



Recorded at the request of:
Grassy Meadows Sky Ranch Land Owners Association

**Record against the Property
described in Exhibit A**

After Recording mail to:
Jenkins Bagley, PLLC
Attn: Bruce C. Jenkins
285 W. Tabernacle, Ste. 301
St. George, UT 84770

**FIRST AMENDMENT TO THE THIRD RESTATED SUPPLEMENTARY AND
AMENDED DECLARATION OF COVENANTS, CONDITIONS, & RESTRICTIONS
Phases I, II, III, IV, 5A, and 5C (Hangar Area)
and all other property which becomes Annexed Thereto**

As more particularly stated herein, this First Amendment to the Third Restated Supplementary and Amended Declaration of Covenants, Conditions, & Restrictions (hereinafter "Amendment"), amends the following:

- (i) Third Restated Supplementary and Amended Declaration of Covenants, Conditions, & Restrictions recorded with the Washington County Recorder on August 22, 2011, as Doc. No. 20110025437; and
- (ii) Any and all supplements or amendments to the Declaration prior to the date of this Amendment, whether or not such were recorded in the records of the Washington County Recorder (the foregoing are collectively referred to herein as the "Declaration").

This Amendment is undertaken pursuant to Article XIII, Section 3 of the Declaration which provides that the Declaration may be amended by the affirmative vote of at least 2/3 of the total votes cast after a quorum of 50% of all Voting Interests is established. This Amendment shall take effect upon the date it is recorded in the records of the Washington County Recorder (the "Amendment Date"). All of the Property known as "Grassy Meadows Sky Ranch" (described in Exhibit A attached hereto and made a part hereof) shall be held, sold, and conveyed subject to the Declaration as amended by this Amendment.

Article X, Section 12

The following adds Section 12 to Article X to the Declaration – all other terms of the Declaration and other governing documents that do not contradict the terms of this Amendment shall remain in full force and effect. In the event of a conflict between this Amendment and the Declaration, the Articles of Incorporation, the Bylaws, or the Rules and Regulations ("Governing Documents"), this Amendment shall control.

SECTION 12 OF ARTICLE X OF THE DECLARATION IS HEREBY ADDED AS FOLLOWS:

12. Nightly Rental Restrictions.

(a) No Short-Term Rentals. No Owner shall rent any portion of the Owner's Unit or Lot, or any interest in their Unit or Lot, for less than thirty (30) consecutive calendar days. Unit Owners are further prohibited from offering all or part of any Unit or Lot for a period of less than thirty (30) days through Airbnb, VRBO, or other websites or entities. However, a resident Unit Owner may share the Unit Owner's Unit with a roommate or other individuals with whom the Unit Owner maintains a common household, and such persons may pay rent to the resident Unit Owner, provided the term of the Rental Agreement is at least thirty (30) consecutive calendar days in duration.

(b) Time-Share Arrangements Prohibited. No Unit or Lot shall be leased, subleased, occupied, rented, let, sublet, or used for or in connection with any time-sharing agreement, plan, program or arrangement, including any so-called "vacation license," "travel club," "extended vacation," "fractional ownership," or other membership or time interval ownership arrangement. The term "time-sharing" includes, but is not limited to, any agreement, plan, program, or arrangement under which the right to use, occupy, or possess any Unit or Lot rotates among various persons, either corporate, partnership, individual, or otherwise, on a periodically recurring basis for value exchanged, whether monetary or like-kind use privileges, according to a fixed or floating interval or period of time. This Section 12 shall not be construed to limit the personal use of any Unit by any Unit Owner or that Unit Owner's social or familial guests.

(c) Application. Except as provided in subsection (d) the restrictions in subsections (a) and (b) shall take effect immediately upon recording of this amendment in the records of the Washington County Recorder (the "Effective Date").

(d) Grandfathering. Any Owner who is currently engaged ("currently" being defined as at least six (6) months prior to the recording date of this amendment) in short-term rental of their Unit or Lot shall have the right to appeal to the Board of Directors to continue to lease such Unit or Lot as a short-term rental on a conditional basis until the earlier to occur of the following:

- (1) The Lot is transferred. For purposes of this Subsection (2), a transfer occurs when one (1) or more of the following occur:
 - a. the conveyance, sale, or other transfer of a Lot by deed;
 - b. the granting of a life estate in the Lot; or
 - c. if the Lot is owned by a limited liability company, corporation, partnership, or other business entity, the sale or transfer of more than seventy-five percent (75%) of the business entity's share, stock, membership interest, or partnership interest in a twelve (12) -month period; or
- (2) The Owner is in violation of this short-term rental amendment, including but not limited to the following violations and / or conditional requirements for continuance of a Short-Term Rental:

(i) The Owner of the Lot upon which there is a short-term rental shall, upon request from the Board of Directors, provide a copy of a current and valid State, County and/or other local jurisdiction business license for the conduct of such a business.

