



Recorded at the request of and
after recording please return to:
Jenkins Bagley, PLLC
Attn: Bruce C. Jenkins
285 W. Tabernacle, Suite 301
St. George, UT 84770

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, Debora Watts, 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.

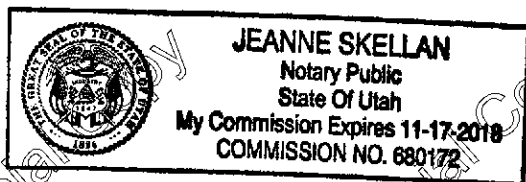
The Cliffdweller Ranch Restated and Amended Rules and Regulations are attached
hereto.

The Cliffdweller Ranch Restated Rules and Regulations attached hereto were duly
adopted by a majority of Directors at a meeting held for that purpose.

DATED this 20th day of April, 2017.

Debora Watts
Debora Watts, President

SUBSCRIBED AND SWORN to before me this 20th day of April, 2017.



Jeanne Skellan
NOTARY PUBLIC

Cliffdweller Ranch Rules and Regulations

TABLE OF CONTENTS

I. Cliffdweller Architectural Concept and History	7
1. <u>Introduction</u>	7
2. <u>Formation</u>	7
3. <u>Purpose</u>	7
4. <u>Scope of Authority</u>	7
5. <u>Landscaping Concept</u>	8
6. <u>Maintenance of Lots and Living Units</u>	8
7. <u>Architectural Control</u>	8
8. <u>Neighboring Lot or Lots</u>	10
II. Architectural Control Committee Structure	10
1. <u>Members</u>	10
2. <u>Power & Authority</u>	10
3. <u>Exclusive Right of Non-waiver</u>	10
4. <u>Meetings</u>	10
5. <u>Agendas</u>	10
6. <u>Notice of Meetings</u>	11
7. <u>Waiver of Notice</u>	11
8. <u>Minutes of Meetings</u>	11
9. <u>Correspondence</u>	11
10. <u>Right to Records</u>	11
11. <u>Variance; Authority Reserved to the Board</u>	11
12. <u>Conditional Improvement Permits</u>	12
III. Plan Review and Approval Process	15
1. <u>Application Submission</u>	15
2. <u>Application Process</u>	15
3. <u>Appeal Process</u>	15
4. <u>Construction Deposit</u>	16
5. <u>Time Allowance For Plan Review and Approval</u>	16
6. <u>Time Limits for Building Permits and Completion</u>	16
7. <u>Preliminary Drawings</u>	16
8. <u>Working Drawings</u>	17
9. <u>Changes to Buildings</u>	18

IV. Oversight	18
1. <u>Inspections</u>	18
2. <u>Building Permit</u>	19
3. <u>Move On</u>	19
4. <u>Protection of Neighbors</u>	19
5. <u>Waiver</u>	19
6. <u>Workmanship</u>	19
7. <u>Tracking</u>	20

V. Architectural Considerations	20
1. <u>General</u>	20
2. <u>Avoid Common Mistakes</u>	20
3. <u>Antennae</u>	21
4. <u>Carports</u>	21
5. <u>Chimneys</u>	21
6. <u>Color Scheme</u>	21
7. <u>Corrals</u>	21
8. <u>Dog Runs</u>	21
9. <u>Drainage</u>	21
10. <u>Driveways</u>	21
11. <u>Dumpsters</u>	22
12. <u>Easements</u>	22
13. <u>Enclosures</u>	22
14. <u>Fences</u>	22
15. <u>Flags</u>	22
16. <u>Garages</u>	22
17. <u>Gates</u>	22
18. <u>Horses</u>	22
19. <u>Landscaping</u>	23
20. <u>Outdoor Equipment</u>	23
21. <u>Outdoor Furniture & Fixtures</u>	23
22. <u>Parking</u>	23
23. <u>Pillars</u>	23
24. <u>Portable Toilets</u>	23
25. <u>Precedents</u>	24
26. <u>Propane Tanks</u>	24
27. <u>Remodels</u>	24

