



DECLARATION OF CONDOMINIUM

AND

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

BLACK DESERT RESORT CENTER CONDOMINIUM



A CONVERTIBLE AND EXPANDABLE CONDOMINIUM PROJECT

IN

WASHINGTON COUNTY, UTAH



BY

**BD RESORT CENTER LLC
A UTAH LIMITED LIABILITY COMPANY,**

AS DECLARANT

June 23, 2022

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THIS DECLARATION OF CONDOMINIUM AND DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS is made this day of , 2022, by BD RESORT CENTER LLC, a Utah limited liability company (the "Declarant").

RECITALS

A. Declarant owns fee simple title to that certain real property situated in Washington County, Utah, described on **Exhibit A** attached hereto (the "Parcel");

B. Declarant desires to submit the Parcel, together with all Buildings and improvements now or hereafter constructed on the Parcel, and all easements and rights appurtenant thereto to a convertible and expandable condominium project originally consisting of Four Hundred and Seventy-Five (475) Units and related Common Areas and Facilities, together with a reservation in favor of Declarant to convert certain Convertible Land into Units and/or Common Areas and Facilities, to convert certain Convertible Space into Units and/or Common Areas and Facilities, including Limited Common Area and Facilities, and to expand the project onto additional lands (referred to as the Property or the Condominium, as the context and definitions may require below), all pursuant to the Utah Condominium Ownership Act, Utah Code Ann. §§ 57-8-1 *et seq.*;

C. Declarant desires to establish for its own benefit and for the mutual benefit of all future Owners or Occupants of the Condominium, certain covenants, conditions, restrictions, easements, rights, privileges, assessments, and liens as set forth herein (collectively, the "Restrictions") which shall run with as equitable servitudes and be a burden and benefit upon the Property, and

D. Declarant intends that the Owners, Occupants, Lenders, and all other persons hereafter acquiring any interest in the Property shall at all times enjoy the benefits of, and shall hold their interest subject to, this Declaration and these Restrictions, which is recorded in furtherance of establishing a general plan of condominium ownership for the Property, and for establishing rules for the use, occupancy, management, and enjoyment thereof, all for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Condominium and the quality of life therein.

DECLARATION

NOW, THEREFORE, Declarant, as Owner of the Parcel and for the purposes above set forth, declares as follows:

ARTICLE 1
DEFINITIONS

The following words, phrases, or terms used in this Declaration shall have the following meanings:

1.1 “Act” shall mean the Utah Condominium Ownership Act, Utah Code Ann. §§ 57-8-1, *et seq.*, as the same may be amended from time to time.

1.2 “Additional Land” shall mean the real property described in **Exhibit B** which may, or may not, be added to the Property from time to time in the discretion of the Declarant.

1.3 “Allocated Interest” shall mean the undivided interest based upon Par Value (expressed as a number of points) in the Common Areas and Facilities, the Common Expense liability, and votes in the Association allocated to each Unit as described in **Exhibit C** attached hereto. The Allocated Interest shall be revised upon the conversion or expansion of the Condominium, as provided for herein and in the Act.

1.4 “Articles” shall mean the Articles of Incorporation by which the Association is formed under the nonprofit corporation law of the State of Utah.

1.5 “Assessments” shall mean the charges against Owners to defray the Common Expenses as well as miscellaneous special assessments, special assessments for capital improvements, special assessments for the purpose of restoring and reconstructing the Condominium in the event of casualty, corrective assessments, reinvestment fee assessments, benefitted assessments which are charged to certain Owners to defray expenses which are not Common Expenses, and other assessments provided for in Article 6 and elsewhere in this Declaration.

1.6 “Association” shall refer to Black Desert Resort Center Condominium Owners Association, whose membership shall include Declarant and each Owner of a Unit in the Condominium. The Association will be incorporated as a Utah nonprofit corporation prior to the conveyance of the first Unit in the Condominium by Declarant.

1.7 “Board” shall mean the Board of Directors of the Association elected pursuant to the Bylaws and serving as the management body of the Association. Board shall be synonymous with the meaning of “management committee” in the Act.

1.8 “Building” shall mean a structure containing one (1) or more Units and Common Area and Facilities and comprising part of the Property.

1.9 “Bylaws” shall mean the Bylaws adopted by the Association pursuant to the Act for the purpose of regulating the affairs of the Association, as the same may be amended from time to time, a copy of which is attached hereto as **Exhibit D**.

1.10 “Club” shall mean the private organization operating and administering the Club Amenities. The Club shall be operated and managed separately from, and not as a part of, the Association.

1.11 “Club Amenity” shall mean those facilities and Units operated and managed for the benefit of the various types of Club Members as provided for in Article 10.

1.12 “Club Documents” shall mean collectively, the Black Desert Club Membership Application, and all other documents promulgated by the Club from time to time governing membership in the Club, all as the same may be amended, modified, or supplemented from time to time by the Club or Club Manager. Club Documents pertain solely to the Club and are separate from this Declaration and are not enforced by the Association or the Master Association in any manner.

1.13 “Club Member” shall mean a Person holding a membership in the Club and Club Members may include Persons that do not own a Unit.

1.14 “Club Membership Application” shall mean any Club membership application(s) required to become a Club Member, as such may be amended and supplemented from time to time.

1.15 “Club Operator” shall mean the Person initially designated by the Declarant as the Club Operator under Section 2.6 for management of the Club as provided for in Article 10. After the Turnover Date, the Hotel Unit Owner, and only the Hotel Unit Owner, may from time to time remove and replace the Club Operator in its sole discretion.

1.16 “Commercial Unit” shall mean a unit designated on the Plat as commercial units or as designated in Section 3.3.

1.17 “Common Areas and Facilities” shall mean the entire Condominium (including all items listed in § 57-8-3(5) of the Act, if applicable), excluding the Units and subject to the limitations contained in this Declaration for various Limited Common Areas and Facilities.

1.18 “Common Expenses” shall mean the actual and estimated costs for Common Areas and Facilities utilized, or able to be utilized, by all Unit Owners, including the following:

(a) maintenance, management, operation, repair, and replacement of the Common Areas and Facilities (b) replacement and repair of fixtures, machinery, and equipment used in connection with the operation and maintenance of the Common Areas and Facilities; (c) deficiencies arising by reason of unpaid Assessments; (d) management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys, and employees; (e) utilities (other than separately metered utilities for the Units), trash pickup and disposal, extermination, security, street sweeping, snow removal (if necessary), gardening, and other related services; (f) insurance and bonds required by this Declaration or any

additional insurance and bonds obtained by the Board in its discretion; (g) all real and personal property taxes, assessments and impositions of any kind and character pertaining to the Common Areas and Facilities, and which are not included in an assessment attributable to one (1) or more Units; (h) the establishment of reasonable reserves, including a working capital fund, as the Board shall deem appropriate in its discretion for the periodic maintenance, repair, and replacement of the Common Areas and Facilities, including Hotel Limited Common Areas and Facilities; (i) maintenance, repair, and replacement of Hotel Limited Common Areas and Facilities; and (j) other miscellaneous charges incurred by the Association or the Board pursuant to the Act, this Declaration, the Bylaws, Rules of the Association, or Board Resolutions in furtherance of the purposes of the Association or in discharge of the duties and powers of the Association. Notwithstanding any provision of this Declaration, Common Expenses may be offset by any amounts actually paid to the Association toward Common Expenses by others who may be allowed access to the Common Areas and Facilities by agreements, easements, licenses, or rights to have use to a portion of the Common Areas and Facilities.

1.19 “Condominium” means this real estate condominium project, to be known as Black Desert Resort Center Condominium, wherein fee simple title to single Units in a multi-unit project, together with an undivided interest in the Common Areas and Facilities of the Property, are owned separately under a plan for a condominium hotel operation.

1.20 “Convertible Land” shall mean a site which is a portion of the Common Areas and Facilities, within which Declarant has reserved the right to create additional Units and/or Common Areas and Facilities, as provided in this Declaration and the Act, which is legally described on **Exhibit E** attached hereto.

1.21 “Convertible Space” shall mean a portion of a structure within the Condominium, which portion may be converted into one (1) or more Units or Common Areas and Facilities, including Limited Common Areas and Facilities, in accordance with this Declaration and the Act.

1.22 “Declarant” shall mean BD RESORT CENTER LLC, a Utah limited liability company, and the successors and assigns of Declarant’s rights hereunder.

1.23 “Declaration” shall mean this Declaration including all exhibits attached hereto, which are hereby incorporated herein by reference, and any and all amendments hereof and supplements hereto; except that the Bylaws are not included in the definition of the Declaration but are part of the governing documents, as such term is defined in Utah Code § 57-8-3(20).

1.24 “Expandable Condominium Project” shall mean the Property, and the Additional Land, Units, Buildings, and Improvements that may be added to the Property as provided in Article 9 of this Declaration, including the real property described in **Exhibit B**.

1.25 “Guest” shall mean those persons occupying a Unit under or through an Owner without compensation to the owner and not a Transient Lodger occupying a Unit under arrangements with the Hotel Operator.

1.26 "Hospitality Program" shall mean a private arrangement, outside the functions and control of the Association, pursuant to which Owners may, but are not required to, rent Residential Units in accordance with the terms and conditions established from time to time by the operator of the Hospitality Program.

1.27 "Hotel" shall mean the Commercial Unit designated on the Plat as "A8," which includes but is not limited to the hotel lobby, main entry of Building "A."

1.28 "Hotel Owner" shall mean the Owner of the Hotel and shall have rights to appoint the Club Operator and the Hotel Operator, after the Turnover Date, as provided for in this Declaration.

1.29 "Hotel Lodging Unit" shall mean the various types of Units located in Building A and described in Article 3, which may be occupied by Transient Lodgers.

1.30 "Hotel Operator" shall mean the Person originally designated by the Declarant under Section 2.6 for the purpose of the management and operation of the hotel aspects of the Condominium, including the Hospitality Program, and such other operations and functions of the Association as assigned to the Hotel Operator by the Board. After the Turnover Date, the Hotel Unit Owner, and only the Hotel Unit Owner, may from time to time remove and replace the Hotel Operator in its sole discretion.

1.31 "Lender" shall mean a holder of a first mortgage or first deed of trust on a Unit.

1.32 "Limited Common Areas and Facilities" shall mean the Common Areas and Facilities specifically designated or described as a Limited Common Area and Facilities in this Declaration or the Plat and allocated by this Declaration or the Plat for the exclusive use of one (1) or more, but fewer than all of the Units. No Limited Common Areas and Facilities may be severed from the Ownership of the Unit or Units to which it is appurtenant. Limited Common Area and Facilities is further described in Article 4. If the Declaration describes Limited Common Area and Facilities that is not depicted on the Plat, or if there is a dispute over the boundaries of Limited Common Areas and Facilities, the Board shall have the authority and discretion to determine the boundaries and such determination shall be final.

1.33 "Residential Unit" shall have the meaning ascribed to it in Section 3.3 below.

1.34 "Maintenance Schedule" shall mean the schedule of maintenance of the Property and the allocation of maintenance responsibilities as set forth in **Exhibit F**.

1.35 "Master Community" shall mean the entity designated in the Master Declaration to manage affairs of the real property, and owners thereof, which is subject to the Master Declaration.

1.36 "Master Declaration" shall mean that Black Desert Community Master Declaration of Covenants, Conditions, and Restrictions dated July 27, 2022, which was recorded on _____, in Entry Number 20220036353, Book _____, beginning at page _____.

_____, official records of the County Recorder for Washington County, Utah, as the same may be amended or supplemented from time to time.

1.37 “Occupant” shall mean a Person or Persons, other than an Owner, in possession of, or using a Unit, including, without limitation, family members, tenants, Guests, Transient Lodgers, or invitees.

1.38 “Outdoor Unit” shall mean a Unit designated on the Plat that is not bounded by four walls and includes Unit C through Unit 7.

1.39 “Owner” shall mean the Person or Persons who are vested with record title of a Unit and any portion of the Property, and whose interest is held in fee simple, according to the records of the County Recorder of Washington County, Utah. Declarant shall be considered the record Owner of the Property for as long as it owns any portion of the Property and of any Unit prior to its initial conveyance by Declarant.

1.40 “Par Value” shall mean the number of points assigned to each Unit by this Declaration and more particularly expressed in **Exhibit C** attached hereto and incorporated herein. The designation of Par Value shall be guided by provisions of Section 3.5.

1.41 “Parcel” shall mean the real property legally described on **Exhibit A** attached hereto.

1.42 “Person” shall mean a natural individual, corporation, estate, partnership, limited liability company, trustee, association, joint venture, government, governmental subdivision or agency, or other legal entity capable of holding title to real property.

1.43 “Plat” means the map of record with the Washington County, Utah Recorder, which is submitted with respect to this Condominium and showing thereon 336 Units, each of which is identified by a Unit Number or Convertible Space, and the Convertible and Additional Land. “Plat” shall also refer to any additional amended or supplemental plat which may be recorded with any Supplemental or Amended Declaration, but not in any way limited by Declarant’s rights to expand or convert portions of the Property. The Plat is hereby incorporated into, and made an integral part of, this Declaration and all requirements and specifications set forth on the Plat and which are required by the Act are deemed included in this Declaration.

1.44 “Property” shall mean the Parcel, together with all the Buildings, improvements, and permanent fixtures located thereon, and all easements and rights appurtenant thereto, and including or excluding, as the case may be, any real property added to the Condominium or converted within the Condominium.

1.45 “Real Estate Brokerage” shall mean the Person originally designated by the Declarant under Section 2.6 for the purpose of the handling all marketing, listing, sale, re-sale, and related activities for all Units in the Property. After the Turnover Date, the Hotel Unit Owner, and only the Hotel Unit Owner, may from time to time remove and replace the Real Estate Brokerage in its sole discretion.

1.46 “Restrictions” shall mean the covenants, conditions, assessments, easements, liens, and restrictions set forth in this Declaration.

1.47 “Rules” shall be those Rules adopted by the Association Board pursuant to Section 2.10 and the Act.

1.48 “Short-Term Residential Use” shall mean the use, occupancy, rent, or lease, for direct or indirect remuneration, of a residential Unit, or portion thereof, for an effective term of less than thirty (30) days. The term shall include transient, nightly, or hotel-type occupancy of a residential Unit.

1.49 “Special Declarant Rights” shall mean all rights that Declarant reserves for itself in this Declaration, including, without limitation the right to (i) construct any improvements provided for in this Declaration; (ii) maintain sales offices, models, and signs advertising the condominium; (iii) exercise rights to easements upon the Common Areas and Facilities for the purpose of making improvements or marketing Units within the Parcel; (iv) appoint or remove any officer or Board Member of the Association prior to the Turnover Date; and (v) create additional Units and Common Areas and Facilities within the Convertible Land and Convertible Space, or add land to the Condominium.

1.50 “Storage Unit” shall have the meaning ascribed to it in Article 3.

1.51 “Supplemental Declaration” shall mean a written instrument recorded in the records of the County Recorder of Washington County, Utah, which refers to this Declaration and which amends, modifies, or supplements this Declaration in accordance with its terms, including any Supplemental Declaration by which the Convertible Land or Convertible Space is converted into Units and Common Areas and Facilities or additional land is added to the Property.

1.52 “Transient Lodger” shall mean the Person or Persons occupying or using a residential Unit as an overnight or Short-Term Residential Use. A Transient Lodger may sometimes be referred to and/or considered as a tenant of a Unit Owner.

1.53 “Turnover Date” shall have the meaning set forth in Section 2.8 below.

1.54 “Unconstructed Unit” shall mean a Unit that is intended, as depicted in the Plat, to be fully or partially contained in a Building and is not constructed.

1.55 “Underground Parking Unit” shall mean the Unit designated on the Plat for parking underground as described in Article 3. The Underground Parking Unit is not Common Area and Facilities. This Unit will be owned Public Infrastructure District “(PID)” and leased to the Club.