(ii) The Owner shall, each year at the request of the Board of Directors, provide a copy of a current and valid Utah Health Department and/or other local jurisdiction health clearance permit and annual inspection report.

(iii) The Owner shall, each year at the request of the Board of Directors, provide a copy of a current and valid Fire Department clearance permit and inspection report.

(iv) The Owner shall, each year upon request from the Board of Directors, provide proof of payment of any and all occupancy taxes required by the State of Utah and/or Washington County (and/or any other local jurisdictions).

(v) The Owner and the Owner's tenants shall obey all Association rules, regulations, and covenants whether provided for in the Declaration and rules and shall be subject to its fines and disciplinary measures, including but not limited to the termination of any future short term rental at Owners Lot.

(vi) The Owner shall keep a record of any complaints filed by Association members and neighbors of the Association, including but not limited to long term rental tenants of any Owner illegally operating a Short-Term Rental business (see (vii) below). The records shall include the date of the complaint and a brief description of the complaint. The records shall also require the documentation and dates of all corrective actions taken by Owner relative to said complaints. If more than three complaints are received in a consecutive 360-day period, the Board of Directors may, and at the sole option of the Board of Directors, temporarily withdraw permission to operate a Short-Term Rental for a period as determined at the sole discretion of the Board of Directors.

(vii) If corrective action to eliminate complaints are judged ineffective, at the sole discretion of the Board of Directors, permission to operate the Short-Term Rental on said property may be permanently withdrawn.

(viii) An Owner shall not lease their property to any other individual(s), firm, corporation, LLC or any other entity if said lessee conducts a Short-Term Rental business with or upon said property in any way, shape, manner and/or form. In other words, any subletting of a lease for Short-Term Rentals as defined herein is a violation of this amendment and the Declaration.

(e) Exemptions to the Restriction on Short-term Rentals. If, at any time after the Effective Date, an Owner believes that a hardship is being endured pursuant to which such Owner needs to lease the Owner's Lot or Unit, the Owner may apply to the Board of Directors for a hardship exemption from the leasing restrictions contained herein. If an Owner decides to apply for a hardship exemption, such Owner must take the following steps:

(1) Application. The Owner must submit a request in writing to the Board of Directors requesting a hardship exemption setting forth in detail the reasons for the request.

(2) Approved Exemptions. The following five (5) hardship exemptions shall be deemed expressly approved, provided the Owner provides reasonable proof of engagement in one (1) or more of the following for each application:

- (i) a Lot Owner in the military for the period of the Lot Owner's deployment;
- (ii) a Lot is occupied by a Lot Owner's parent, child, or sibling and the parent, child, or sibling is not engaging in Short-Term Rentals;

- (iii) a Lot Owner whose employer has relocated the Lot Owner for two (2) years or less;
- (iv) a Lot owned by an entity that is occupied by an individual who:
 - (a) has voting rights under the entity's organizing documents;
 - (b) has a twenty-five percent (25%) or greater share of ownership, control, and right to profits and losses of the entity;
 - (c) the entity is not engaging in Short-Term Rentals; and
- (v) a Lot owned by a trust or other entity created for estate planning purposes if the trust or other estate planning entity was created for:
 - (a) the estate of a current resident of the Lot;
 - (b) the parent, child, or sibling of the current resident of the Lot upon the Effective Date; and
 - (c) the resident, parent, child, or sibling is not engaging in Short-Term Rentals.

IN WITNESS WHEREOF, the undersigned has executed this Amendment on this 5th day of SEPT., 2020.