28. <u>Roofs</u>	24
29. <u>Rooftop Equipment</u>	24
30. <u>Screened Porches</u>	24
31. <u>Septic Systems</u>	24
32. <u>Setbacks</u>	24
33. <u>Solar Panels</u>	24
34. <u>Sun Screens</u>	25
35. <u>Trash Containers</u>	25
36. <u>Trash & Weeds</u>	25
37. <u>Violations</u>	25
38. <u>Visibility</u>	25
39. <u>Walls</u>	25
40. <u>Windows</u>	25

VI. Landscaping Considerations 25

1. <u>Cliffdweller Concept</u>	25
2. <u>Natural Area</u>	26
3. <u>Private Courtyard Areas</u>	26
4. <u>Design Constraints</u>	26
5. <u>Artifacts & Statuary</u>	26
6. <u>Fruit Trees</u>	26
7. <u>Gardens</u>	26
8. <u>Lawns</u>	26
9. <u>Lighting</u>	27
10. <u>Palms</u>	27
11. <u>Rocks and Rock Ground Cover</u>	27
12. <u>Storage Areas</u>	27
13. <u>Swimming Pools</u>	27

VII. APPROVED PLANTS & TREES 27

VIII. Fines 27

Policy	27
1. <u>General Schedule of Fines</u>	28
2. <u>Establishment of a Violation</u>	28
3. <u>Violation Notices</u>	28
4. <u>Delegation</u>	30
5. <u>Corrective Action</u>	30

6. <u>Referral to Legal Counsel</u>	31
7. <u>Cure of Violation During Enforcement</u>	31
8. <u>Utah Code</u>	31
9. <u>Schedule of Fines</u>	31
10. <u>Violations. Exceptions to General Schedule of Fines</u>	32

PREAMBLE

This document substitutes for the Cliffdweller Ranch Rules and Regulations, dated January 26, 2012, recorded in the records of the Washington County Recorder as Document 20120002602 ("2012 Rules").

At a Board meeting held on February 16, 2017, which meeting was called pursuant to Utah Code § 57-8a-217, the following Articles and Sections were amended - (i) Article I, Section 4 (scope of ACC authority), (ii) Article II, Section 2 (ACC power and authority), (iii) Article IV, Section 1 (ACC inspections), (iv) Article V, Section 3 (antennae), (v) the entirety of Article VIII (fines) and (vi) neighboring properties/lots as defined and clarified throughout - - moreover all other Articles and Sections were ratified by the Board of Directors of the Cliffdweller Ranch Landowners Association, Inc. ("CRLA"). Of the foregoing amendments the following are necessary to comply with changes in the Utah Community Association Act, Utah Code 57-8a-208: Article VIII Section 1; Section 2; Section 3(b), (c)(i), (d), (e), (f), (g); Section 4; and Section 8. Additionally, the amendment to Article V, Section 3 is necessary to comply with federal law. (The necessary amendments are indicated hereafter in *italics*). Finally, the Association's self-help remedies to correct a violation clarified in Article VII Sections 3(c)(ii)(iii) and 5 are provided for in Article VI, Sections 1 and 2 of the CC&Rs.

Pursuant to Utah Code § 57-8a-214(2)(a) and -217(2)(a), reasonable notice that the Board was considering adopting the Sections at the meeting was delivered to the Lot Owners at least 15 days before the Board meeting.

At the meeting, the Board provided an open forum giving Lot Owners opportunity to be heard before the Board adopted the Sections. (Utah Code § 57-8a-217(2)(b)).

A copy of these Rules and Regulations, in their entirety, with amended Sections, was delivered to Lot Owners within 15 days after the Board meeting. (Utah Code § 57-8a-214 and 217(2)(c)).