1.56 “Unit” shall mean part of the Condominium, including one (1) or more rooms situated in a Building comprising part of the Condominium, designed or intended for independent ownership. The respective Allocated Interest in the Common Areas and Facilities is appurtenant to each Unit. There shall be the kinds of Units described in Article 3, with the associated rights,

obligations, and privileges as further provided for in this Declaration. Each Unit includes the plumbing, electrical, heating, and air-conditioning apparatus serving only that Unit (whether or not located within the Unit boundaries), which apparatus and conduits are part of the Unit. Any portion of a utility system or other apparatus serving more than one (1) Unit (e.g., pipes, conduits, ducts) which is located partially within and partially outside the Unit (including without limitation the fire protection sprinkler system) is part of the Common Areas and Facilities. Any portion of a utility system serving only one (1) Unit that is located outside the Unit is Limited Common Area and Facilities appurtenant to that Unit.

1.57 "Unit Number" shall mean the number, symbol, or address that identifies a single Unit in the Condominium.

ARTICLE 2

CREATION AND MANAGEMENT OF THE CONDOMINIUM

2.1 Submission. Declarant hereby submits and subjects the Property to a convertible and expandable Condominium project pursuant to the Act, and in furtherance thereof, makes and declares that the Restrictions contained in this Declaration, and the Condominium and all of the Units shall be held, conveyed, transferred, sold, leased, mortgaged, encumbered, occupied, used, and improved subject to this Declaration and the Restrictions, which shall be enforceable as equitable servitudes and constitute covenants, conditions, and restrictions running with the land and shall be binding upon and inure to the benefit of Declarant, the Association, and each Owner, including their respective heirs, executors, administrators, personal representatives, successors, and assigns.

2.2 Name. The Condominium shall be named and known as Black Desert Resort Center Condominium.

2.3 Interpretation of Declaration and Applicability of the Act. Declarant intends that the Condominium shall be governed by the Act, except where (without violating the Act) Declarant has included specific provisions in this Declaration which legally vary, supersede, or supplement the Act, in which event such specific provisions of this Declaration which are or seem contrary to the Act shall govern the Condominium.

2.4 Agent for Service of Process. Bruce C. Jenkins, esq., with a business address of 285 West Tabernacle Street, Suite 301, St. George, Utah 84770, shall be the person to receive service of process for the Condominium pursuant to the Act, until such time as the Board shall duly appoint a new agent and file a supplement hereto.

2.5 Relation to Master Declaration. The Condominium, or any portion thereof, shall be subject to the covenants, conditions, and restrictions contained in the Master Declaration. To the extent possible any apparent conflict between the Master Declaration and this Declaration shall be reconciled in favor of the Master Declaration. The Master Association shall have such authority and power over this Property and its Owners as is expressly set forth in the Master Declaration.

2.6 Association, Hotel Operator, Club Operator, and Real Estate Brokerage Appointments. The Association will serve as the governing body for all Owners. However, the Association hereby delegates to the Hotel Operator the responsibility and obligation to make provisions for (i) the maintenance, repair, replacement, administration, and operation of the Common Areas and Facilities and the Hotel Limited Common Areas and Facilities, all for the determination and allocation of expenses, acquisition of hazard insurance and disposition of such hazard insurance proceeds according to the Maintenance Schedule attached hereto and incorporated herein as **Exhibit E**; and (ii) to undertake and perform such other matters as assigned to the Hotel Operator in this Declaration and the Bylaws or by the Board. Declarant hereby designates as the Hotel Operator, HS Services LLC; as the Club Operator, HS Services LLC; and as the Real Estate Brokerage, the Real Estate Collective, LLC. Until the Turnover Date, the Declarant retains the exclusive right to remove and replace said Hotel Operator and Club Operator. On and after the Turnover Date, the Hotel Owner shall have the exclusive right to appoint, designate, and remove the Hotel Operator, the Club Operator, and the Real Estate Brokerage. The Hotel Operator shall perform its services for the Association at a commercially reasonable rate for projects of this type, which shall be separate and apart from any services performed by the Hotel Operator under the Hospitality Program for Unit Owners. The Hotel Operator may subcontract out such of its functions and obligations owed to the Association as the Hotel Operator deems prudent, without approval of the Board; provided the level of service is not materially compromised. The Hotel Operator will also serve as the managing agent to assist the Board in the management and operation of the Condominium and the Board may delegate such of its powers and duties to the Hotel Operator as it deems appropriate; provided, however, that only the Board shall have the right to approve Association budgets, to impose an Assessment, and to authorize foreclosure of an Assessment lien. The Association shall have all rights and powers granted to it under the Act and in this Declaration, the Articles, and the Bylaws, but it is acknowledged that the Property is being operated as a condominium/hotel and that the Hotel Operator shall have all powers necessary to operate the hotel and Hospitality Program. The Association shall not be deemed to be conducting a for-profit business of any kind, and all funds received by the Association shall be held and applied by it for the Owners in accordance with this Declaration, the Articles, the Bylaws, and the Act.

2.7 Membership. Membership in the Association shall at all times consist exclusively of Declarant (for as long as it owns any of the Property) and the Unit Owners (collectively, the "Members"). Each Owner shall be a Member of the Association so long as such Person shall be an Owner and such membership shall automatically terminate when the Member ceases to be an Owner.

2.8 Voting. The Association shall have two (2) classes of membership:

Class A. Class A Members shall be all Owners (including Declarant, after the Turnover Date, as hereafter defined). Class A members shall be entitled to a vote equal to that listed on **Exhibit C** for such Unit. When more than one (1) Person owns an interest in a Unit, each such Person shall be a Member of the Association and each Co-Owner shall be entitled to the vote allotted to the Unit, as reflected on **Exhibit C**, by the number of Co-Owners for such Unit, but in no event shall more than the allotted vote be cast with respect to any Unit. The Members acknowledge and accept that the voting rights set forth in

Exhibit C, result in the Residential Unit Owners having only a minority of the voting interests in the Association.

Class B. The Class B Member shall be Declarant. Declarant, as the Class B Member, shall have the exclusive right to control the Association to the extent of having the exclusive right (either directly or through a person designated by Declarant) to elect, appoint, and remove the members of the Board and the officers of the Association until the Turnover Date. The special control rights of the Declarant, as the Class B Member, shall cease and terminate upon the first to occur of the following: (i) four (4) years from the date of recording of this Declaration, or (ii) the later of (a) the date of the conveyance by Declarant of seventy-five percent (75%) of the Units which may be created at any time or from time to time by this Declaration to Owners (other than Declarant, or an affiliate of Declarant), or (b) the date the Convertible Land has been converted as provided herein (the "**Turnover Date**"). The Class B Member shall have the right to vote the interests of the Unconstructed Units and the Convertible Spaces.

Upon the Turnover Date, Declarant shall retain the voting rights of a Class A Member even though the special voting and control rights of the Class B Member have ceased and terminated. Declarant may voluntarily surrender the right to elect, appoint, and remove the members of the Board and the officers prior to the Turnover Date, but, in that event, Declarant may require that specified actions of the Association or the Board taken prior to the Turnover Date, as described in a recorded instrument executed by Declarant, be approved by Declarant before they become effective. Upon the Turnover Date, the process of transferring control of the Association from the Declarant to the Owners shall commence and be completed within a reasonable period of time. This process shall include the Owners' election of the Board and shall be considered completed on the date of the initial meeting of the Board elected by the Owners. The Owners' election of the initial Board may be conducted at a regular or special meeting of the Association or by a mailed or electronic balloting procedure, within thirty (30) days following the Turnover Date.

2.9 Right of Association to Enter Units.

2.9.1. The Association, acting through the Board or its duly authorized agent (including without limitation the Hotel Operator), shall have the right to enter a Unit to access Common Areas and Facilities which are or may be located within the Units or may be conveniently accessible only through the Units. After reasonable notice to the Owner and Occupants of the Unit being entered, the Board or Hotel Operator may access a Unit from time to time during reasonable hours, as may be necessary for the maintenance, repair, or replacement of any of the Common Areas and Facilities or for making emergency repairs. "Reasonable notice" means written notice that is hand delivered to the Unit at least twenty-four (24) hours before the proposed entry or in the case of emergency repairs, notice that is reasonable under the circumstances. "Emergency repairs" means any repairs that, if not made in a timely manner, will likely result in immediate and substantial damage to the Common Areas and Facilities or to another Unit or Units. The Association is liable to repair damage it causes to the Common Areas and Facilities or to a Unit the Association uses to access the Common Areas and Facilities. The Association shall repair damage described in this Section 2.9 within a time that is reasonable under the circumstances.

2.9.2. If a Unit Owner fails to properly maintain the Owner's Unit, the Association, through its duly authorized agent, has the right, but not the obligation, to enter the Unit under the provisions of this Section 2.9 and perform all upkeep to the Unit that is necessary under the circumstances, including any inspection, maintenance, repair, replacement, or any other act necessary to maintain the Unit in a decent, safe, and sanitary condition. Any costs or other amounts incurred by the Association under this subsection 2.9.2 shall be assessed as a corrective assessment.

2.10 Rules.

2.10.1. Association Rules. The Board may adopt and administer "Association Rules" governing the Condominium, provided such Rules do not conflict with Rules established by the Hotel Operator or Club Operator. Amendments, additions, or replacements of the Association Rules need not be recorded in the records of the Washington County, Utah Recorder.

2.10.2. The adoption and amendment of Rules do not require a vote of the Unit Owners.

2.11 Reserve Fund. The Association shall maintain an adequate reserve fund for maintenance, repair, and replacement of those Common Areas and Facilities, including Hotel Limited Common Areas and Facilities, that must be replaced on a periodic basis, and such reserve shall be funded as part of monthly Assessments. To the extent the Board deems necessary, surplus monies of the Association may be retained as additional reserves rather than being paid to Unit Owners or being credited to future Assessments. A full reserve analysis shall be undertaken every six (6) years and reviewed by the Board at least every three (3) years and updated if the Board deems necessary. Reserve funds shall only be used for the purposes for which the reserve fund was established, except under circumstances allowed under Utah Code § 57-8-7.5. Reserve funds shall be maintained in an account separate from other funds of the Association. Pursuant to Utah Code § 57-8-7.5(10), Utah Code § 57-8-7.5(2) through (9), shall not apply or have any effect during the period Declarant has Class B voting rights, and the Declarant shall have no duty whatsoever to obtain a reserve analysis.

2.12 Real Estate Brokerage. Each Unit Owner, by acceptance of a deed or other instrument conveying title to a Unit accepts and agrees to the findings herein related to the Real Estate Brokerage and the designation of a single Real Estate Brokerage for all marketing, listing, sale, re-sale, and related activities for all Units in the Property. Declarant finds that it is for the benefit of the Property to have a single Real Estate Brokerage for the following reasons: (i) the resort nature of the Property; (ii) the separation of the several interests associated with the sale or transfer of real property interests, the Hospitality Program, and Club memberships; (iii) the condominium/hotel operations, (iv) the several covenants, Bylaws, and Rules associated with the Property; and (v) the education and training required of a real estate agent to assist with the marketing, listing, sale, resale, and related activities for a Unit.

2.13 Waiver. Each Owner waives any claim of monopoly and anti-trust, or related claims, based upon there being a singular Hotel Operator, a singular Club Operator, and a singular Real Estate Brokerage, which Persons are initially appointed by the Declarant and after the Turnover Date by the Hotel Owner.

2.14 Wetlands, Lakes, and Other Water Bodies. All wetlands, lakes, ponds, and streams within the Property, if any, shall be aesthetic amenities only, and no other active use of lakes, ponds, streams, or other bodies of water within the Property or within any golf course, is permitted. The Association shall not be responsible for any loss, damage, or injury to any Person or properties arising out of the authorized or unauthorized use of lakes, ponds, streams, or other bodies of water on or adjacent to the Property.

2.15 Hazard Notice. Based on the proximity of the Property to construction activities, recreation facilities, lava flows, golf courses, wildlife habitats, sandy soils, and toxic soils the Property may be prone to noise, seasonal runoff, drought, natural drainage channels, high or low water tables, blowing sands and dust, invasion by wild or potentially dangerous animals, and other natural or man-made hazards. Each Owner therefore (i) assumes any and all risk of all types resulting directly or indirectly from the hazards identified herein and those associated with the location of the Property, and (ii) agrees to hold Declarant, the Association, the Board, the Hotel Operator, the Club Operator, and the Real Estate Brokerage harmless from any and all claims of whatever nature, and by any Person, caused directly or indirectly by the hazards referred to herein and those associated with the location of the Property.

2.16 Views. No Owner is assured rights to views or viewscapes and acknowledges that Buildings, structures, and improvements on and outside the Property may interfere with an Owner's current or future view.

2.17 Business Use. No Residential Unit shall be used for commercial or other business purpose, except for Short-Term Residential Use and an Owner or Occupant occupying a Residential Unit may conduct business activities within the Unit so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Unit; (ii) the business activity conforms to all zoning requirements for the Property; (iii) the business activity does not involve regular visitation of the Unit by clients, customers, suppliers, or other business invitees or door-to-door solicitation of residents of the Property; and (iv) the business activity is consistent with the character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other Occupants in the Property.

2.18 Club Operation of Underground Parking Unit(s). The Club shall enter into a long-term lease, with an option to acquire, from the Owner of the Underground Parking Unit(s) to provide for parking of the Property upon such terms and conditions required by the PID and the Club, or its designee the Club Operator, may determine. The Underground Parking Units will be owned separately from the Association and parking will be on a space available basis.

ARTICLE 3

BUILDINGS ON THE LAND; UNIT BOUNDARIES; PAR VALUE

3.1 Location and Dimensions of Buildings. The location and dimensions of each Building on the Land are depicted on the Plat.

3.2 Units and Limited Common Area and Facilities, Generally. The location of Units and Convertible Space, within or outside each Building, and their dimensions are shown on the Plat and attached as **Exhibit C** is a list of all Units, their identifying numbers, location (all as shown more fully on the Plat) and the Allocated Interest appurtenant to each Unit determined on the basis of Par Value. Each Owner accepts and acknowledges: (i) that the Hotel Limited Common Areas and Facilities extend to and through the Buildings and the Property in such a manner as to allow the Hotel Owner and the Hotel Operator to control the hotel operations on the Property; and (ii) that the cost and expense maintenance, repair, and replacement of Hotel Limited Common Areas and Facilities will be treated as a Common Expense, except the Unit Owner assigned Exclusive Hotel Limited Common Areas and Facilities shall be responsible for all costs and expenses of maintenance, repair, and replacement.

3.3 Unit Boundaries. The Condominium shall have the following types of Units with the following dimensional boundaries:

3.3.1 Commercial Units. Commercial Units include Units A1 through A7, A12, A23, B1 through B4, C1, and C2, and such other Units designated on the Plat as Commercial Units. The dimensional boundaries for Commercial Units are the following:

(a) Horizontal (upper and lower) Boundaries. The upper and lower boundaries of each Residential Unit are the following boundaries extended to an intersection with the vertical (perimetric) boundaries:

(i) Upper Boundary. The horizontal plane of the bottom surface of the concrete slab of the ceiling except where there is a dropped ceiling in which locations the upper boundary is the horizontal plane which includes the top side of the wallboard of the dropped ceiling.

(ii) Lower Boundary. The horizontal plane of the top surface of the undecorated concrete floor slab.

(b) Vertical (perimetric) Boundaries. The vertical boundaries of each Residential Unit are the vertical planes which include the back surface of the wallboard and the innermost surface of the concrete or masonry wall, as the case may be, of all walls bounding the Residential Unit extended to intersections with each other and with the upper and lower boundaries.

(c) Further Subdivision. The Commercial Units may be further joined, subdivided, or partitioned into separate spaces or Units without approval of the Association, provided that subdivision into further Units or a joinder of one (1) or more Units shall comply with local and state laws.

