction the entire site shall be left free of any trash and/or construction debris. Property owners shall not permit any accumulation of trash or garbage on any lots whether occupied or not. Building materials, scrap, or any other unsightly material shall not be stored on any lot in view of the general public or neighboring lots. Noxious non native weeds such as Russian Thistle shall not be permitted to accumulate or flourish on any lot or property. The Association may, after appropriate notification to the owner(s), remove, or have removed, any accumulation of trash or weeds and may bill the owner(s) for any costs associated with removal.

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36. Violations: Refer to the Amended Bylaws and Section VII below for procedures regarding violation of these Rules and Regulations.

37. Visibility: Certain of these Rules and Regulations apply only to objects that are visible from any point on the specified Lot boundary adjoining the County road or neighboring Lots. All issues involving application of this standard will be resolved by the CRLA Board of Directors.

38. Walls: Courtyard, privacy, screening, or other walls shall be integrated to match the main structure and shall be stuccoed to match. Walls must be approved by the ACC.

39. Windows: Use of lintels or inseting the windows to give the house a more Pueblo look is encouraged.

VI. LANDSCAPING CONSIDERATIONS

1. Cliffdweller Concept: Landscaping material shall be drought tolerant species and native desert vegetation. Plants requiring intense maintenance should be avoided.

2. Design Constraints: The ACC encourages each owner to give their home an individual personality without distracting from the natural area. The items below will help guide the Owners in their efforts.

3. Lighting: The goal is to protect the unique experience of the night sky in the desert. To accomplish this outdoor lighting must be kept to a minimum, and be in a downward focused sconce. Light sources should be indirect. Avoid the use of direct point sources of light. Incandescent lights are being phased out and should not exceed 60 watts and where feasible 25 watt lights are recommended. Low wattage fluorescent lighting is allowed. No security flood lights are allowed, unless on a motion detector switch. The use of flood lighting should be limited to social functions or gatherings and then only for a limited time. Flood lighting of architecture and landscaping should be constrained and not left on all night. Pedestrian pathways and driveways may be discreetly illuminated as needed for safety. Lighting on driveway entry monuments should use 25 watt lights and be in downward focused sconces.

4. Rocks and Rock Ground Cover: Rocks should be from the surrounding region and accent the land and architecture. Rocks can be used for landscaping, walls, edging, and building. Rock ground cover may include driveways, walkways or other spaces. Lava cinders and other colored gravels are generally accepted along with the standard gray gravel for driveways, etc. However, the ACC shall have the authority to review and either approve or deny the use of rocks

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However, the ACC shall have the authority to review and either approve or deny the use of rocks or gravel in any particular case.

5. Storage Areas: Areas used for storage shall be screened from view from the street and neighboring lots.

6. Swimming Pools: Swimming pools or other water features should be designed to be visually connected to the residence by means of walls or courtyards. They should be screened as much as possible from the street and neighboring properties. Construction of pools, walls, fencing, and other related items must be in accordance with State and County building regulations. Pool slides and other items that may protrude above the wall or fence is discouraged and pool equipment shall be screened from casual view.

VII. APPROVED PLANTS & TREES

The ACC recognizes the authoritative information from the Washington County Water Conservancy District which may be viewed at: <http://wcwcd.state.ut.us/Conservation.htm>.

VIII FINES

The Cliffdweller Ranch Architectural Control Committee (ACC) is hereby designated to identify, investigate and request the Board to issue Notices of Non-Compliance and to designate one of its members to present the case for non-compliance to the Board for judgment as provided in Section 10.8 of the Bylaws.

Assessment and collection of fines based on violations of Cliffdweller Ranch Governing Documents including the Declaration, Bylaws and these Rules and Regulations must be approved by a quorum of the Board. In rendering a decision, official notice may be taken at any time of any provision of the Governing Documents, or any generally understood matter within the working of the Association. Section 10.9 of the Amended Bylaws of Cliffdweller Ranch Landowners Association filed in the Office of the Washington County Recorder on January 2, 2008, provides authority for the Board to assess and collect fines for violations of Cliffdweller Ranch Governing Documents. The following fines shall be assessed for any and all fines issued by the Board pursuant to Section 10.9 of the Amended Bylaws. Unpaid fines may be collected as unpaid assessments as set forth in Paragraph 9 Section V. ASSESSMENTS of the Declaration

CLIFFDWELLER RANCH RULES AND REGULATIONS

1. Violations in General

A. Declaration of Covenants, Conditions and Restrictions: Fine shall be \$200.00 for the first violation.

B. Bylaws: Fine shall be \$150.00 for the first violation.

C. Rules and Regulations: Fine shall be \$100.00 for the first violation.

D. Continuing Violations: Each subsequent instance of the same violation shall be fined an amount equal to the fine for the first violation and each day the violation continues shall be considered a separate instance of violation.