Pursuant to Utah Code § 57-8a-214(4), notice is given to Lot Owners that they have 60 days after the Board meeting to disapprove of the Board's adoption of the Sections. Disapproval is only effective if there is a vote of at least 51% of the allocated voting interests of the Lot Owners in the CRLA and the vote is taken at a special meeting called for that purpose by the Lot Owners as provided for in the Declaration, Articles of Incorporation, or Bylaws. However, the Board has no obligation to call a special meeting of the Lot Owners to consider disapproval unless the Lot Owners submit a petition, in the same manner as provided for in the Declaration, Articles of Incorporation, or Bylaws for a special meeting to be held. Should the Board receive such petition, the amended Sections will remain in effect, but actions to enforce will be stayed pending the outcome of the special meeting.

I. Cliffdweller Architectural Concept and History

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 shall have the following scope of authority:

- (a) **New Construction:** During new construction, the ACC shall monitor 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 original construction of residences and all exterior improvements associated with the residence and to access the Lot periodically to ensure compliance. These original improvements include, but are not restricted to, new construction of the following: residences, signs, fences screens, patios and patio covers, landscaping, building color and any other exterior improvement.
- (b) **Alterations, Remodel and Additions:** The ACC shall review and approve all alterations, changes, remodels and additions to the original construction of the residence and the exterior improvements associated with original construction of the residence. The ACC shall have the right to access the property periodically during construction to ensure compliance during construction.

- (c) **Existing Improvements:** The ACC shall have the right to inspect the condition and maintenance of existing improvements in the front yard area of a Lot and to bring to the attention of the Board any violations of the Association's Governing Documents within the front yard area. For purposes of these Rules and Regulations, "front yard area" shall mean that portion of the Lot extending from the front corners of the residence and running parallel with the street to the side property lines of the Lot.
- (d) **Specific Assignment:** The Board may from time to time and at its election, direct the ACC to undertake specific tasks and to then report to the Board and make a recommendation.
- (e) **Notice of Inspection:** Any inspection by the ACC under subsections 4(a) and (b), above, shall be conducted between the hours of 8:00 a.m. and 7:00 p.m. and upon 24-hour prior written, electronic or oral notice to the Lot Owner, except in the case of an emergency in which case no prior notice is required.
- (f) **Notice of Violation:** Any notice of a violation from the ACC under subsections 4(a) and (b), above, shall be sent in compliance with Article IV, Section 1 and shall be copied to the Board. Any notice of violation asserted by the ACC under subsections 4(c) and (d), above, shall be issued by the Board after it considers the recommendation of the ACC as to the purported violation.
- (g) **Amendment:** 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 Cliffdwellers Ranch Secretary. Such amendments shall not be retroactive to previous work or approved work in progress.

5. Landscaping Concept: Landscaping material shall be drought tolerant species and native desert vegetation. Limited use of irrigated lawns and green areas are encouraged, but plants requiring intense maintenance should be avoided. Small vineyards are considered appropriate with ACC approval. Any exception to these Rules and Regulations must be approved in writing by a quorum of the Board of Directors.

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 Cliffdwellers 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 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.

8. Neighboring Lot or Lots: As used herein, "Neighboring Lot" of Neighboring Lots" shall mean and refer to Lots which shares, in part or in whole, a common property boundary.

II. Architectural Control Committee Structure

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.

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. Unless otherwise arranged, meetings should be on the first Wednesday of each month. 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)

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 CRIA 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 of a variance must be in writing and shall state the terms of the variance. The granting of such a variance shall not

operate to waive any of the terms of the Declaration. 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 Cliff Dweller Ranch Properties; or

(iii) granting the variance is essential to the enjoyment of a substantial property right possessed by other Lot Owners in the Cliff Dweller 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, impose additional requirements on the applicant that will (a) mitigate any harmful effects of the variance; or (b) serve the purpose of the standard or requirement that is waived or modified.

(d) Neither the Board, 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 the failure to approve or reject, any variance requests.