GRASSY MEADOWS SKY RANCH LAND OWNERS ASSOCIATION, a Utah nonprofit corporation

Barry P. Reinherz
By: BARRY P. REINHERZ
Its: President

STATE OF UTAH)
: ss.
County of Washington)

On the 5th day of Sept, 2020, personally appeared before me Barry P. Reinherz who being by me duly sworn, did say that he is the President of the Grassy Meadows Sky Ranch Land Owners Association, a Utah nonprofit corporation, the authorized individual empowered to sign this Amendment and that the Amendment was signed on behalf of said Association and said person acknowledged to me that said Association authorized the execution of the same.

Joelyn Waters
NOTARY PUBLIC

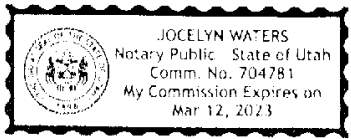


Exhibit A
(Legal Description)

This Amendment to the Third Restated Supplementary and Amended Declaration of Covenants, Conditions, and Restrictions for the Grassy Meadows Sky Ranch Land Owners Association affects the following real property, all located in Washington County, State of Utah:

All of Lots 1 through 12, Lots 14-A through 15-A, Lots 17 through 18, Lot 19-A, Lot 20-B-1, Lot 22-A, and Lots 23 through 25 All of Grassy Meadows Sky Ranch (-), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: GMSR-1-HV through GMSR-12-HV

PARCEL: GMSR-14-A-HV through GMSR-15-A-HV

PARCEL: GMSR-17-HV through GMSR-18-HV

PARCEL: GMSR-19-A-HV

PARCEL: GMSR-20-B-1-HV

PARCEL: GMSR-22-A-HV

PARCEL: GMSR-23-HV through GMSR-25-HV

All of Lot 26-A, Lot 28, Lot 31-A-1, Lots 32-35, Lots 36-A through 37-A, Lots 38 through 47, Grassy Meadows Sky Ranch 2 Amd #2 (-), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: GMSR-2-26-A-HV

PARCEL: GMSR-2-28-HV

PARCEL: GMSR-2-31-A-1-HV

PARCEL: GMSR-2-32-HV through GMSR-2-35-HV

PARCEL: GMSR-2-36-A-HV through GMSR-2-37-A-HV

PARCEL: GMSR-2-38-HV through GMSR-2-47-HV

All of Lots 48 through 55 , Grassy Meadows Sky Ranch 3 (-), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: GMSR-3-48-HV through GMSR-3-55-HV

All of Lots 56 through 69, Grassy Meadows Sky Ranch 4 (-), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: GMSR-4-56-HV through GMSR-4-69-HV

All of Lots 70 through 98, Grassy Meadows Sky Ranch 5A (-), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah. PARCEL: GMSR-5A-70-HV through GMSR-5A-98-HV All of Lots HU1 through HU28, Lot HU29-A, Lots HU34 through HU233, Lots HU120A through HU121A, Lot HU121B, Lot HU173A, Lot HU173B, Lot HU173C, Lots HU242 through HU320, Lot HU259A, Lot HU259B, Lot HU259C, Lot HU259D, Lot HU259E, Lots CU1 through CU3, Grassy Meadows Sky Ranch 5C (-), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah. PARCEL: GMSR-5C-HU1-HV through GMSR-5C-HU28-HV

PARCEL: GMSR-5C-HU29-A-HV

PARCEL: GMSR-5C-HU34-HV through GMSR-5C-HU233-HV

PARCEL: GMSR-5C-HU120A-HV through GMSR-5C-HU121A
PARCEL: GMSR-5C-HU121B-HV
PARCEL: GMSR-5C-HU173A-HV
PARCEL: GMSR-5C-HU173B-HV
PARCEL: GMSR-5C-HU173C-HV
PARCEL: GMSR-5C-HU242 through GMSR-5C-HU320-HV
PARCEL: GMSR-5C-HU259A-HV
PARCEL: GMSR-5C-HU259B-HV
PARCEL: GMSR-5C-HU259C-HV
PARCEL: GMSR-5C-HU259D-HV
PARCEL: GMSR-5C-HU259E-HV
PARCEL: GMSR-5C-CU1-HV through GMSR-5C-CU3-HV

GRASSY MEADOWS SKY RANCH 6A (-) Lot: 124
Parcel No. GMSR-6A-124-HV
GRASSY MEADOWS SKY RANCH 6A (-) Lot: 125
Parcel No. GMSR-6A-125-HV
GRASSY MEADOWS SKY RANCH 6A (-) Lot: 126
Parcel No. GMSR-6A-126-HV

And all other property which becomes Annexed Thereto.