3.3.2 Hotel Unit. Hotel Unit "A8" (the Hotel). The dimensional boundaries of the Hotel Unit are the following.

(a) Horizontal (upper and lower) Boundaries. The upper and lower boundaries of each Hotel Unit are the following boundaries extended to an intersection with the vertical (perimetric) boundaries:

(i) Upper Boundary. The horizontal plane of the bottom surface of the concrete slab of the ceiling except where there is a dropped ceiling in which locations the upper boundary is the horizontal plane which includes the top side of the wallboard of the dropped ceiling.

(ii) Lower Boundary. The horizontal plane of the top surface of the undecorated concrete floor slab.

(b) Vertical (perimetric) Boundaries. The vertical boundaries of the Hotel Unit are the vertical planes which include the back surface of the wallboard and the innermost surface of the concrete or masonry wall, as the case may be, of all walls bounding the Hotel Unit extended to intersections with each other and with the upper and lower boundaries.

(c) Further Subdivision. The Hotel Unit may be further joined, subdivided, or partitioned into separate spaces or Units without approval of the Association, provided that subdivision into a further Unit or joinder with one (1) or more other Units shall comply with local and state laws.

3.3.3 Hotel Lodging Units. Hotel Lodging Units include Unit numbers A9 through A11 and A13 through A22. The dimensional boundaries of the Hotel Lodging Units are the following:

(a) Horizontal (upper and lower) Boundaries. The upper and lower boundaries of each Hotel Lodging Unit are the following boundaries extended to an intersection with the vertical (perimetric) boundaries:

(i) Upper Boundary. The horizontal plane of the bottom surface of the concrete slab of the ceiling except where there is a dropped ceiling in which locations the upper boundary is the horizontal plane which includes the top side of the wallboard of the dropped ceiling.

(ii) Lower Boundary. The horizontal plane of the top surface of the undecorated concrete floor slab.

(b) Vertical (perimetric) Boundaries. The vertical boundaries of each Hotel Lodging Unit are the vertical planes which include the back surface of the wallboard and the innermost surface of the concrete or masonry wall, as the case may be, of all walls bounding the Hotel Lodging Unit extended to intersections with each other and with the upper and lower boundaries.

(c) Further Subdivision. The Hotel Lodging Units may be further joined, subdivided, or partitioned into separate lodging spaces or Units without approval of the Association, provided that subdivision into further Units or joinder of one (1) or more Units shall comply with local and state laws.

3.3.4 Residential Units. Residential Units are primarily intended for short-term rental and transient lodging, though long-term occupancy is permitted. Residential Units are located in Buildings "C," "D," and "E." The dimensional boundaries for Residential Units are the following:

(a) Horizontal (upper and lower) Boundaries. The upper and lower boundaries of each Residential Unit are the following boundaries extended to an intersection with the vertical (perimetric) boundaries:

(i) Upper Boundary. The horizontal plane of the bottom surface of the concrete slab of the ceiling except where there is a dropped ceiling in which locations the upper boundary is the horizontal plane which includes the top side of the wallboard of the dropped ceiling.

(ii) Lower Boundary. The horizontal plane of the top surface of the undecorated concrete floor slab.

(b) Vertical (perimetric) Boundaries. The vertical boundaries of each Residential Unit are the vertical planes which include the back surface of the wallboard and the innermost surface of the concrete or masonry wall, as the case may be, of all walls bounding the Residential Unit extended to intersections with each other and with the upper and lower boundaries.

(c) Further Subdivision Restrictions. A Residential Unit may not be further joined, subdivided, or partitioned without the approval of the Board and the Hotel Operator and compliance with local and state laws.

3.3.5 Underground Parking Unit. The Underground Parking Unit will be constructed by funds generated through tax revenues from a public infrastructure district ("PID"). The Underground Parking Unit will be owned by a Person and will not be a Common Area or Facility of the Association. Unit Owners and Occupants will have access to, over and across the Underground Parking Unit through a license granted to the Association. The dimensional boundaries of the Underground Parking Units are the following:

(a) Horizontal (upper and lower) Boundaries. The upper and lower boundaries of each Underground Parking Unit is the following boundaries extended to an intersection with the vertical (perimetric) boundaries)

(i) Upper Boundary. The horizontal plane of the bottom surface of the concrete slab of the ceiling.

(ii) Lower Boundary. The horizontal plane of the bottom surface of the concrete floor slab.

(b) Vertical (perimetric) Boundaries. The vertical boundaries of each Underground Parking Unit are the vertical planes which include the back surface of the concrete slab of all walls bounding Underground Parking Unit extended to intersections with each other and with the upper and lower boundaries.

(c) Further Subdivision Restrictions. An Underground Parking Unit may not be further joined, subdivided, or partitioned without the approval of the Board and the Hotel Operator and compliance with local and state laws.

3.3.6 Outdoor Units. Outdoor Units include Units 1 through 7. An Outdoor Unit shall not be bounded by four (4) walls but shall be a portion of land designated on the Plat by metes and bounds. The Outdoor Units may be further joined, subdivided, or partitioned into separate spaces or Units without approval of the Association, provided that subdivision into a further Unit or joinder of two (2) or more Units shall comply with local and state laws. In addition, structures may be built upon the Outdoor Units with approval of the Association.

3.3.7 Storage Units. If the Declarant creates Storage Units their boundaries shall be a unit as defined in the Act. A Storage Unit may not be further joined, subdivided, or partitioned without the approval of the Board and the Hotel Operator and compliance with local and state laws.

3.4 Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the Common Areas and Facilities and the Units by virtue of the foregoing boundary description, the division of maintenance, repair, and replacement obligations and responsibilities between the Owners, the Association, and the Hotel Operator shall be governed by the Maintenance Schedule attached as **Exhibit F**.

3.5 Par Value. Each Unit shall have a Par Value equivalent to one (1) point for each square foot of the Unit, except Outdoor Units shall have a Par Value of one-tenth (0.1) of a point for each square foot.

3.6 Construction Materials and Stories. One (1) or more of the Buildings will be three (3) stories in height, plus a basement, as more fully depicted on the Plat. Principal construction materials will be concrete, metal framing, sheetrock interior walls, and glass.

3.7 Unconstructed Units. Unconstructed Units shall be considered a Unit for the purposes of this Declaration and the Act for allocation of undivided interests in the Common Areas and Facilities and voting rights, but not for the purposes of assessment of Common Expenses.

ARTICLE 4

LIMITED COMMON AREAS AND FACILITIES

4.1 Hotel Limited Common Area and Facilities. The Hotel Limited Common Areas and Facilities include, but are not limited to, publicly accessible corridors, paths, walkways, patios, or areas as delineated on the Plat. The Hotel Owner may designate certain of the Hotel Limited Common Areas and Facilities as "Exclusive Hotel Limited Common Areas and Facilities" through a Supplemental Declaration or lease agreement with one (1) or more Unit Owners. The Exclusive Hotel Limited Common Area shall be for the exclusive use of the particular Unit Owner to whom the area is designated and shall include such conditions and maintenance obligations as provided for in the Supplemental Declaration or lease agreement. Except for Exclusive Hotel Limited Common Areas and Facilities, these Hotel Limited Common Area and Facilities are for the non-exclusive use of the Unit Owners, Occupants, Persons subject to the Master Declaration, Guests, Transient Lodgers, and Persons employed at the Condominium.

4.2 Adjacent Limited Common Areas and Facilities. To the extent identified on the Plat there shall be Limited Common Areas and Facilities to which a Unit, and only that Unit, has direct access as shown on the Plat, specifically patios and balconies. Any such Limited Common Areas and Facilities is a limited common element appurtenant to that Unit and shall be maintained, repaired, and replaced at the expense of the Unit Owner.

4.3 Exclusive Common Areas and Facilities. The Board shall have the power in its discretion from time to time to grant revocable licenses in designated Common Areas and Facilities

to the Association or to any Unit Owners and to establish a reasonable charge to such Unit Owners for the use and maintenance thereof. The common elements or portions thereof so designated shall be referred to as Exclusive Common Areas and Facilities. Such designation by the Board shall not be construed as a sale or disposition.

4.4 Alteration of Common Areas and Facilities by the Declarant. The Declarant reserves the right to modify, alter, remove, or improve defective, obsolete, or non-functional portions of the Common Areas and Facilities including without limitation any equipment, fixtures, and appurtenances, when in the Declarant's judgment it is necessary or desirable to do so, until the expiration of the applicable warranty period.

4.5 Declarant's Operation on Convertible Land and in Convertible Space. The Declarant shall have the right to operate any Convertible Land or Convertible Space with any legal commercial uses. The Declarant may establish and maintain all offices, signs, and other accoutrements normally used in such operations in the sole discretion of the Declarant. The Declarant may, in the sole discretion of the Declarant, operate portions of any Convertible Land or Convertible Space so long as the Declarant pays the expenses attributable to such operation. Such operations shall be for the benefit of the Declarant and neither the Association nor any Unit Owner (other than the Declarant) shall have any right or interest in the profits or losses thereof.

ARTICLE 5 **EASEMENTS, RESERVATIONS, AND LICENSES**

In addition to the easements created by law, the following easements and licenses are hereby granted, and the following rights are hereby reserved.

5.1 Easement to Facilitate Sales. All Units, Convertible Space, Common Areas and Facilities, and Limited Common Areas and Facilities shall be subject to an easement in favor of the Declarant to facilitate sales. The Declarant reserves the right to use any Units owned or leased by the Declarant (or its affiliates) or any portion of Convertible Land or Convertible Space or the Common Areas and Facilities as Guest or Transient Lodger accommodations; models; or management, sales, marketing, financing, construction, warranty, or customer service offices. The Declarant reserves the right to relocate the same from time to time within the Property; upon relocation, the furnishings thereof may be removed. The Declarant further reserves the right to maintain on the Property such advertising signs as may comply with applicable governmental regulations, which may be placed in any location on the Property and may be relocated or removed, all at the sole discretion of the Declarant. This easement shall continue until the Declarant has conveyed to Unit Owners other than the Declarant all the Units in the Condominium that the Declarant has the right to create.

5.2 Easements for Access, Ingress/Egress, and Support.

5.2.1 Access to Common Elements and Units. The Declarant reserves in favor of the Declarant, the Hotel Owner, the Hotel Operator, the Club Operator, and any other person authorized by the Board, the right of access to any Common Areas and Facilities and

the right of access, upon reasonable notice, to and through a Unit in order to access Common Areas and Facilities as more fully set forth in Section 2.9.

5.2.2 Unit Owner Easement for Ingress/Egress Over Common Areas and Facilities and Hotel Limited Common Areas and Facilities. The Declarant grants in favor of the Unit Owners a non-exclusive easement for ingress and egress through, over and across such portions of the Common Areas and Facilities and Hotel Limited Common Areas and Facilities as are necessary to afford such Unit Owner access to and from the Units they own; except that the Hotel Owner may create Exclusive Hotel Limited Common Area as provided for in Section 4.1.

5.2.3 Other Persons' License for Ingress/Egress Over Hotel Limited Common Areas and Facilities. The Declarant grants a non-exclusive license in favor of the Occupants and Persons having rights of access under the Master Declaration, for ingress and egress through, over and across such portions of the Common Areas and Facilities as are necessary to afford such Occupants and Persons access to and from the Units they may legally occupy; except that the license may be temporarily terminated by the Board for violation of the Association's Rules. The Declarant and the Hotel Owner hereby grant a non-exclusive license in favor of the Occupants and Persons having rights of access under the Master Declaration, for ingress and egress through, over, and across such portions of the Hotel Limited Common Areas and Facilities as are necessary to afford such Occupants, and Persons access to and from the Units they may legally occupy; except that the Hotel Owner may create Exclusive Hotel Limited Common Area as provided for in Section 4.1 and the Hotel Owner, or its designee the Hotel Operator, may temporarily revoke the license for violation of rules established by the Hotel Owner or the Hotel Operator for the Hotel Limited Common Areas and Facilities.

5.2.4 Support. Each Unit and the Common Areas and Facilities shall have an easement for lateral and subjacent support from every other Unit and the Common Area and Facilities.

5.3 Declarant's Right to Grant Easements

5.3.1 Construction; Utilities. The Declarant shall have the right to grant and reserve easements and rights-of-way through, under, over, and across the Property for construction purposes, and for the installation, maintenance, and inspection of the lines and appurtenances for public or private water, sewer, drainage, gas, electricity, cable, fiber, telephone, television reception, and other utilities or quasi-utilities. This right shall continue until the Declarant has conveyed to Unit Owners other than the Declarant all the Units that the Declarant has the right to create.

5.3.2 Access. The Declarant reserves the right to grant or reserve easements and rights-of-way through, over and across the Property to afford vehicular and pedestrian access through, over, and across the Common Areas and Facilities from and to any public street or road adjoining the Property and any portion of the real estate described in **Exhibit**

A or any Additional Land which is not, at the time of such grant or reservation, part of the Property.

5.4 Easement to Facilitate Expansion. The Declarant reserves a transferable easement over and on the Common Areas and Facilities for the purpose of making improvements on the Property, and the Additional Land whether or not annexed into Property.

5.5 Telecommunications Facilities Easement. The Declarant hereby reserves to itself an exclusive, perpetual, irrevocable, and transferable easement upon all portions of the Property, excluding the Units but including the Common Areas and Facilities, for the installation, operation, maintenance, repair, and replacement of telecommunications equipment and signage. In addition, the Declarant hereby reserves a non-exclusive, perpetual, irrevocable, and transferable easement over all portions of the roof and all Common Areas and Facilities for access to such equipment and signage and the installation, operation, maintenance, repair, and replacement of utilities and cables necessary or desirable for the operation of such equipment and signage. The Declarant shall pay the cost of any utilities serving such equipment and signage and the Declarant may retain any income derived from the exercise of this easement.

5.6 Utilities and Other Services; Drainage. The Declarant reserves in favor of the Hotel Owner, the Hotel Operator, and the Club Operator easements under, through, and over the Property as may be required from time to time for utility, cable television, fiber, communications, and monitoring systems and other services, and drainage facilities in order to serve the Condominium, the Unit Owners, the hotel operations, the Hospitality Program, and the Club. A Unit Owner shall do nothing inside or outside the Owner's Unit that interferes with or impairs, or may interfere with or impair, the provision of such utility, cable television, fiber, communications and monitoring systems, other services and drainage facilities or the use of these easements.

5.7 Successors and Assigns. The easements and other rights reserved by the Declarant in this Article shall automatically inure to the benefit of the Declarant's successors and/or assigns.

5.8 Hotel Operator's Use of the Property.

5.8.1 Regulation of Use; Retention of Revenue. The Hotel Operator shall have the right to regulate the use of all of the Common Areas and Facilities and Limited Common Area and Facilities in the Building. Such regulation may include without limitation establishing hours of operation, closing off certain areas for private parties or events, and designating certain services offered from portions of the Building (other than the Residential Units) to be provided at an additional charge. The Hotel Operator shall have the right to retain for its own account any and all revenue generated from closing off certain areas for private parties or events or designating certain services offered from portions of the Building (other than the Residential Units) to be provided at an additional charge.

5.8.2 Grant of Use Rights. The Hotel Operator may, in its sole discretion, grant use rights in and to the Building and Common Area and Facilities to Persons for the necessary operation of the hotel and the Hospitality Program.

5.9 Rights to Storm Water Runoff, Effluent, and Water Reclamation. Declarant hereby reserves for itself and its designees all rights to groundwater, surface water, storm water runoff, and effluent located or produced within the Property, and each Owner agrees, by acceptance of a deed or other instrument of conveyance to a Unit that the Declarant shall retain all such rights. Such rights shall include the reservation of an easement over the Property for access, and for installation and maintenance of facilities and equipment to capture and transport such water, runoff, and effluent.