12. Conditional Improvement Permits.

(a) Purpose

A conditional improvement, because of its unique characteristics or potential impact on Neighboring Lots, adjacent land uses or the overall character of may not be compatible in Cliffdweller Ranch, or may be compatible only if certain conditions are

required that mitigate or eliminate the detrimental impacts.

A Conditional Improvement Permit may be granted, based on the criteria below, on a temporary basis, to ascertain whether the conditional improvement has any kind of negative impact on Cliffdweller Ranch.

(b) Conditional Improvement Permit

1. An approved Conditional Improvement Permit shall be required for each conditional improvement (a) requested by an applicant that is not deemed by the ACC as appropriate for a Variance, except as provided below, or (b) as may specified by the ACC from time to time. No other permit or license shall be issued for a conditional improvement by any member of the ACC unless a Conditional Improvement Permit shall have been approved by the ACC.
2. Application for a Conditional Improvement Permit shall be made to the ACC via the same procedure used for making an application for a variance.
3. An application for a Conditional Improvement Permit shall include a statement indicating the nature of the proposed use, together with any other data showing how the use will conform with the standards prescribed in these Rules and Regulations. The application shall also be accompanied by (i) a non-refundable application fee of \$200 and (ii) a deposit in the amount of ten percent (10%) of the total cost of the improvement. An additional deposit may be required during the course of review of the application if the ACC, in its discretion, determines that under the circumstances a higher deposit is necessary. The deposit should be reasonably commensurate with the estimated cost of removal and restoration. The deposit will only be returned to the applicant, without interest, if a permanent variance is granted or the applicant removes and restores the premises to its original condition within thirty (30) days of expiration or revocation of the temporary permit. The ACC or the Association may utilize the deposit to remove the improvement and restore the property if the applicant fails to do so within the 30-day period.
4. The ACC may approve a Conditional Improvement Permit if conditions can be imposed to mitigate the reasonably anticipated detrimental effects of the proposed use in accordance with the standards prescribed in these ACC Rules and Regulations. In approving the Conditional Improvement Permit, the ACC may impose conditions deemed necessary to protect the other members of Cliffdweller Ranch's welfare, ensure compatibility with other improvement in Cliffdweller Ranch, and ensure that the negative impact of the proposed improvement on the surrounding uses and common areas of Cliffdweller Ranch is minimized.
5. In approving a conditional improvement, the ACC shall find:

- (a) That the proposed improvement is necessary or desirable and will not detract from the general well-being of Cliffdweller Ranch;
 - (b) That the improvement will not be detrimental to the health, safety or general welfare of persons residing or working in Cliffdweller Ranch, or injurious to the property or improvements in Cliffdweller Ranch; and
 - (c) That the proposed improvement will not violate an express provision of the relevant CC&Rs.
6. The ACC shall deny the conditional improvement application if the reasonably anticipated detrimental effects of the proposed use cannot be substantially mitigated by the proposal or the imposition of reasonable conditions to achieve compliance with these ACC Rules and Regulations.
 7. Conditions imposed by the ACC run with the permit and shall be binding on the applicants as well as their successors and assigns.
 8. All Conditional Improvement Permits issued are temporary and shall be issued for no longer than six months, however, the ACC may in its discretion either extend the Conditional Improvement Permit for an equivalent period, or grant a Variance so that it becomes permanent.
 9. A Conditional Improvement Permit will expire by its own term and may be revoked by the ACC upon failure to comply with the conditions imposed with the original approval of the permit and upon failure to comply with these Rules and Regulations.
 10. This Section shall terminate and be of no further force or effect after the 1st day of November, 2016, unless renewed by resolution of the ACC for successive periods of one year each. Any renewal shall be made within a period of ninety (90) days of the "sunset" date; provided however, the ACC by resolution may make this Section a part of these Rules and Regulations, like all other terms, which continue in effect until amended, supplemented or terminated.
 11. The ACC shall not be liable for the denial of an application or refusal to renew a temporary permit. The applicant assumes all risk of installing the improvement with no assurance that a variance will ever be granted, which variance would be required to remove the improvement from a temporarily approved improvement to a permanently approved improvement.