E. Total Fine Amount: The total fine amount for continuing violation shall not exceed \$500.00 per month.

F. Interest, Costs and Fees: Accrued interest at the rate of 18% per year, a late payment service charge of \$10.00 per month and attorney fees and costs of collection shall be added to the amount of the cumulative total fine.

2. Extraordinary Violations

A. Violations of the Declaration of Covenants, Conditions and Restrictions, Amended Bylaws, and Rules and Regulations which, in the opinion of the Board, create a hazardous condition or affect the value of the properties within Cliffdweller Ranch, may be subject to an additional fine in an amount reasonably determined by the Board to be commensurate with the nature of the violation.

B. The provisions of I, D, E., and F. shall apply to all extraordinary violations.

For example: A Lot owner may be fined a total of up to \$500.00 per month plus accrued interest, late payment service charges, and attorneys fees and costs of collection for continuing violations of Article VII, Section 10 of the Clarification and Amendment to the Declaration that provides "No animals of any type may be allowed outside the Lot except under leash or other means of adequate control." After multiple violations with resulting fines totaling \$500.00 in one calendar month, there would be no additional fine for each continuing violation in that same month. However, if such violations continue into following calendar months, the Lot owner would be subject to up to \$500.00 in fines for each calendar month the violations continue; plus accrued interest, late payment service charge, and attorneys fees and costs of collection.

CLIFFDWELLER RANCH RULES AND REGULATIONS

IX MISCELLANEOUS

1. Board's Enforcement Rights: The Board shall have authority to enforce these Rules and Regulations to aid the Association and/or the ACC in carrying out any of its functions or to ensure that the Property is maintained and used in a manner consistent with the interests of the Owners.

2. Venue: These Rules and Regulations shall be construed and governed by the laws of the State of Utah. The Courts of Washington County, State of Utah, shall have exclusive jurisdiction and venue over any disputes or actions arising out of or relating to these Rules and Regulations.

3. Attorney's Fees: In the event that a Lot owner is in violation of these Rules and Regulations, whether a violation or an extraordinary violation, the Association shall be entitled to recover reasonable attorneys' fees and costs in connection with the enforcement of the Association's rights and remedies hereunder.

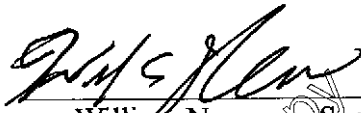
CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify that:

I am the Secretary of Cliffdweller Ranch Landowners Association, a Utah nonprofit corporation; and

The foregoing Rules and Regulations were duly adopted by a majority of Directors on the 26th day of July, 2011.

IN WITNESS WHEREOF, I have hereunto subscribed my hand this 27th day of July, 2011.

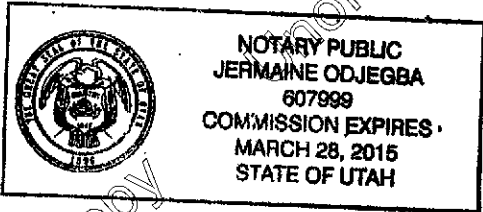


William Newman, Secretary

ACKNOWLEDGMENT

State of Utah
County of Washington

On this 27 day of July, 2011, William Newman personally appeared before me,
____ who is personally known to me,
 whose identity I verified on the basis of Drivers License
____ whose identity I verified on the oath/affirmation of _____
a credible witness,
to be the signer of the foregoing document, and he/she acknowledged that he/she signed it.



Jermaine Odjegba

Notary Public
My Commission Expires: March 28, 2015

Attribution Clause: This Certificate is prepared for, and exclusively belongs to, the accompanying document entitled
Certificate of Secretary, which consists of 1 page(s) and is dated July 26, 2011.
If this Certificate is appropriated to any document other than the one described herein, it shall be deemed null and void.