5.10 Easement for Encroachments. Encroachments. If any portion of the Common Areas and Facilities now encroaches upon any Unit, or if any Unit encroaches upon any other Unit or upon any portion of the Common Areas and Facilities as a result of the construction of the Buildings (including the Units and all other improvements to Property), or if any such encroachment occurs after because of settling or shifting of the Buildings or from other movement of any portion of the improvements, a valid easement for the encroachment and for the maintenance of the easement shall exist so long as the Buildings stand and so long as the physical boundaries of the Units are in substantial accord with the description in this Declaration. If the Buildings, the Unit, any adjoining Unit, or any adjoining Common Areas and Facilities are partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and then rebuilt, encroachments shall be permitted of parts of the Common Areas and Facilities upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Areas and Facilities due to rebuilding, and valid easements for those encroachments and the maintenance of those easements shall exist so long as the Building shall stand and so long as the physical boundaries of the Units are in substantial accord with the description in this Declaration.

5.11 Easement for Golf Course. Every Unit and the Common Areas and Facilities, including Limited Common Areas and Facilities are burdened with an easement permitting golf balls unintentionally to come upon such areas, and for golfers at reasonable times and in a reasonable manner to come upon the Common Areas and Facilities to retrieve errant golf balls. The existence of this easement shall not relieve golfers of liability for damage caused by errant golf balls. Under no circumstances shall any of the following Persons be held liable for any damage of injury resulting from errant golf balls or the exercise of this easement: Declarant; the Hotel Operator, the Club Operator, the Association or its Members (in their capacities as such); the golf course owner, its successors, successors-in-title to the golf course, or assigns; any builder or contractor (in their capacities as such); any officer, director, or partner of any of the foregoing, or any officer or director of any partner (collectively "Released Parties").

The owner of any golf course within or adjacent to any portion of the Condominium, its agents, successors, and assigns, shall at all times have a right and non-exclusive easement of access and use over those portions of the Common Areas and Facilities reasonably to the operation, maintenance, repair, and replacement of its golf course.

Any portion of the Condominium immediately adjacent to any golf course is hereby burdened with a non-exclusive easement in favor of the adjacent golf course for overspray of water from the irrigation system serving such golf course. Under no circumstances shall the Released Parties be held liable for any damage or injury resulting from such overspray or the exercise of this easement.

ARTICLE 6
ASSESSMENTS

6.1 Determination of Common Expenses and Assessments Against Unit Owners.

6.1.1 Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Board.

6.1.2 Preparation and Approval of Budget

(a) Upon taking office, the first Board elected or designated pursuant to the Bylaws shall determine the budget, as defined in this Section, for the period commencing thirty (30) days after such election and ending on the last day of the fiscal year in which such election occurs. Assessments shall be levied and become a lien against the Unit Owners during such period.

(b) At least sixty (60) days before the beginning of each fiscal year, the Board shall adopt a budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair, and replacement of the Common Areas and Facilities and those parts of the Units as to which it is the responsibility of the Association to maintain, repair, and replace, and the cost of wages, materials, insurance premiums, services, supplies, and other expenses that may be declared to be Common Expenses by the Act, the Declaration, the Bylaws, the Rules, or a resolution of the Board and which will be required during the ensuing fiscal year for the administration, operation, maintenance, and repair of the Property and the rendering to the Unit Owners of all related services.

(c) Such budget shall also include such reasonable amounts as the Board considers necessary to provide working capital, a general operating reserve, and reserves for contingencies and replacements. At least fifteen (15) days before the annual meeting of the Association Unit Owners, the Board shall send to each Unit Owner a copy of the budget in a reasonably itemized form which sets forth the amount of the Common Expenses payable by each Unit Owner. Such budget shall constitute the basis for determining each Unit Owner's Assessment for the Common Expenses, and other expenses of the Condominium, subject to Special Assessments, Benefited Assessments, and Corrective Assessments approved under this Declaration from time to time.

(d) As to reserves, the budget shall include a reserve fund line item in amount the Board deems prudent based upon the reserve analysis. The Board shall also, annually, provide a summary of the most recent reserve analysis or update and a full copy to any Unit Owner requesting a full copy. The process for vetoing the reserve fund line item or taking action for failing to provide a reserve fund line item is provided for in Utah Code § 57-8-7.5.

(e) The Owners shall have no right to ratify any budget, or amendment thereof, adopted by the Board.

6.1.3. Assessment and Payment of Common Expenses. Subject to the provisions of this Article 6 and elsewhere in this Declaration, the total amount of the estimated funds required from assessments for the operation of the Property set forth in the budget adopted by the Board shall be assessed against each Unit Owner in proportion to such Unit Owner's respective Allocated Interest, except for the various Special Assessments, Benefitted Assessments, and Reinvestment Fee Assessments which shall be assessed against each Unit Owner in amounts specific to that Unit Owner. An Assessment shall be a lien against each Unit Owner's Unit as provided in this Article 6, or elsewhere in this Declaration. Any amount accumulated in excess of the amount required for actual expenses and reserves shall, at the discretion of the Board, be placed in reserve accounts, be placed in a special account to be expended solely for the general welfare of the Unit Owners, be credited according to each Unit Owner's Allocated Interest to the next periodic installment due from Unit Owners under the current fiscal year's budget, until exhausted, or distributed to the Unit Owners. Unless the Board directs otherwise, any net shortage shall be assessed promptly against the Unit Owners in accordance with their Allocated Interests and shall be payable as a Benefitted Assessment either: (i) in full with payment of the next periodic Assessment which is due more than ten (10) days after delivery of notice of such further Assessment; or (ii) in not more than four (4) equal periodic installments, as the Board may determine. At least annually, the Board shall require the Hotel Operator to create a "Budget vs. Actual" report that shows the prior year's budget in comparison to all actual collections and expenditures for the prior year. In any year in which (i) the aggregate annual actual expenditures exceed the aggregate budgeted expenditures or (ii) the aggregate annual actual collections are less than the aggregate budgeted collections attributed to the Commercial Units, Underground Parking Unit(s), Hotel Unit, Hotel Lodging Units, Outdoor Units, Storage Units (if any), or Residential Units, then the Board shall true up the "over-budget" actual operating expenditures or "under-budget" actual collections associated with the foregoing Units, or any combination thereof, and may levy a Benefitted Assessment against a Unit or Units, or any combination thereof, to reconcile the amounts owed and paid as applicable to each of the Unit types.

(a) The cost of insurance obtained pursuant to Article 6 shall be allocated as follows: the premium calculation shall be furnished to the Board separating out from any charges which are otherwise properly chargeable to all Unit Owners as a Common Expense: (i) the amount charged for the retail risk by the Owners receiving such benefit; (ii) the amount charged for the extended stay hotel risk by any Owner whose Unit is rented under the terms of Article 12, and (iii) the amount charged for other special risks by the Unit Owners creating such risks. The foregoing expenses listed in (2)(i)-(iii) shall be levied as a Benefitted Assessment.

(b) Any Common Expenses benefiting less than all of the Units, or caused by the conduct of less than all those entitled to occupy the same or by their licensees or invitees, shall be specially assessed against the Unit or Units involved, in proportion to their respective Allocated Interests. Further, the Board may assess other expenses on other bases to the extent permitted by the Act.

6.2 Creation of Lien and Joint and Several Obligation for Assessments. Each owner, including Declarant to the extent Declarant is an Owner as defined herein, of any Unit, by acceptance of a deed or other instrument creating in such Owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or other instrument, is deemed to covenant and agree to pay to the Association such Assessments to be fixed, established, and collected from time to time as provided in this Declaration. The Assessments, together with interest thereon, collection charges, attorneys' fees, court costs, and other costs of collection as hereinafter provided, shall be secured by a continuing lien upon the Unit against which each such Assessment is made in favor of the Association. Each such Assessment, together with such interest, collection charges, costs, and attorneys' fees, shall also be an obligation of the Owner of such Unit at the time the Assessment become due. Additionally, in any voluntary transfer the obligation shall pass to the successor in title of an Owner and the Owner and successor Owner shall be jointly and severally liable for the amounts due, including costs and fees of collection, without prejudice to the successor Owner's right to recover from the prior Owner the amounts paid by the successor Owner. However, any such successor Owner shall be entitled to a statement from the Board, or its designee, setting forth the amounts of the unpaid assessments against the prior Owner, and such successor Owner shall not be liable for, nor shall the unit conveyed be subject to a lien for, any unpaid assessments against the prior Owner in excess of the amount set forth in the payoff statement.

6.3 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purposes of promoting the health, safety, and welfare of the Owners, the management, maintenance, care, preservation, and protection of the Condominium and hotel, enhancing the quality of life in the Condominium and hotel operations and the value of the Condominium and hotel operations including, without limitation, the improvement and maintenance of the services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas and Facilities, or in furtherance of any other duty or power of the Association.

6.4 Regular Assessments. The Board shall, as part of the budgeting process, determine the amount of the regular Assessment to be paid by each Owner. Each owner shall thereafter pay to the Association his regular Assessment in equal monthly installments on the first day of each month. In the event the Board shall determine that the estimate of total charges for the current year is, or will become, inadequate to meet all Common Expenses for any reason, it shall then immediately determine the approximate amount of such inadequacy and prepare a supplemental estimate of the Common Expense and determine the revised amount of the regular Assessment against each Owner, and the date or dates when due.

6.5 Capital Improvement Assessments. In addition to regular Assessments, the Board may levy in any fiscal year a Capital Improvement Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any new construction, repair, or replacement of a capital improvement upon the Common Areas and Facilities, including the necessary fixtures and personal property related thereto. All amounts collected as Capital Improvement Assessments may only be used for capital improvement and shall be deposited by the Board in a separate bank account or the Association's account for reserve funds, to be held in trust for such purposes and said funds shall not be commingled with any other funds (other than reserve funds) of the Association.

6.6 Benefitted Assessments. The Board may levy Benefitted Assessments against particular Units for expenses incurred or to be incurred by the Association to cover the costs, including overhead and administrative costs, of providing benefits, items, or services to the Units or Occupants, which assessments may be levied in advance of the provision of the requested benefit, item, or service as a deposit against charges to be incurred by the Owner. Further, Benefitted Assessments include, but are not limited to the following:

6.6.1 request of the Owner pursuant to a menu of special services which the Board may from time to time authorize, which assessments may be levied in advance of the provision of the requested benefit, item, or service as a deposit against charges to be incurred by the Owner;

6.6.2 the covering on any expense attributable to one (1) or more Owners, but less than all the Owners as certified by the Board;

6.6.3 the truing up of expenses under Section 6.1.3;

6.6.4 the levy of an Assessment against the Owners of Residential Units, Commercial Units, the Hotel Unit, Hotel Lodging Units, Underground Parking Units, Storage Units, or Outdoor Units as certified by the Board;

6.6.5 Costs and services incurred or provided, or to be incurred or provided, under the provisions of Section 7.3 and Article 12; and

6.6.6 Any other assessments implicitly or expressly identified as a Benefitted Assessment in this Declaration.

6.7 Corrective Assessments. Assessments shall be levied by the Board against a Unit and its Owner to reimburse the Association for:

6.7.1 costs incurred in bringing an Owner or his Unit, or both, into compliance with the provisions of this Declaration, the Articles, the Bylaws, or the Rules promulgated under Section 2.10;

6.7.2 costs associated with the maintenance, repair, or replacement of Limited Common Area and Facilities assigned to an individual Unit; and

6.7.3 attorneys' fees, interest, and other charges relating thereto as provided in this Declaration.

6.8 Special Assessments. In addition to all other Assessments, a Special Assessment may be assessed as follows:

6.8.1 Board Approved. The Board may levy Special Assessments to pay the costs of any one (1) or more of the following:

- (a) An extraordinary expense required by an order of a court;
- (b) To protect the Common Areas and Facilities against foreclosure; and
- (c) To cover other short falls, or other needs approved by the Board as being reasonably necessary to the protection or preservation of the Condominium, provided that any such assessment levied under this Subsection 6.8 does not exceed fifty percent (50%) of the current regular assessment.

6.8.2 Approved by Association. Special assessments which must be assented to by more than fifty percent (50%) of all the Allocated Interests represented in person, by proxy, or by ballot are entitled to cast at a meeting duly called and held for such purpose pursuant to the Bylaws involve:

- (a) the replacement or improvement of the Common Area or Improvement thereon; and
- (b) an extraordinary expense necessary to repair or maintain the Common Area or any portion thereof for which the Association is responsible.

6.9 Notification of Sale and Reinvestment Fee Assessment and Covenant. Prior to or concurrently with the consummation of the sale or other transfer of any Unit, the transferee shall notify the Association in writing of such transfer. In addition to all other assessments, and upon the transfer or conveyance of Unit, there shall be one (1) reinvestment fee charged to the transferor or transferee, as the transferor and transferee may determine by the Master Association. The Master Association may then distribute the Reinvestment Fee, or a portion thereof, to the Association as determined in the discretion of the Master Association. The reinvestment fee received by the Association may be used to benefit the Property in accordance with Utah Code Section 57-1-46.

6.10 Percentage of Assessments. Except as otherwise provided herein, all Assessments (other than Benefitted Assessments, Corrective Assessments, and Reinvestment Fee Assessments) shall be an amount based on the Allocated Interests of each Unit.

6.11 Rules Regarding Billing and Collection Procedures. The Board may adopt rules and regulations setting forth procedures for the purpose of making the Assessments provided herein and for the billing and collection of Assessments, provided that said procedures are not inconsistent with the provisions hereof. The failure of the Association to send a bill to an Owner shall not relieve any Owner of his liability for any Assessment or charge under this Declaration, but the Assessment lien therefor shall not be foreclosed or otherwise enforced until the Owner has been given not less than thirty (30) days' written notice prior to such foreclosure or enforcement, at the address of the Owner on the records of the Association, that the Assessment or any installment thereof is or will be due and of the amount owing. Such notice may be given at any time prior to or after delinquency of such payment.

6.12 Certificate of Payment. The Association shall, within twenty (20) business days after written demand, furnish to any Owner liable for Assessments a written statement or certificate signed by an officer or authorized agent of the Association setting forth whether the Assessments relating to a specified Unit have been paid and the amount of delinquency, if any. To the extent permitted by the Act, a reasonable charge may be collected by the Board for the issuance of each such certificate.

6.13 Date of Commencement of Assessments. Regular and other Assessments as to Units within the Condominium shall commence on the first day of the month following the sale and conveyance of the first Unit by Declarant to an Owner. Thereafter, regular and other Assessments shall commence as to newly sold and conveyed Units on the first day of the month following the sale and conveyance of each respective Unit. Until the Association makes an Assessment, Declarant shall pay all Common Expenses of the Association. Declarant shall be obligated to pay to the Association any deficiencies in monies available to pay Common Expenses due to Declarant not having paid an Assessment on unsold Units and which are necessary for the Association to be able to pay all Common Expenses in a timely manner. Notwithstanding the above, all Units, including unsold Units, shall be allocated full Assessments on the first day of the month following the sale and conveyance of the first Unit by Declarant to an Owner.

6.14 Application of Excess Assessments. The Association shall not be obligated to reduce the amount of Assessments in succeeding years if an excess exists for a prior year.

6.15 No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation, a claim that the Association is not properly exercising its duties and powers as provided in this Declaration.

6.16 Homestead Waiver. Each Owner, to the extent permitted by law, does hereby waive, to the extent of any liens created pursuant to this Declaration, whether such liens are now in existence or are created at any time in the future, the benefit of any homestead or exemption laws of the State of Utah or any other applicable law now in effect, or in effect from time-to-time hereafter.

6.17 Appointment of Trustee. Pursuant to Utah Code §§ 57-1-20 and 57-8-45, the Association and each Unit Owner hereby conveys and warrants, to Bruce C. Jenkins, esq., of the law firm, JenkinsBagleySperry, PLLC, including his successors and assigns or other successor appointed by the Association Board pursuant to § 57-1-22, with the power of sale of the Unit and all improvements to the Unit for the purpose of securing payment of assessments under the terms of this Declaration and § 57-8-44 to 54.