(c) Appeal

1. If an Owner's application has been denied, the Owner may seek an appeal to the Board under III.3, below.

(d) Deposit

1. The ACC may require a cash deposit from the applicant to be held in a designated account for the estimated amount of the expected removal of the temporarily permitted improvement and the restoration of the property to its former condition.
2. The applicant is not entitled to interest on the deposit and the deposit will only be returned upon issuance of a permanent variance or removal of the improvement and restoration of the property.

III. Plan Review and Approval Process

To assist Property Owners who are planning to build at Cliffdwellier 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) 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.

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
 - 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) Dintels
 - 3) Retaining walls
 - 4) Gates
 - 5) Canales

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: Subject to Article I, Section 4, if the ACC finds that work has not been 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 twenty (20) calendar days of the ACC's notice to the Board. After affording such Owner notice and hearing, the Board shall determine whether there 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 (i) levy fines against the Owner, (ii) pursue legal and equitable remedies, including injunctive relief, and (iii) 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 and if such expenses are not promptly repaid by the Owner to the Association, the Board shall levy a special lien assessment against such Owner for reimbursement. These remedies are cumulative and not exclusive. Also, if in the discretion of the Board it is prudent to seek immediate injunctive relief, then the Board may proceed with injunctive relief and not give the Owner the 30-day cure period after the hearing before the Board.

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 Lots must be protected by making 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 Lots. Written consent of Neighboring Lot Owners may be required by the ACC when it is deemed the proposed project would affect the Neighboring Lots. Failing to gain consent by Neighboring Lot Owner 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

1. General: All proposed construction must be compatible with the architectural characteristics of the property itself, adjoining properties and the neighborhood 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 Cliffdwellers 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 visible roofing shall be clay tile with tones matching the surrounding natural area. Flat roofs shall be hidden from visibility by parapet walls. Roof drains should be internal, with low sidewall outlets and splash blocks or canals.

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 Cliffdwellers Ranch Development. Metal buildings will not be permitted for any purpose at Cliffdwellers 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 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: Subject to the Lot Owner's federally protected right to receive an acceptable quality signal, the following apply: (i) Antennae and satellite dishes (if used) shall be no higher than the parapet walls on the roof or otherwise screened from view, and (ii) no satellite dishes larger than one (1) meter are permitted.

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

5. Chimneys: Chimneys should be planned to match the house in style, material and color. 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 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. Flags: American Flags may be displayed inside only on the Owner's Lot. Flag poles must be painted with natural colors so as to be complementary to the colors of the house. Flags, including the American Flag, and flag poles are not allowed in the natural area.

16. 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.

17. 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.

18. Horses: Horses are allowed only in Cliffdwellier 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.

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

20. 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 Neighboring Lots, noise attenuation by erecting walls is preferable, however planting bushes may be acceptable.

21. Outdoor Furniture & Fixtures: Items such as, umbrellas and patio furniture shall be kept within courtyards and patio areas. Use natural colors that tend to blend in with the surroundings. 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.

22. Parking: Parking on the streets within Cliffdwellor 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. When the Board grants a right of short term parking on the streets to an Owner, a notice of the short term parking shall be posted on the Community Board, facebook or other medium deemed acceptable by the Board.

23. 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.

24. Portable Toilets: Portable toilets shall be placed on the Lot when site preparation begins,

serviced regularly, and removed as soon as construction is complete.

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

26. 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.

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

28. 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.

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

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

31. 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. It is incumbent upon the contractor to minimize the damage and disturbance of the surrounding area of the septic system. Septic systems should be located within 30 feet of the house

32. 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.

33. 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.

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

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

36. 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 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.

37. Violations: Refer to the Amended Bylaws for procedures regarding violation of these Rules and Regulations.

38. 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.

39. Walls: Courtyard, privacy, screening, or other walls shall be integrated to match the main structure and shall be either stuccoed to match, or made of indigenous materials. Walls must be approved by the ACC.

40. 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. Limited use of irrigated lawns and green areas are encouraged, but plants requiring intense maintenance should be avoided. Small vineyards are considered appropriate

with ACC approval.

2. Natural Area: The Natural Area is the undisturbed portion of each Lot, outside the 30 foot area of construction extending from the building foundation. Planting in this area is strongly discouraged. Any planting in the Natural Area must conform to the approved plants and trees referenced below. An effort to preserve plants in the Natural Area during construction is expected. Denuding all vegetation on any building Lot is not appropriate and Owners doing so may be required to restore and landscape the area after construction.

3. Private/Courtyard Areas: The Private Areas shall be those areas immediately next to and extending out to a point 30 feet from the foundation of the home. Courtyard Areas shall be within this 30 foot area and screened from casual view from the street and Neighboring Lots by walls and are usually part of the architecture of the home. These are the areas where personal style and personality in landscaping are displayed. Items such as sculptures, collectibles, furniture, water features, etc. may be included. Courtyards may also include pools, spas, gazebos, and the like.

4. 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.

5. Artifacts & Statuary: The use of artifacts and statuary, antique conveyances, and related unnatural objects are not allowed in the "Natural" area. These items, if used, should be in the courtyard areas. Other placement may be admissible, such as in the 30 foot area extending from the home foundation, with written approval of the ACC.

6. Fruit Trees: Fruit trees are out of character with the desert and planting them is discouraged. Fruit trees are encouraged to be kept in the courtyard areas and no fruit tree shall be planted in the "Natural" area. The ACC encourages the use of dwarf fruit trees which do not grow excessively high and can be easily planted within the courtyard areas. Locations of fruit trees outside of the courtyard areas shall be submitted to, reviewed, and approved in writing, by the ACC prior to planting.

7. Gardens: Gardens (vegetable, rock, flower, etc.) are encouraged to be located in the courtyard areas. Locations of gardens outside of the courtyard areas shall be submitted to, reviewed, and approved in writing, by the ACC prior to planting.

8. Lawns: Limited use of lawns is permitted. Location of lawns must be within private/courtyard areas. Use of drought tolerant grasses is encouraged to reduce the amount of water usage.

9. 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 downward focused sconces.

10. Palms: Palm trees are not indigenous to the area and are to be confined to courtyard areas. No palm trees shall be planted in the natural area.

11. 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. and does not need approval of the ACC. However, the ACC shall have the authority to review and either approve or deny the use of rocks or gravel in any particular case.

12. Storage Areas: Areas used for storage shall be screened from view from the street and Neighboring Lots.

13. 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 Lots. 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

Policy. As a matter of policy, the Board desires to work under a policy of enforcement driven by complaints from (i) Owners of Neighboring Lots, (ii) any Lot Owner in the Subdivision if the

matter in question is visible from the street in front of the Lot at issue and the alleged violation is located in the front yard, (iii) any Lot Owner in the Subdivision if the Lot is a corner Lot and the alleged violation is visible from the street in front of or on the side of the Lot, (iv) the ACC under the parameters of Article I, Section 4 hereof, and (v) the Board. Assessment and collection of fines based on violations of Cliffdeweller Ranch Governing Documents including the Declaration, Bylaws and these Rules and Regulations must be approved by a majority of 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 Cliffdeweller 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 Cliffdeweller 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.

1. General Schedule of Fines. *Fines will be assessed for any violation or non-compliance with the Association's Governing Documents as specifically provided for in the General Schedule of Fines as set forth in subsection 9 below.*

2. Establishment of a Violation. Any violation of the Governing Documents of the Association is subject to a fine as provided for in these Rules.