6.18 Assessments Against Owners of Units under the Master Declaration. Each Unit Owner shall be subject to the Master Declaration and shall pay to the Master Association assessments levied by the Master Association. Such Master Association assessments may be collected by the Association from the Unit Owner and paid to the Master Association.

6.19 Effect of Failure to Pay Assessments.

6.19.1 Collection Charge. If any Assessment is delinquent, the Owner shall be obligated to pay a late charge of five percent (5%) of the amount of the delinquent Assessment. The amount of such late charge until paid shall constitute part of the Assessment lien.

6.19.2 Interest. If any Assessment is delinquent, interest at the simple interest rate of eighteen percent (18%) per annum, which interest amount shall constitute part of the Assessment lien.

6.19.3 Action at Law. The Association may bring an action to recover a delinquent Assessment either personally against the Owner and/or subsequent Owner obligated to pay same or foreclose the assessment lien judicially or non-judicially, provided, however, that the Association's choice of one remedy shall not prejudice or constitute a waiver of the Association's right to exercise the other. The costs of preparing and filing the complaint shall be assessed against the delinquent Owner and his Unit and reasonable attorneys' fees and court costs will thereafter be added to the amount in delinquency (plus interest and/or charges). Each Owner vests in the Association or its assigns the right and power to bring actions at law and/or lien foreclosures against such Owner or Owners for the collection of delinquent Assessments.

6.19.4 Foreclosure Sale. Any foreclosure sale provided for in this Declaration is to be conducted in accordance with applicable provisions relating to the foreclosure of realty mortgages or deeds of trust in the State of Utah. The Board may through its duly authorized agents have and exercise the power to bid on the Unit at the foreclosure sale and to acquire, hold, lease, mortgage, and convey such Unit.

6.19.5 Suspension of Votes. The Board may suspend the obligated Owner's right to vote on any matter at regular or special meetings for the entire period during which an Assessment or other amount due under any of the provisions of this Declaration remains delinquent.

6.19.6 Tenant Obligations. The Association may collect Assessments from the revenues from tenants, from Transient Lodgers or Guests under the provisions of § 57-8-44 of the Act. Each Owner by acceptance of a deed to the Unit hereby designates the Hotel Operator as an attorney-in-fact to accept notice from the Board that the Owner is delinquent in payment of Assessments and that the Hotel Operator shall retain revenues due the Owner and pay them to the Association until the delinquency in Assessments is cured in full, including all costs and attorneys' fees incurred in the collection of the Assessments.

6.20 Termination of a Delinquent Owner's Rights – Notice – Informal Hearing.

6.20.1 As used in this section, "Delinquent Unit Owner" means a unit owner who fails to pay an assessment when due.

6.20.2 The Board may terminate a Delinquent Unit Owner's right: (i) to receive a utility service for which the Unit Owner pays as a common expense, or (ii) of access to and use of recreational facilities.

6.20.3 Before terminating a utility service or right of access to and use of recreational facilities under Subsection 6.20.2, the Board shall give the Delinquent Unit Owner notice. The notice shall be delivered not less than fourteen (14) calendar days before it is to take effect and state: (i) that the Association will terminate the Delinquent Unit Owner's utility service or right of access to and use of recreational facilities, or both, if the Association does not receive payment of the assessment within the time provided in this Declaration; (ii) the amount of the assessment due, including any interest or late payment fee; and (iii) the unit owner's right to request a hearing. The notice may include the estimated cost to reinstate a utility service if service is terminated.

6.20.4 A Delinquent Unit Owner may submit a written request to the Board for an informal hearing to dispute the assessment. A request under this Subsection shall be submitted within fourteen (14) calendar days after the date the Delinquent Unit Owner receives the notice.

6.20.5 Upon request of the Delinquent Unit Owner, the Board shall conduct an informal hearing at which the Delinquent Unit Owner shall have the opportunity to be heard and represented by legal counsel, if the Owner desires.

6.20.6 If the Delinquent Unit Owner requests a hearing, the Association may not terminate a utility service or right of access to and use of recreational facilities until after the Board conducts the hearing and enters a final decision.

6.20.7 If the Association terminates a utility service or a right of access to and use of recreational facilities, the Association shall take immediate action to reinstate the service or right following the Unit Owner's payment of the assessment, including any interest and late payment fee.

6.20.8 The Association may assess a Delinquent Unit Owner for the cost associated with reinstating a utility service that the Association terminates as provided in this section and demand that the estimated cost to reinstate the utility service be paid before the service is reinstated if the estimated cost is included in the notice.

6.21 Statement of Common Expenses. The Board shall promptly provide any Unit Owner, contract purchaser, or Lender so requesting the same in writing with a written statement of all unpaid assessments due from such Unit Owner. The Board may impose a charge allowed by the Act for the preparation of such statement to cover the cost of preparation.

ARTICLE 7

MAINTENANCE, REPAIR, REPLACEMENT, AND OTHER COMMON EXPENSES

7.1 Maintenance, Repair, Replacement and Other Common Expenses.

7.1.1 Schedule of Maintenance Responsibilities. Notwithstanding the general provisions for maintenance set forth in this Section 7.1, specific maintenance responsibilities and the costs attributable thereto shall, to the extent set forth thereon, be determined pursuant to the Maintenance Schedule attached as **Exhibit F**.

7.1.2 By the Association. The Association shall be responsible for the maintenance, repair, and replacement of all of the Common Areas and Facilities, including without limitation Hotel Limited Common Areas and Facilities, as defined in the Declaration and Plat, whether located inside or outside of the Buildings, the cost of which shall be charged to all Unit Owners as a Common Expense; provided, however, that the Board may elect not to do so if in the opinion of a majority of the Board such maintenance, repair, or replacement was necessitated by the act, neglect, or carelessness for which a Unit Owner is responsible, which cost and expense may then be charge to the Unit Owner as a Corrective Assessment.

7.1.3 By Unit Owners. Each Unit Owner shall be responsible for the maintenance, repair, replacement, and improvement of the Unit, all of which shall be performed in a commercially reasonable manner. All repairs and replacements made shall be of first-class quality. An Owner shall be responsible for the maintenance, repair, and replacement of Limited Common Areas and Facilities appurtenant only to that Owner's Unit.

7.1.4 By the Owner of a Storage Unit. The Owner of the Storage Unit shall be responsible for the maintenance, repair, replacement, and improvement of the Storage Unit, all of which shall be performed in a reasonable manner.

7.2 Additions, Alterations, or Improvements by the Unit Owners.

7.2.1 Commercial, Residential, and Storage Units. No Residential Unit Owner, Commercial Unit Owner, or Owner of a Storage Unit shall make any addition, alteration, or improvement in or to its Commercial Unit, Residential Unit, or Storage Unit without the

prior written consent of both the Board and Hotel Operator. All proposed additions, alterations, or improvements to a Commercial Unit, Residential Unit, or Storage Unit shall be made in compliance with all laws, rules, ordinances, and regulations of all governmental authorities having jurisdiction; and any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal, construction details, etc. No addition, alteration, or improvement to a Residential Unit may in any manner affect a Hotel Unit without the prior written consent of the Owner of a Hotel Unit and Hotel Operator, which consent may be withheld with or without cause. A Residential Unit Owner or Commercial Unit Owner who makes or causes to be made any such additions, alterations, or improvements shall hold the Association, the Declarant, the Hotel Operator, and all other Unit Owners harmless from and indemnify them against any liability or damage to the Common Areas and Facilities or other Units, and expenses arising therefrom that arises as a result of such addition, alteration, or improvement.

7.2.2 Commercial Units, Hotel Unit, Hotel Lodging Units, and Outdoor Units.

The Owners of the Commercial Units, the Hotel Unit, the Hotel Lodging Units, and the Outdoor Units shall have the right but not the obligation to make alterations, additions, and improvements to any such Units without the approval of the Association. A Commercial Unit Owner, Hotel Unit Owner, Hotel Lodging Unit Owner, or Outdoor Unit Owner who makes or causes to be made any such additions, alterations, or improvements shall hold the Association, the Declarant, the Hotel Operator, and all other Unit Owners harmless from and indemnify them against any liability or damage to the Common Areas and Facilities or other Units, and expenses arising therefrom that arises as a result of such addition, alteration, or improvement.

7.2.3 Underground Parking Units. No Underground Parking Unit Owner shall make any addition, alteration, or improvement in or to its Unit without the prior written consent of both the Board and Hotel Operator. All proposed additions, alterations, or improvements to an Underground Parking Unit shall be made in compliance with all laws, rules, ordinances, and regulations of all governmental authorities having jurisdiction; and any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal, construction details, etc. No addition, alteration, or improvement to an Underground Parking Unit may in any manner affect the Hotel Unit without the prior written consent of the Owner of the Hotel Unit and Hotel Operator, which consent may be withheld with or without cause. An Underground Parking Unit Owner who makes or causes to be made any such additions, alterations, or improvements shall hold the Association, the Declarant, the Hotel Operator and all other Unit Owners harmless from and indemnify them against any liability or damage to the Common Areas and Facilities or other Units, and expenses arising therefrom that arises as a result of such addition, alteration or improvement.

7.2.4 Common Wall Penetration, Generally. For all Units, where a Unit Owner owns two (2) or more Units which share one (1) or more common walls, the Unit Owner upon approval of both the Board and the Hotel Operator may remove or alter a partition between the Unit Owner's Units, even if the partition is entirely or partly Common Areas and Facilities; or create an aperture to the adjoining Unit or portion of a Unit. A Unit Owner

may not take such action if the action would (i) impair the structural integrity or mechanical systems of the building or either Unit; (ii) reduce the support of any portion of the Common Areas and Facilities or another Unit; or (iii) constitute a violation of Utah Code § 10-9a-608, a local government land use ordinance, or a building code. The Board may require a Unit Owner to submit, at the Unit Owner's expense, a registered professional engineer's or registered architect's opinion stating that a proposed change to the Unit Owner's Unit will not (i) impair the structural integrity or mechanical systems of the building or either unit, (ii) reduce the support or integrity of Common Areas and Facilities, or (iii) compromise structural components. The Board may require a Unit Owner to pay all of the legal and other expenses of the Association related to a proposed alteration to the Unit or Building under this section. The joining of Units by such a wall penetration does not change an assessment or voting right attributable to the Unit Owner's Unit prior to the wall penetration.

7.3 Utility Charges; User Fees. The cost of utilities serving the Condominium not individually metered or sub-metered to specific Units shall be a Common Expense. The Board may submeter utility charges and allocate the sub-metered utilities, and the costs of submetering, to a Unit Owner as a Benefitted Assessment.

7.4 Disclaimer of Bailee Liability. The Board, the Association, the Hotel Operator, Club Operator any Unit Owner and the Declarant shall not be considered a bailee of any personal property stored or left on the common elements (including property located in vehicles parked on the common elements) and shall not be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence, except to the extent covered by insurance in excess of any applicable deductible.

7.5 Limits on Liability. From the time that any Common Area and Facilities, or any portion thereof, is opened and put into use for the enjoyment of Owners, Owners shall be and remain wholly free and clear of any and all liability to, or claims by, all owners, and all persons and entities, of whatever kind or character, whether sounding in contract or tort, deriving from the occurrence of any injury or damage to any person or property on, or in respect of the use and operation of, the Common Area and Facilities or any of its improvements, fixtures, and facilities; inasmuch as the control, operation, management, use, and enjoyment of the Common Area and Facilities shall be within, under, and subject to the Association – and not Owners. In this respect, it shall be the affirmative duty and responsibility of each Owner and user of the Common Area and Facilities to continuously inspect the same for any defects or perils or other unsafe conditions or circumstances, prior to and during such use or enjoyment thereof, and all users of, and visitors to, the Common Area and Facilities shall use, enjoy, and visit, the same at their own risk and peril.

ARTICLE 8

CONVERSION OF CONVERTIBLE LAND AND CONVERTIBLE SPACE

8.1 Declarant's Conversion Right. The Declarant hereby expressly reserves the right (the "Conversion Right"), pursuant to §§ 57-8-10(3), 57-8-13, and 57-8-13.4 of the Act, to be exercised in its sole discretion, without the consent of any Owner, Occupant, or Lender, to create additional Units, Common Areas and Facilities, and/or Limited Common Areas and Facilities,

within the Convertible Land and Convertible Space. The Conversion Right shall be effected by amendment to this Declaration executed by Declarant alone in the manner provided in Sections 8.3 and 19.1 hereof and shall be subject to the following:

8.1.1 Legal Description. A legal description by metes and bounds of Convertible Land within the Condominium is set forth in **Exhibit E** attached hereto. Convertible Space shall be identified as such for portions of a structure intended to be Convertible Space.

8.1.2 Maximum Number of Units. A maximum of One Hundred and Twenty (120) Units may be created within the Convertible Land and Convertible Space.

8.1.3 Compatibility of Structures. Any structure erected on the Convertible Land will be generally compatible with structures on other portions of the Condominium in terms of quality of construction, the principal materials to be used, and the architectural style.

8.1.4 Other Improvements. All other improvements within the Convertible Land will include roads, utility services, recreation areas, landscaping, and like improvements which are incidental to the residential and commercial use to be created on the Convertible Land.

8.1.5 Compatibility of Units. The Units created within the Convertible Land and Convertible Space need not be substantially identical to the Units on other portions of the Condominium. The Units created within the Convertible Land and Convertible Space may be commercial and residential.

8.1.6 Right to Create Limited Common Areas and Facilities. The Declarant hereby expressly reserves the right to create Limited Common Areas and Facilities within the Convertible Land and Convertible Space. The types of such common elements which the Declarant intends to create within the Convertible Land and Convertible Space may include, without limitation, patios, decks, balconies, roof terraces, roof gardens, attics, electrical and mechanical rooms, and systems including heating and cooling apparatus, recreational facilities, garage/storage buildings, and all other elements which can appropriately be designed as Limited Common Area and Facilities. The maximum size of such common elements within the Convertible Land and Convertible Space as an aggregate is One Hundred and Twenty Thousand (120,000) square feet.

8.1.7 Convertible Land/Convertible Space. The Convertible Land shall be deemed a part of the Common Areas and Facilities, except for such portions thereof that are converted in accordance with this Declaration and the Act. Any Convertible Space not converted in accordance with this Declaration and the Act, or any portion of it not so converted, shall be treated for all purposes as a single Unit until and unless it is so converted, and the Act shall be deemed applicable to any such space, or portion of it, as though the same were a Unit. Because undivided interests in the Common Areas and Facilities are based upon par value, any Unit created upon the Convertible Land or within a Convertible space must be substantially identical to the types of Units depicted on the original Plat.

8.1.8 Time Limit. The option to convert shall be exercised within five (5) years from the date of recordation of this Declaration; provided that three-fourths (3/4) of Owners may vote to extend that time after the five (5) -year period has expired (the "Time Limit").

8.1.9 Limitations. There are no other limitations on the Conversion Right except as provided in this Article 8 or in the Act. No consent of any Owner, Occupant, or Lender shall be required in connection with the exercise of the Conversion Right.

8.1.10 Financing of Construction. The Declarant reserves the right to use any portion of all of the Convertible Land or Convertible Space as collateral, for the purpose of financing construction thereon and, until discharged, any such mortgage or deed of trust shall have priority over the interests of Owners in such portion of the Convertible Land or Convertible Space.

8.1.11 Taxes and Assessments. Taxes and other assessments with respect to the Convertible Land shall be paid by the Declarant until the expiration of the Time Limit.

8.2 Plat and Declaration Amendment. When converting all or any portion of the Convertible Land or Convertible Space, the Declarant shall record an amendment to the Plat and this Declaration, which shall contain the information necessary to comply with the requirements of the act.