3. Violation Notices.

a. **Initial Reminder Notice.** Upon indication of the existence of the probability of a violation of the Governing Documents under the policy above, the Board or its agent, may send/issue a "Friendly Reminder" (otherwise known as the "Initial Reminder Notice") by way of phone call, business/post card, email, letter or door hanger, which will notify the recipient of the following:

- (i) The nature, description, location of the violation; and
- (ii) Contact information and reference information on the rules of the Association, in the event that the Owner may simply be unaware that the noted problem is in fact considered a violation;
- (iii) A pleasant request to remedy the violation within five (5) days or less, but not less than 48 hours.

b. **Written Warning.** *Upon verification of the probability of a violation, and whether or not an "Initial Reminder Notice" has been sent, the Board or its agent shall cause to be sent the Lot Owner ("Owner") -- prior to assessing a fine -- a Written Warning that the violation exists. The Written Warning will include the following:*

- (i) a description of the violation;
- (ii) a statement of the rule or provision of the Governing Documents that the Lot Owner's conduct violates;
- (iii) if the violation is a continuing violation, a statement of the time that is not

less than 48 hours after the day on which the Board of Directors gives the Lot Owner the written warning by which the Lot Owner shall cure the violation. A "continuing violation" is one that continues without interruption for a period of twenty four (24) consecutive hours or more.

- (iv) *for violations that are not a continuing violation, a statement that the Board of Directors may, in accordance with the provisions of this Policy, assess fines against the Lot Owner if the Lot Owner commits similar violations within one year after the day on which the Board of Directors assesses the initial fine against the Lot Owner;*

c. *Failure to Comply/Basis for Fining.* *Failure to comply with the Written Warning will result in one or more of the following (which shall be cumulative and not exclusive):*

- (i) *A fine, according to subsection 9 below, being levied by the Association against the Owner. The Board of Directors may assess a fine against a Lot Owner if (A) for a non-continuing violation, the Lot Owner commits another violation of the same rule or provision identified in the Written Warning within one year after the day on which the Board of Directors gives the Lot Owner the Written Warning; or (B) for a continuing violation, the Lot Owner does not cure the violation within the time period that is stated in the Written Warning described above;*
- (ii) *In lieu of and without fining, the Association may, upon following the procedures in subsection 5 below, correct the violation and levy an assessment and record a lien against the Owner's Lot as may be permitted under the Association's Declaration.*
- (iii) *If, however, the Association chooses to fine rather than proceeding under subsection (c)(ii) above, once the total fine for a violation reaches \$100.00, the Association may, in addition to the fines then levied, correct the violation at the expense of the Owner upon following the procedures in subsection (c)(ii) above.*
- (iv) *Any other remedy under law, or at equity, including injunctive relief.*

d. *Subsequent Fines Without Notice.* *After the Board of Directors assesses a fine against a Lot Owner under this Fine Policy, the Board of Directors may, without further warning to the Lot Owner, (i) assess an additional fine according to subsection 9 below against the Lot Owner each time the Lot Owner commits a violation of the same rule or provision within one year after the day on which the Board of Directors assesses a fine for a violation of the same rule or provision, or (ii) assess an additional fine according to subsection 9 below against the Lot Owner each time the Lot Owner allows a violation to continue (a continuing violation) for ten (10) days or longer after the day on which the Board of Directors assesses the fine. As to a continuing violation under (d)(ii), the Board may only assess a subsequent, additional, fine every tenth day following the*

previous fine.

e. **Hearing.** *A Lot Owner who is assessed a fine may request an informal hearing before the Board of Directors to dispute the fine within thirty (30) days after the day on which the Lot Owner receives notice that the fine is assessed. At the hearing, the Board of Directors shall (i) provide the Lot Owner a reasonable opportunity to present the Lot Owner's position to the Board of Directors; and (ii) allow the Lot Owner, a Board member, or any other person involved in the hearing to participate in the hearing by means of electronic communication. If a Lot Owner timely requests an informal hearing, no interest or late fees may accrue until after the Board of Directors conducts the hearing and the Lot Owner receives a final decision.*

f. **Appeal.** *A Lot Owner may appeal a fine assessed by initiating a civil action within 180 days after (i) if the Lot Owner timely requests an informal hearing, the day on which the Lot Owner receives a final decision from the Board of Directors; or (ii) if the Lot Owner does not timely request an informal hearing, the day on which the time to request an informal hearing expires.*

g. **Assessment.** *A fine may be levied as an assessment against the Lot of the Owner after the time for appeal has expired.*