8.3 Amendment. Simultaneously with the recording of an amendment to the Plat pursuant to Section 19.1, the Declarant shall prepare, execute, and record an amendment to this Declaration, in compliance with the terms of this Article 8 and the requirements of the Act. Any amendment to this Declaration which is recorded pursuant to Article 19 for the purpose of exercising Declarant's Conversion Right shall include a revised Allocated Interest with respect to Common Areas and Facilities, the Common Expenses liability, and votes in the Association, on par value, recalculated in the manner described in Section 3.2 of this Declaration.

8.4 Easement to Facilitate Conversion. The Declarant reserves a transferable easement over, under, and on the Common Area and Facilities for itself, its employees, other agents, and its independent contractors for the purpose of doing all things reasonably necessary and proper to convert the Convertible Land and Convertible Space, including the commencement and completion of improvements thereon in accordance with this Declaration.

ARTICLE 9

EXPANSION OF CONDOMINIUM

9.1 Reservation to Expand. The Declarant herewith expressly reserves the right and option, pursuant to §§ 57-8-10(4) and 57-8-13.6 of the Act, to expand the Project by the addition of Additional Land, or portions thereof, and improvements to be constructed thereon, all in accordance with the provisions of this Article 9.

9.2 Additional Land. The Project may be expanded by the addition of all or a portion of the real property designated on **Exhibit B** attached hereto and incorporated herein by reference, such real property or portions thereof where applicable being referred to as "Additional Land."

9.3 No Limitations Upon Option. Expansion of the Project by the Declarant is without limitation and shall be effective without the prior approval of the Association.

9.4 Termination of Option. Declarant's right to expand the Project as provided in this Article 9 shall expire seven (7) years from the date of recording of this Declaration (exclusive of any amendments or supplements) in the Official Records of the Office of the County Recorder of Washington County, Utah.

9.5 Order of Addition. The Additional Land designated on **Exhibit B**, may be added in total or in part, and in any order as Declarant may determine. Such Additional Land (or any portion thereof constituting Additional Land) may be added at any time within the period allowed for expansion of the Project.

9.6 Improvements Upon Additional Land. All improvements upon Additional Land shall be made in such a manner as to conform to all governmental regulations appertaining thereto, but such improvements may be located upon the Additional Land, or any portion thereof, in such manner as the Declarant deems appropriate in its sole discretion, subject to the requirements contained herein. The maximum number of Units to be constructed upon the Additional Land shall be limited to Three Thousand (3,000), which Units shall be constructed in Buildings not exceeding a total of Three Hundred and Fifty (350). All of the additional Units to be constructed upon Additional Land will be constructed for or are to be designated exclusively for residential use. Notwithstanding the foregoing, Declarant makes no assurances with respect to improvements to be installed on the Additional Land.

9.7 Compatible Construction. All structures and improvements erected upon any Additional Land added to the Property will be compatible with the structures and improvements now upon or to be constructed upon the Property, all such additional structures and improvements to be approximately equal or better in terms of quality of construction and materials to be used. Notwithstanding the above, no assurances can be made by the Declarant in every instance that such structures and improvements will be identical in all regards. However, because undivided interests in the Common Area and Facilities are based upon par value, the Units created on the Additional Land must be substantially identical to the Units described in this Declaration and as depicted on the original Plat.

9.8 Description of Improvements. Although Declarant intends to construct three (3) -story condominium residential Building(s) upon Additional Land, no assurances can be made by the Declarant as to the description of improvements that will be made upon any Additional Land, except those made in the previous section.

9.9 Description of Units. Declarant intends, as of the date hereof, that any Unit constructed within a Building upon Additional Land may be similar to the Units presently contained within Buildings upon the Property, and the Size of such Units may vary as the Declarant

determines in its sole discretion. Notwithstanding the foregoing, no assurances can be made by the Declarant that any Units to be constructed upon Additional Land will be substantially identical or similar to the existing Units.

9.10 Declarant's Reserved Rights. Declarant hereby reserves the right with respect to any Additional Land, to create Limited Common Areas and Facilities within any Additional Land added to the Project, and with respect thereto, reserves the right to create such Common Areas and Facilities in such types, sizes, and numbers as the Declarant deems appropriate in its sole discretion. No assurances are made herein by Declarant with respect to the type, sizes, or number of such areas to be created, if any.

9.11 Supplemental Map. The Declarant simultaneously with the submission of Additional Land to the Project shall prepare and record in the Official Records of the Office of the County Recorder of Washington County, State of Utah, a supplemental Map pertaining to such Additional Land to be added to the Project, and showing the location and dimensions (the vertical and horizontal boundaries), of each Unit located within a Building created from and located upon such Additional Land, and the Unit designation of each Unit so created.

9.12 Supplemental Declaration. Simultaneously with the recording of said Supplemental Map as required by the provisions of Section 9.11 above, the Declarant shall duly execute, acknowledge, and record in the Official Records in the Office of the County Recorder of Washington County, Utah, a Supplemental Declaration setting forth that an expansion of the Project has occurred. Such Supplemental Declaration shall include, in addition to any requirements of the Act, the following: (i) a legal description by metes and bounds of the Additional Land added to the Project; (ii) the designation of each Unit and Building created from and included within the Additional Land; and (iii) the recomputed Percentage Interest allocated and appertaining to all Units within the Project

9.13 Qualifications. Each expansion of the Project by the addition of Additional Land shall be subject to the following additional qualifications:

9.13.1 Allocated Interest. The Allocated Interest appertaining to a Unit and each Unit shall be recomputed taking into consideration the Units contained upon the Additional Land to be included within the Project.

9.13.2 100% Total. Following the addition to the Project of Additional Land, the total of the Allocated Interest appertaining to all Units shall in any event equal one hundred percent (100%).

9.14 Amendment to this Article. This Article 9 shall not be amended without the written consent of the Declarant.

ARTICLE 10
CLUB FACILITIES AND OPERATIONS

10.1 Mandatory Club Membership Application. Each Owner, other than Declarant, of a Residential Unit within the Property shall submit a Club Membership Application to the Club within seven (7) days from the date of mutual execution by Declarant and a prospective Owner or an Owner and a prospective Owner of the contract for sale of such Unit, including any application fees, which may be imposed by the Club, in its sole and absolute discretion, in order to be considered for membership to the Club. The Club may accept or reject a prospective Owner's Club Membership Application in its sole and absolute discretion. Declarant expressly disclaims any representation, warranty, or commitment that the prospective Owner or Residential Unit Owner will be a Club Member. If the Club accepts a Club Membership Application, then Residential Unit Owner is required to be a Club Member and will be subject to all rights and obligations set forth in the Club Documents.

10.2 Non-Equity. Neither membership in the Association nor ownership or occupancy of a Unit shall confer any ownership interest in or right to use any Club Amenity. Rights to use the Private Amenities will be determined from time to time by the Club Operator. Subject to Section 10.1, the Club Operator shall have the right, from time to time in its sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of the Club Amenities, including, without limitation, eligibility for and duration of use rights, categories of use and extent of use privileges, and number of users, and shall also have the right to reserve use rights and to terminate use rights altogether, as provided in the terms of any written agreements with Club Members.

10.3 Facilities and Operations. The Club may own, lease, or obtain a license for Units or parcels within or without the Condominium for the provision of the Club Amenities. The Club Operator may establish such rules as the Club Operator determines, in its sole discretion, for use, maintenance and management of the Club, Club Memberships, and Club Amenities. All Persons, including all Owners, are hereby advised that no representations or warranties have been or are made by Declarant, the Hotel Operator, the Club Operator, the Association, any Builder, or by any Person acting on behalf of any of the foregoing, with regard to the continuing ownership or operation of any Club Amenity. The ownership or operation of the Club Amenities may change at any time by virtue of, but without limitation, (i) the sale to or assumption of operations of any Club Amenity by a Person other than the current owner or operator; (ii) the establishment of, or conversion of, the membership structure, or (iii) the conveyance of any Club Amenity to one or more of Declarant's affiliates, shareholders, employees, or independent contractors. Consent of the Association and any Voting Member, or any Owner shall not be required to effectuate any change in ownership or operation of any Club Amenity, for or without consideration, and subject to or free of any mortgage, covenant, lien, or other encumbrance.

ARTICLE 11
SPECIAL DECLARANT RIGHTS

11.1 Improvements. Declarant hereby reserves for itself, its successors, and assigns the right, but is not obligated, to construct: (i) any improvements shown on the Plat, as amended or supplemented from time to time; and (ii) any other buildings, structures, or improvements that Declarant desires to construct on the Parcel.

11.2 Development Rights. Declarant hereby reserves for itself, its successors and assigns the right to create easements as described in Article 5 and elsewhere in this Declaration.

11.3 Sales Offices and Models. Notwithstanding anything in this Declaration to the contrary, until the Convertible Land has been converted into Units and Common Areas and Facilities and all Units have been sold by the Declarant, Declarant shall have the following rights in furtherance of any sales, promotional, or other activities designed to accomplish or facilitate the sale of all Units owned or to be owned by Declarant.

11.3.1 Declarant Hotel Operator and Club Operator shall have the right to maintain promotional, advertising, and/or signs, banners, or similar devices at any place or places on the Property.

11.3.2 Declarant shall have the right from time to time to locate or relocate any signs, banners, or similar devices, but in connection with such location or relocation shall observe the limitations imposed by the preceding portion of this Section. Within a reasonable period after the date of the sale of the last Unit owned by the Declarant, Declarant shall have the right to remove from the Condominium any signs, banners, or similar devices and any separate structure or facility which was placed on a portion of the Property for the purpose of aiding Declarant's sales efforts. Any signs, banners, or similar devices, and any separate structure or facility for aiding Declarant's sales efforts shall comply with the Act and applicable zoning ordinances.

11.3.3 Declarant shall have all of the rights with respect to the Convertible Land, Convertible Space, and Additional Land that are described in Articles 8 and 9, respectively hereof.

11.4 Exercising Special Declarant Rights. Subject to the limitations in Articles 8, 9, and 10, Declarant may exercise its Special Declarant Rights at any time prior to the later of (i) the Turnover Date or (ii) the date that is one hundred (100) years, or the longest period allowed by law, after the date on which this Declaration is recorded in the Washington County Recorder's Office. Declarant may exercise its Special Declarant Rights in any order, and no assurance is given as to the order in which Declarant will exercise its Special Declarant Rights. If Declarant exercises any Special Declarant Right with respect to any portion of the Property, Declarant may, but is not obligated to, exercise that Special Declarant Right with respect to any other portion of the Property. Notwithstanding anything to the contrary contained in this Declaration, Declarant may exercise any Special Declarant Right described in this Article 11 and any other right reserved to Declarant in this Declaration, without the consent of the Association or any of the Owners.

11.5 Interference with Special Declarant Rights. Neither the Association nor any Owner may take any action or adopt any rule or regulation that interferes with or diminishes any Special Declarant Right, without Declarant's prior written consent. Any action taken in violation of this Section 11.5 shall be void and have no force or effect.

11.6 Rights Transferable. Declarant may transfer any Special Declarant Right reserved to it under this Article 11 or under any other provision of this Declaration in accordance with the terms and conditions of the Act. Any transfer or assignment of Declarant Rights, including Special Declarant Rights, shall be in writing and recorded in the Records of the County Recorder for Washington County, Utah.

11.7 Control of Unit Until Sold. The Declarant shall own in fee simple each condominium Unit to which legal title is not conveyed or otherwise transferred to another person. The Declarant retains the right to operate any of the Units owned by the Declarant for the Declarant's sole benefit.

11.8 Use of the Words "Black Desert Resort".

11.8.1 Prohibition on the Use of the "Black Desert Resort," "Black Desert Resort Center," or derivative Trademarks. No Person shall use the words "Black Desert Resort," "Black Desert Resort Center," "BDR" or any derivative of any Black Desert Resort Center Marks, in any printed, electronic, or promotional material without the Declarant's prior written consent ("Protected Marks"). Any Member of the Association that is found to have used the Black Desert Resort Center trademark or derivative thereof as set forth in this Section without Declarant's right shall be subject to the following fines, which fines once collected shall be given to Declarant or its designee:

- (a) \$1,000 per occurrence for the first five occurrences of such misuse;
 - (b) \$2,000 per occurrence for the next five occurrence of such misuse;
- and
- (c) \$10,000 for each occurrence of a misuse thereafter.

An occurrence shall include each instance of publication in any form including paper, virtual or other forms and each time the term Black Desert, Black Desert Resort Center, BDR or derivatives thereof appear or are viewed electronically, whether on a single page or otherwise, shall constitute separate publication of such term and occurrence of misuse. So, if a term violating this provision were to appear on a single web page three (3) times and such page were viewed five (5) times by the same or different people, then the total occurrences of misuse would be fifteen (15) (3 misuses per page multiplied by 5 views of such page) and the total fines would be \$65,000 (\$5,000 for the first five misuses, \$10,000 for the next misuses, and \$50,000 for each of the next 5 misuses).

11.8.2 Black Desert Resort Center Marks. Any use by the Association of names, marks, or symbols of BD Resort Center LLC or any of its affiliates, including the Protected Marks described in the previous section, (collectively "Black Desert Resort Center Marks") shall inure to the benefit of BD Resort Center LLC and shall be subject to BD

Resort Center LLC's periodic review for quality control. The Association may enter into license agreements with BD Resort Center LLC, terminable with or without cause and in a form specified by BD Resort Center LLC in its sole discretion, with respect to permissive use of certain Black Desert Resort Center Marks. The Association shall not use any Black Desert Resort Center Marks without BD Resort Center LLC's prior written consent.

ARTICLE 12

CHECK-IN FOR ALL OWNERS AND OUTSIDE HOSPITALITY PROGRAM

12.1 Hospitality Program. The Property will be operated to allow nightly rentals of Condominium Units, subject to the restrictions set forth in Ivins City Code § 16.07.801, *et seq.*, and the Development Agreement. Pursuant to such restrictions, there must be a single manager for all short rentals of thirty (30) days or less on the Property. The manager for short term rentals on the Property shall be the Hotel Operator. Hotel Operator has set up the only legally authorized short-term rental program for the Property, which program shall be administered entirely separate and apart from the Association.

12.2 Hotel and Hotel Limited Common Area and Facilities. The Hotel and Hotel Limited Common Areas and Facilities provide a connecting framework throughout the Property to allow for occupancy and use of Units by Transient Lodgers and other Occupants.

12.3 Single Hotel Operator. As set forth above, Ivins City has required both by ordinance and the development agreement with the Declarant, its predecessors or successors, that any Short-Term Residential Use be operated through a program managed by a solitary on-site property manager, to wit: the Hotel Operator.

12.4 Short Term Residential Use Program. The Hotel Operator shall administer the Short-Term Residential Use Program and provide rental management services for Owners placing their Residential Unit(s) in the Short-Term Residential Use Program. More information regarding the details of the Short-Term Residential Use Program and participation therein may be obtained from the Hotel Operator. The Hotel Operator shall maintain such insurances as are customary for short term rental operations. The Hotel Operator may subcontract its services, with approval of the Hotel Owner.

12.5 Keys. The Hotel Operator shall control the delivery of keys, electronic or mechanical, to Owners, Guests, Transient Lodgers, and Occupants. Management and operation of the key system is a critical component of safety and complying with the requirements of this Article 12.

12.5.1 Registration of New Owner: Each Owner will be required to register with the Hotel Operator, and as part of such registration each owner will, among other things:

- (a) Be issued keys to their Unit;
- (b) Review the process for accessing the Property and their Unit, including how to provide access to non-paying friends and family; and
- (c) Be provided the opportunity to ask questions related to the above of the Hotel Operator.

12.6 Violation of Rental Program Requirements. If rentals for periods thirty (30) days or less are occurring that are not in compliance with local law as set forth in this Article 12, then the Board shall cause the Hotel Operator to take the following actions:

12.6.1 Upon the first offense:

(a) Hotel Operator will disable the Residential Unit Owner's key and the Residential Unit Owner will have to obtain a new key from Hotel Operator the next time they are on Property, which they shall be permitted to retain in an active state even once they leave the Property; and

(b) A Corrective Assessment of One Thousand Dollars (\$1,000) will be levied against the violating Unit Owner.

12.6.2 Upon the occurrence of a second offense:

(a) Hotel Operator will disable the Residential Unit Owner's key and the Residential Unit owner will have to obtain a new key from Hotel Operator each time they visit the Property; and

(b) A Corrective Assessment of Two Thousand Dollars (\$2,000) will be levied against the violation Unit Owner.

12.7 Lockout Units. The Declarant may, at any time prior to the sale of any Unit, designate any part of such Unit as a Lockout Unit, subject to compliance with requirements imposed by the Hotel Operator.

12.8 Non-Hospitality Program Owners. A Residential Unit Owner not participating in the Hospitality Program will be provided services for the Owner's Unit, including without limitation key and check in services, the costs of which will be levied as a Benefitted Assessment. The Board, by resolution, may from time to time determine and designate the costs incurred by, and expenses for services provided to, a Residential Unit Owner that are not covered because the Unit Owner is not a participant in the Hospitality Program ("Uncovered Costs and Expenses"). These Uncovered Costs and Expenses may be levied as a Benefitted Assessment in advance of the cost or expense being incurred.

ARTICLE 13 INSURANCE

13.1 Authority to Purchase. Commencing not later than the date a Unit is conveyed to a Person other than Declarant, the Association shall have the authority to and shall obtain and maintain, to the extent reasonably available, the insurance specified in this Article; provided, however, the Association shall always comply with the insurance requirements of the Act.

13.2 Property Insurance. To the extent available, and subject to Utah Code § 57-8-43(9), blanket property insurance or guaranteed replacement cost insurance on the physical structures in the Condominium Project, including the Common Areas and Facilities and the Units, insuring against all risks of direct physical loss commonly insured against, including fire and extended

coverage perils. The total amount of coverage provided by blanket property insurance or guaranteed replacement cost insurance may not be less than one hundred percent (100%) of the full replacement cost of the insured property at the time the insurance is purchased and at each renewal date, excluding items normally excluded from property insurance policies. Property insurance shall include coverage for any fixture, improvement, or betterment installed at any time to a Unit or to Limited Common Areas associated with a Unit, whether installed in the original construction or in any remodel or later alteration, including a floor covering, cabinet, light fixture, electrical fixture, heating or plumbing fixture, paint, wall covering, window, and any other item permanently part of or affixed to a Unit or to Limited Common Areas associated with a Unit. Each Unit Owner shall be an insured person under the property insurance policy. If a loss occurs that is covered by the Association's property insurance and another property insurance policy in the name of a Unit Owner, the Association's policy provides primary insurance coverage. Notwithstanding the foregoing, the Unit Owner is responsible for the deductible of the Association's Building property coverage, often referred to as coverage A, of the Unit Owner's policy applies to that portion of the loss attributable to the Association's policy deductible.

13.2.1 As used in this Article, "covered loss" means a loss, resulting from a single event or occurrence, that is covered by the Association's property insurance. "Unit damage" means damage to a Unit or to Limited Common Areas appurtenant to that Unit, or both. "Unit damage percentage" means the percentage of total damage resulting in a covered loss that is attributable to Unit damage.

13.2.2 A Unit Owner who owns a Unit that has suffered Unit damage as part of a covered loss is responsible for an amount calculated by applying the Unit damage percentage for that Unit to the amount of the deductible under the Association's property insurance. If a Unit Owner does not pay the amount required under this subsection 13.2.2 within thirty (30) days after substantial completion of the repairs to the Unit or Limited Common Areas appurtenant to that Unit, the Association may levy an assessment against the Unit Owner for that amount.

13.2.3 The Association shall set aside an amount equal to the amount of the Association's property insurance policy deductible or, if the policy deductible exceeds Ten Thousand Dollars (\$10,000), an amount not less than Ten Thousand Dollars (\$10,000). Unit Owners are hereby notified that the Association's current deductible is Fifty Thousand Dollars (\$50,000). The Board may, by resolution, increase or decrease the amount of the Association's policy deductible. The Association shall provide notice, as provided in the Bylaws or as otherwise provided in Utah Code § 57-8-42, to each Unit Owner of the Unit Owner's obligation under this Subsection 13.2.3 for the Association's policy deductible if there is any change in the amount of the deductible. If the Association fails to provide notice of any change in the deductible, the Association is responsible for the portion of the deductible that the Association could have assessed to a Unit Owner, but only to the extent that the Unit Owner does not have insurance coverage that would otherwise apply. However, if the Association fails to provide notice of a later increase in the amount of the deductible, the Association is responsible only for the amount of the increase for which notice was not provided. The failure of the Association to provide notice as provided in

this Subsection 13.2.3 shall not be construed to invalidate any other provision in this Declaration.

13.2.4 If, in the exercise of the business judgment rule, the Board determines that a covered loss is likely not to exceed the property insurance policy deductible of the Association and until it becomes apparent the covered loss exceeds the deductible of the property insurance of the Association and a claim is submitted to the Association's property insurance insurer: (i) a Unit Owner's policy is considered the policy for primary coverage for a loss occurring to the Unit Owner's Unit or to Limited Common Areas appurtenant to the Unit; (ii) the Association is responsible for any covered loss to any Common Areas and Facilities; (iii) a Unit Owner who does not have a policy to cover the damage to the Unit Owner's Unit and appurtenant Limited Common Areas is responsible for that damage, and the Association may recover, as provided for in Subsection 13.2.2 above, any payments the Association makes to remediate that Unit and the appurtenant Limited Common Areas; and (iv) the Association need not tender the claim to the Association's insurer.

13.2.5 An insurer under a property insurance policy issued to the Association shall adjust with the Association's loss covered under the Association's policy. Notwithstanding this Subsection 13.2.5, the insurance proceeds for a loss under the Association's property insurance policy are payable to an insurance trustee that the Association designates or, if no trustee is designated, to the Association, and may not be payable to a holder of a security interest. An insurance trustee or the Association shall hold any insurance proceeds in trust for the Association, Unit Owners, and lien holders. If damaged property is to be repaired or restored, insurance proceeds shall be disbursed first for the repair or restoration of the damaged property. After the disbursements described herein are made and the damaged property has been completely repaired or restored or the Condominium Project terminated, any surplus proceeds are payable to the Association, Unit Owners, and lien holders based on the Undivided Interest of each Condominium Unit.

13.2.6 An insurer or the insurer's authorized agent that issues a property insurance policy under this Section shall issue a certificate or memorandum of insurance to: (i) the Association; (ii) a Unit Owner, upon the Unit Owner's written request; and (iii) a holder of a security interest, upon the holder's written request. A cancellation or nonrenewal of a property insurance policy is subject to the procedures stated in Utah Code § 31A-21-303, as may be amended and supplemented.

13.2.7 By acquiring from an insurer the property insurance required in this Section, the Board is not liable to Unit Owners if the insurance proceeds are not sufficient to cover one hundred percent (100%) of the full replacement cost of the insured property at the time of the loss.

13.2.8 Nothing in this Section shall prevent a Person suffering a loss as a result of damage to property from asserting a claim, either directly or through subrogation, for the loss against a Person at fault for the loss.

13.2.9 All policies of property insurance must provide that notwithstanding any provision affording the insurer the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable without the prior written approval of the Association (or any insurance trustee) or when in conflict with the provisions of any insurance trust agreement to which the insurance may be a party, or any requirement of law.

13.3 Comprehensive Public Liability Insurance. To the extent available, the Association shall obtain comprehensive general liability insurance insuring the Association, Declarant, the agents and employees of the Association and Declarant, the Owners and Occupants and the respective family members, guests, and invitees of the Owners and Occupants, against liability incident to the use, ownership, or maintenance of the Common Areas and Facilities or membership in the Association. The limits of such insurance shall not be less than Two Million Dollars (\$2,000,000) covering all claims for death of or injury to any one person and/or property damage in any single occurrence. Such insurance shall contain a Severability of Interest Endorsement or equivalent coverage which would preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or another Owner or Occupant. Such insurance shall also include protection against water damage liability, liability for non-owned and hired automobiles, and liability for the property of others. Such insurance must provide that, despite any provisions giving the carrier the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable without the approval of the Association. The Board shall adjust the amount of the insurance carried under this Section as needed from time to time.

13.4 Workmen's Compensation Insurance. The Board shall purchase and maintain in effect workmen's compensation insurance for all employees of the Association to the extent that such insurance is required by law.

13.5 Fidelity Insurance. The Board shall obtain fidelity coverage against dishonest acts on the part of directors, officers, employees, or volunteers who handle or who are responsible for handling the funds of the Association. Such fidelity bonds shall name the Association as obligee and shall be written in an amount equal to one hundred and fifty percent (150%) of the estimated current annual Common Expenses of the Association, including reserves, and shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

13.6 Directors and Officers. The Board shall obtain director's and officer's liability insurance for officers and directors of the Association. Such insurance shall, among other coverages, include coverage for both monetary and non-monetary claims and shall be in an amount customary for a project of a type the same as or similar to the Condominium.

13.7 Premiums. Premiums on insurance policies purchased by the Board on behalf of the Association shall be paid by the Association as part of the Common Expenses.

13.8 Policy Provisions.

13.8.1 Any insurer that has issued an insurance policy to the Association under this Article shall also issue a certificate or memoranda of insurance to the Association and, upon request, to any Owner or Lender.

13.8.2 The named insured under any policy of insurance shall be the Association, as trustee for the Owners, or its authorized representative, including any trustee with which the Association may enter into any Insurance Trust Agreement, or any successor trustee, each of which shall be referred to as the "Insurance Trustee" who shall have exclusive authority to negotiate losses under the policies. The policy shall provide that each Owner shall be an insured person under the policy with respect to liability arising out of his or her interest in the Common areas and Facilities or membership in the Association. Each Owner hereby appoints the Association, or any Insurance Trustee, as attorney-in-fact for the purpose of purchasing and maintaining insurance required by this Article, and adjustment of all losses related thereto, including: the collection and appropriate disposition of all insurance proceeds, the negotiation of all losses and execution of releases of liability, the execution of all documents and the performance of all other acts necessary to administer such insurance. The Association shall receive, hold, or otherwise properly dispose of any proceeds of insurance in trust for the Owners and their Lenders, as their interests may appear. This power-of-attorney is coupled with an interest, shall be irrevocable, and shall be binding on any hires, personal representatives, successors or assigns of an Owner.

13.8.3 The Association's insurance shall contain the "Special Condominium Endorsement" or its equivalent. Insurance coverage obtained by the Association shall be primary insurance and may not be brought into contribution with insurance purchased by the Owners.

13.8.4 Coverage must not be limited by (i) any act or neglect by Owners or occupants which is not within control of the Association, or (ii) any failure of the Association to comply with any warranty or condition regarding any portion of the Condominium over which the Association has no control.

13.8.5 Coverage may not be cancelled or substantially modified (including cancellation for nonpayment of premiums) and the insurer may not refuse to renew the policy without at least thirty (30) days prior written notice to the Association and all Lenders, and to any Owner to whom a certificate has been issued.

13.8.6 All policies must contain a waiver of subrogation by the insurer as to any and all claims against the Association, Owners, Occupants and their respective agents and employees, and any defenses based on co-insurance or on invalidity arising from acts of the insured.

13.9 Supplemental Insurance. The Board may obtain such other policies of insurance in the name of the Association as the Board deems appropriate to protect the Association and Owners.

13.10 Annual Insurance Report. Not later than sixty (60) days prior to the beginning of each fiscal year, the Board may obtain a written report by a reputable independent insurance broker or consultant setting forth the existing insurance obtained pursuant to this Article and stating whether, in the opinion of such broker or consultant, the insurance complies with the requirements of this Article and the Act. Such report may also set forth recommendations regarding current policy provisions and for additional insurance reasonably required for the protection of the Owners and Lenders in light of the insurance then available and the prevailing practice with respect to other similar Condominium projects. The Board shall be fully protected in relying on the written report furnished pursuant to this Section provided reasonable care and prudence were exercised in selecting such independent insurance broker or consultant.

13.11 Insurance Obtained by Owners. Notwithstanding the above, and pursuant to § 57-8-29 of the Act, an Owner or Occupant shall be permitted to insure his own Unit for his own benefit. An Owner shall not take any action that might negatively impact the coverage of any and all insurance purchased by the association pursuant to this Article 13. To the extent that the Association or any other Owners are damaged by any action of an Owner which negatively impacts the coverage of said insurance, the Owner shall fully indemnify the Association or any other Owner, when applicable, for any and all losses and damages suffered as result of such action and the negative impact on the coverage of said insurance.

ARTICLE 14

DESTRUCTION OF IMPROVEMENTS

14.1 Automatic Reconstruction. In the event of partial or total destruction of any Building or Buildings or any portion of the Common Areas and Facilities within the Condominium, the Board shall promptly take the following action:

14.1.1 The Board shall ascertain the cost of reconstruction by obtaining fixed price bids from at least two (2) reputable contractors, including the obligation to obtain performance and lien payment bonds.

14.1.2 The Board shall determine the amount of insurance proceeds, if any, payable by contacting the appropriate representative of the insurer carrying the policy covering the Condominium.

14.1.3 Pursuant to § 57-8-30 of the Act, if the insurance proceeds are sufficient to reconstruct the Building, said proceeds shall be applied to such reconstruction.

14.1.4 If the Board determines: (i) that insurance proceeds will cover eighty-five percent (85%) or more, but not all, of the estimated cost of reconstruction, or (ii) that available insurance proceeds together with available reserves and/or a special Assessment equal to twenty-five percent (25%) or less of the then aggregate annual regular Assessments for all Units will completely cover the estimated cost of reconstruction, then the Board shall cause notice to be sent to all Owners and to all Lenders encumbering Units within the Condominium setting forth such findings and informing said Owners and Lenders that the Board intends to commence reconstruction pursuant to this Declaration.

In the event that Owners representing at least twenty percent (20%) of the Allocated Interests in the votes of the Association object in writing to such reconstruction as indicated in such notice, the Board shall call a special meeting of the Owners pursuant to requirements in the Bylaws. In the event that the foregoing requirements are satisfied and the requisite number of Owners do not object in writing to such reconstruction, the Board shall cause reconstruction to take place as promptly as practicable thereafter. In connection with such reconstruction, the Board shall levy a uniform Special Assessment against each Owner at such time and in such amount as the Board shall determine is necessary to cover the costs of reconstruction in excess of insurance proceeds and available reserves.

14.1.5 If the Board in good faith determines that none of the bids submitted under this Section reasonably reflects the anticipated reconstruction costs, the Board shall continue to attempt to obtain an additional bid which it determines reasonably reflects such costs. Such determination shall be made by the Board as soon as possible. However, if such determination cannot be made within ninety (90) days after the date of such destruction because of the unavailability or unacceptability of an insurance estimate or reconstruction bid, or otherwise, the Board shall immediately call a special meeting of the affected Owners and all Lenders pursuant to the requirements in the Bylaws.

14.1.6 If the Board determines that any Unit has become uninhabitable by reason of its total or partial destruction, Assessments may abate against the Owner thereof until the Board determines that habitability has been restored. However, if the Board determines that such abatement would adversely and substantially affect the management, maintenance, and operation of the Condominium, it may elect to disallow such abatement.

14.2 Reconstruction by Vote. If reconstruction is not to take place pursuant to Section 14.1, as soon as practicable after the same has been determined the Board shall call a special meeting of the Owners by mailing a notice of such meeting to each Owner. Such meeting shall be held not less than ten (10) days and not more than sixty (60) days after the date of such notice. Unless the Owners, by a vote at such meeting or by the written consent of not less than eighty percent (80%) of the Allocated Interests in the votes of the Association (including every Owner of a Unit or an allocated Limited Common Areas and Facility which will not be rebuilt), and the Lenders, by a vote at such meeting or by written consent of not less than fifty-one percent (51%) of the Lenders, each determine not to proceed with such reconstruction, reconstruction must take place and the Board shall levy a uniform Special Assessment against each Owner at such time and in such amount as the Board shall determine is necessary to cover the costs of reconstruction in excess of insurance proceeds and available reserves.