4. Delegation. *A Board of Directors may delegate the Board's rights and responsibility to a managing agent. However, the Board of Directors may not delegate the Board's rights or responsibilities concerning the holding of a hearing.*

5. Corrective Action. *Where a Violation is determined to exist the Board may, in lieu of or as a part of the fining process, undertake to cause the Violation to be corrected, removed or otherwise abated if the Board, in its reasonable judgment, determines the Violation may be corrected, removed or abated without undue expense and without breach of the peace. Where management decides to initiate such action, the following will apply:*

a. *The Board must give the Owner and any third party directly affected by the proposed action written notice that unless corrective action is taken within a time period set by the Board, which time period shall not be less than 14 calendar days, the Board may cause such action to be taken at said Owners cost. Such notice may be given at any time.*

b. *Costs incurred in correcting or eliminating the Violation will be charged back to the Owner as an Assessment as may be provided for in the Declaration.*

c. *The Association, and its agents and contractors will not be liable to the Owner or any third party for any damages or costs alleged to arise by virtue of action taken under*

this Section where the Association and its agents have acted reasonably and in conformity with the Governing Documents.

6. Referral to Legal Counsel. Where a Violation is determined to exist the Board may, at any time during the enforcement process, refer the Violation to legal counsel for action seeking injunctive relief against the Owner to correct or otherwise abate the Violation, or to pursue any other legal or equitable remedy that may be available to the Association.

7. Cure of Violation During Enforcement. An Owner may correct a violation at any time during the pendency of any procedure prescribed by these Rules. Upon verification that the violation has been corrected, the violation will be deemed resolved, but the Owner will remain liable for all costs and fines.

8. Utah Code. All fines set forth in these Rules and Regulations shall be levied in accordance with Utah Code 57-8a-208, as such may be amended from time to time.

9. Schedule of Fines

(a) **Fines for Continuing Violations.** Fines for continuing violations shall be grouped into two categories: (i) continuing violations involving architectural standards, occupancy or rental restrictions and those that, in the sole discretion of the Board, involve safety of persons or property; and (ii) all other continuing violations. The fines for category (i) and category (ii) violations shall be as follows:

Category (i)

- (A) Initial fine: \$500
- (B) Additional fines: \$100 for each consecutive ten (10) days the violation continues

Category (ii)

- (A) Initial fine: \$25
- (B) First additional fine: \$50
- (C) Further Additional fines: \$100 each consecutive ten (10) days the violation continues

(b) **Fines other than Continuing Violations.** Fines for violations that are not continuing violations shall be as follows:

- (i) Initial fine: \$25
- (ii) First additional fine: \$50
- (iii) Further additional fines: \$100 each

(c) **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.

10. Violations. Exceptions to General Schedule of Fines. Notwithstanding the General Schedule of Fines as provided above, the following violations will be subject to the fines specified below:

1. **Failure to Complete Construction.** Failure to complete construction and clean up of a single family dwelling ("Living Unit") within one (1) year or within time set by Board from commencement: \$1,000 per month until completed.

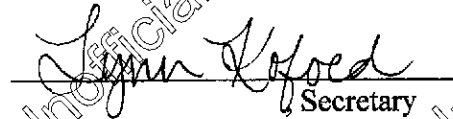
CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify that:

I am the duly elected and acting Secretary of Cliffsweller Ranch Landowners Association, a Utah nonprofit corporation; and

The foregoing Rules and Regulations were duly adopted by a majority of Directors at a meeting on the 16 day of February, 2017.

IN WITNESS WHEREOF, I have hereunto subscribed my hand this 24 day of February, 2017.


Secretary

**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, Washington County, Utah;

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

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

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