14.3 Procedure for Minor Reconstruction. If the cost of reconstruction is equal to or less than fourteen and nine-tenths percent (14.9%) of the estimated fair market value of all of the Units in the Condominium, then the Board shall contract with a licensed contractor or contractors to rebuild or repair such damaged or destroyed portions of the Condominium in conformance with the original plans and specifications, or if the Board determines that adherence to such original plans and specifications is impracticable or is not in conformance with applicable laws, ordinances, building codes, or other governmental rules or regulations then in effect, then such repairs or

rebuilding shall be of a kind and quality substantially equivalent to the original construction of such improvements.

14.4 Procedure for Major Reconstruction. If the cost of reconstruction is greater than fifteen percent (15%) of the estimated fair market value of all of the Units in the Condominium, all insurance proceeds, together with such amounts from available reserves or special Assessments as are needed to complete the cost of reconstruction, shall be paid directly to a bank or savings and loan association located in Washington County, Utah, whose accounts are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, or the successor to either agency, as designated by the Board, as trustee (hereinafter called the "Insurance Trustee") for all Owners and Lenders. Such proceeds shall be received, held and administered by the Insurance Trustee subject to the provisions of an insurance trust agreement which shall be consistent with the provisions of this Declaration and which shall be entered into between the Insurance Trustee and the Board. Disbursement of such funds shall be made only upon the signatures of two (2) members of the Board and upon the terms and conditions provided in this Section. As soon as practicable after notification of the receipt of insurance proceeds by the Insurance Trustee, the Board shall enter into a contract with a licensed contractor or contractors for the repair or rebuilding of all of the damaged or destroyed Units and Common Areas and Facilities according to the original plans and specifications of said improvements or, if the Board determines that adherence to such original plans and specifications is impracticable or not in conformity with applicable statutes, ordinances, building codes, or other governmental rules and regulations then in effect, then of a quality and kind substantially equivalent to the original construction of such improvements. The contract with such licensed contractor or contractors shall provide for payment to the contractor or contractors of a specified sum for performance and execution of the work therein described and shall have provisions for periodic disbursement of funds by the Insurance Trustee, which shall be consistent with procedures then followed by prudent lending institutions doing business in Washington County, Utah. Such periodic disbursements of funds shall be for specific dollar amounts and shall not be paid until the contractor who is engaged by the Board shall furnish to the Board before the commencement of construction a full performance and lien payment bond written by a good and responsible corporate surety. Disbursements to the contractor shall be made subject to the prior presentation of an architect's certificate or other documentation containing such provisions as may be appropriate in the circumstances and deemed suitable by the Board. The Board may employ a licensed architect to supervise the repair and rebuilding to ensure that all work, services, and supplies are in conformity with the requirements of the construction contract.

14.5 Determination not to Reconstruct Without Termination. If Owners of not less than eighty percent (80%) of the Allocated Interests in the votes of the Association (including every Owner of a Unit or an allocated Limited Common Area and Facility which will not be rebuilt after a casualty) vote not to rebuild and the entire Condominium is not repaired or replaced, and the Condominium is not terminated in accordance with the Act, the insurance proceeds shall be distributed as provided by the Act and the Allocated Interest are automatically reallocated as provided by the Act. In such event the Association shall promptly prepare, execute, and record an amendment to this Declaration reflecting the reallocation.

14.6 Negotiations with Insurer. The Association Board shall have full authority to negotiate in good faith with representatives of the insurer of any totally or partially destroyed Building or any other portion of the Common Areas and Facilities, and to make settlements with the insurer for less than full insurance coverage on the damage to such Building or any other portion of the Common Areas and Facilities. Any settlement made by the Association in good faith shall be binding upon all Owners and Lenders.

14.7 Repair of Units. Installation of improvements to and repair of any damage to, the interior of a Unit shall be made by and at the individual expense of the Owner of that Unit and, in the event of a determination to reconstruct after partial or total destruction, shall be completed as promptly as practicable and in a lawful and workmanlike manner.

14.8 Priority. Nothing contained in this Article shall entitle an Owner to priority over any Lender under a lien encumbering his Unit as to any portion of insurance proceeds allocated to such Unit.

ARTICLE 15 **EMINENT DOMAIN**

15.1 Total Taking of a Unit. If a Unit is taken by eminent domain, or sold under threat thereof, or if part of a Unit is taken by eminent domain, or sold under threat thereof, leaving the Owner with a remnant which may not be practically or lawfully used for any purpose permitted by this Declaration, the award must compensate the Owner for his Unit and Allocated Interest in the Common Areas and Facilities, regardless of whether any Common Areas and Facilities are taken. Upon such a taking, unless the decree otherwise provides, that Unit's Allocated Interest in the Common Areas and Facilities shall automatically be reallocated to the remaining Units in proportion to their respective interests immediately before the taking. Upon such a taking, the Association shall prepare, execute, and record an amendment to this Declaration in compliance with the Act. Any remnant of a Unit remaining after part of a Unit is taken becomes a Common Area and Facility.

15.2 Partial Taking of a Unit. Except as provided in Section 15.1, if part of a Unit is taken by eminent domain, or sold under threat thereof, so that such Unit may still be practically and lawfully used under this Declaration, the award must compensate the Owner for the reduction in the value of his Unit and Allocated Interest in the Common Areas and Facilities, regardless of whether any Common Areas and Facilities are taken. Upon such a taking, unless the decree otherwise provides, that Unit's Allocated Interest in the Common Areas and Facilities shall remain the same, but if the decree provides for a reduction of the Allocated Interest for such Unit, the reduced amount shall automatically be reallocated to that Unit and the remaining Units in proportion to their respective Allocated Interest immediately before the taking, with the partially acquired Unit participating in the reallocation on the basis of its reduced Allocated Interest.

15.3 Taking of Limited Common Areas and Facilities. If the portion of the Condominium taken by eminent domain, or sold under threat thereof, is comprised of or includes any Limited Common Areas and Facilities or portion thereof, the portion of the award attributable to the Limited Common Areas and Facilities so taken shall be divided among the Owners of the

Units to which such Limited Common Areas and Facilities were allocated at the time of the acquisition.

15.4 Taking of the Common Areas and Facilities. If the portion of the Condominium taken by eminent domain, or sold under threat thereof, shall not be comprised of, or include, any Unit or Limited Common Area and Facility, the Board shall, as soon as practicable, cause the award to be utilized for the purpose of repairing or restoring the portion of the Condominium so taken, and the portion of the award not used for restoration shall be divided among the Owners in proportion to their Allocated Interest in the Common Areas and Facilities before the taking.

15.5 Taking the Entire Condominium. In the event the Condominium in its entirety is taken by eminent domain, or sold under threat thereof, the Condominium is terminated and the provisions of the Act apply.

15.6 Priority and Power of Attorney. Nothing contained in this Article shall entitle an Owner to priority over any Lender under a lien encumbering his Unit as to any portion of any condemnation award allocated to such Unit. Each Owner hereby appoints the Association as attorney-in-fact for the purpose of negotiations and settlement with the condemning authority for the acquisition of the Common Areas and Facilities, or any part thereof. In the event the taking involves all or part of any Unit or the Common Areas and Facilities or Limited Common Areas and Facilities, the award or proceeds shall be payable to the Association for the use and benefit of the Owners and their Lenders as their interests may appear. This power-of-attorney is coupled with an interest, shall be irrevocable, and shall be binding on any heirs, personal representatives, successors or assigns of an Owner.

15.7 Taking Prior to Conversion. Notwithstanding any provision of this Declaration, prior to date of conversion of the Convertible Land into Units and/or Common Areas and Facilities and agree that any such award shall be paid to Declarant.

ARTICLE 16 **RIGHTS OF LENDERS**

16.1 Notices of Lenders. A Lender shall not be entitled to receive any notice which this Declaration requires the Association to deliver to Lenders for notice, approval, or consent regarding a proposed action or otherwise, unless and until such Lender, or its mortgage servicing contractor, has delivered to the Association a written notice stating that such Lender is the holder of a loan encumbering a Unit within the Condominium and setting forth the information described in Section 16.6. Notwithstanding the foregoing, if any right of a Lender under this Declaration is conditioned on a specific written request to the Association, in addition to having delivered the notice provided in this Section a Lender must also make such request in writing delivered to the Association. Except as provided in this Section, a Lender's rights pursuant to this Declaration, including, without limitation, the priority of any mortgage lien over the lien of Assessments levied by the Association hereunder shall not be affected by the failure to deliver a notice or request to the Association.

16.2 Priority of Lenders. No breach of the Restrictions herein contained, nor the enforcement of any lien provision herein, shall affect, impair, defeat, or render invalid the lien or charge of any Lender made in good faith and for value encumbering any Unit, but all of said Restrictions shall be binding upon and effective against any Owner whose title to a Unit is derived through foreclosure or trustee's sale, or otherwise.

16.3 Relationship with Assessment Liens.

16.3.1 The lien provided for in Article 6 for the payment of Assessments shall be subordinate to (i) the lien of any Lender or other person which was recorded prior to the date any such Assessment becomes due, (ii) a first or second security interest in a Unit that is recorded before a notice of assessment lien recorded by or on behalf of the Association, and (iii) a lien for real estate taxes or other governmental assessments or charges against a Unit.

16.3.2 If any Unit which is subject to a monetary lien created by this Declaration is also subject to the lien described in Subsection 16.6.1 above, then: (i) the foreclosure of any lien created by this Declaration shall not operate to affect or impair such lien; and (ii) the foreclosure of such lien or the sale under a power of sale included in a mortgage or deed of trust shall not operate to affect or impair the lien hereof, except that any Person who obtains an interest thereafter shall take title free of any lien created by this Declaration for any Assessments which became due after the time such lien arose, but such Person shall remain subject to the lien hereof for all charges that shall accrue subsequent to such foreclosure.

16.3.3 Without limiting the provisions of Subsection 16.3.2 of this Section, any Lender who obtains title to a Unit by reason of any foreclosure, or deed or assignment in lieu of foreclosure, or any Person who obtains title at a private or judicial foreclosure sale, shall take title to such Unit free of any lien or claim for unpaid Assessments against such Unit which accrued prior to the time such Lender or purchaser takes title to such Unit, except for liens or claims for a share of such Assessments resulting from a pro rata reallocation of such Assessments to all Units within the Condominium.

16.3.4 Nothing in this Section shall be construed as releasing any Person from his obligation to pay for any Assessments levied pursuant to this Declaration during the period such Person is an Owner or a release of any successor Owner who is jointly and severally liable for delinquent assessments

16.4 Required Lender Approval. Except upon the prior written approval of sixty-seven percent (67%) of all Lenders which have provided notice to the Association as described in Section 16.1 and Section 16.6, based on one (1) vote for each Unit encumbered by a loan, neither the Association nor the Board shall be entitled by action or inaction to do any of the following:

16.4.1 Abandon or terminate by any act or omission the legal status of the Condominium; or

16.4.2 Except as specifically provided by this Declaration, amend any provisions governing the following:

- (a) voting rights;
- (b) reallocation of interests in the Common Areas and Facilities or Limited Common Areas and Facilities, or rights to their use;
- (c) redefinition of any Unit boundaries (except for the combination of two or more Units into one Unit as permitted in Section 10.19 hereof);
- (d) convertibility of Units into Common Areas and Facilities or vice versa;
- (e) hazard or fidelity insurance requirements;

16.5 Other Rights of Lenders. Any Lender (and such Lenders' insurer or guarantor) shall, upon written request to the Association, be entitled:

16.5.1 To inspect current copies of this Declaration (and any amendments), the Association's Articles, Bylaws, Rules, and other books and records of the Association during normal business hours; and

16.5.2 To pay for an audited annual financial statement of the Association within one hundred eighty (180) days following the end of the Association's fiscal year.

16.6 Notices of Action. Upon written request to the Association identifying the name and address of the Lender (and the name and address of the Lender's insurer or guarantor, if desired) and the Unit Number or address, any such Lender (or any such insurer or guarantor) will be entitled to timely written notice of:

16.6.1 Any condemnation or casualty loss which affects a material portion of the Condominium or any Unit on which there is a first lien held by such Lender;

16.6.2 Any delinquency in the payment of Assessments or charges owed by an Owner of a Unit subject to the lien of a Lender, which remains uncured for a period of sixty (60) days;

16.6.3 Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and

16.6.4 Any proposed action by the Owners or the Association which would amount to a material change in this Declaration as identified in Section 16.4 hereof.

16.7 Right to Cure.

16.7.1 Any Lender shall be entitled to cure any delinquency of the Owner of the Unit encumbered by a lien of said Lender in the payment of Assessments of which the Lender has received notice under Section 16.6.2 hereof. In that event, the Lender shall be

entitled to obtain a release from the lien imposed or perfected by reason of such delinquency.

16.7.2 Any bank or other lending institution that has a lien on all or a portion of the Common Areas and Facilities may pay taxes or other charges which are in default and which may or have become a charge against all or any portion of the Common Areas and Facilities, and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for the Common Areas and Facilities. Should such a bank or other lending institution make such a payment, it shall be owed immediate reimbursement from the Association.

16.8 **Deemed Consent.** Subject to the foregoing, any provision of this Declaration which expressly requires the approval of a specified percentage of the Lenders for action to be taken under said provision can be amended only with the affirmative written assent or vote of not less than the same percentage of the Lenders; provided that in the event approval is requested in writing from a Lender with respect to a proposed amendment and a negative response is not returned within thirty (30) days following, the Lender shall be deemed to have approved the proposed amendment if the provisions of § 57-8-41 of the Act are satisfied.

ARTICLE 17 **LIMITATIONS UPON PARTITION AND SEVERANCE**

17.1 **No Partition.** The right to partition the Condominium is hereby suspended, except that the right to partition shall revive and the Condominium may be sold as a whole when the conditions for such action set forth in Article 14 dealing with destruction of improvements, and Article 15 dealing with eminent domain have been met; provided, however, nothing contained in this Section shall be construed as limiting partition by joint Owners, upon the prior written approval of an applicable Lender, of one or more Units as to individual ownership of such Units provided the Condominium is not terminated.

17.2 **No Severance.** The elements of a Unit and other rights appurtenant to the ownership of a Unit, including interest in Common Areas and Facilities and Limited Common Areas and Facilities, if any, are inseparable, and each Owner agrees that he shall not, while this Declaration is in effect, make any conveyance of less than an entire Unit and such appurtenances. Any conveyance made in contravention of this Section, including under any conveyance, encumbrance, judicial sale, or other transfer (whether voluntary or involuntary) shall be void.

17.3 **Proceeds of Partition Sale.** If an action is brought for the partition of the Condominium by sale, whether upon the occurrence of an event of destruction and a decision not to reconstruct or the taking of all or a portion of the Condominium by eminent domain, Owners shall share in the proceeds of such sale in the same proportion as their Allocated Interest in the Common Areas and Facilities (or as otherwise provided by the act), but in such event, the liens and provision of all Lenders or Assessment liens encumbering Units within the Condominium so encumbered shall extend to each applicable Owner's interest in the proceeds of such partition and sale. The interest of an Owner in such proceeds shall not be distributed to such Owner except upon the prior payment in full of any Assessment lien or lien of a Lender encumbering such proceeds.

ARTICLE 18
GENERAL PROVISIONS

18.1 **Fines.** In addition to all other remedies, the Association, through its Board, shall have the power to levy fines for violations of this Declaration, Rules, and resolutions of the Board. The Board shall adopt a Rule in compliance with Utah Code § 57-8-37 for the procedure to levy fines, including a schedule of fines. The Association may enforce fines by, among other remedies, judicial foreclosure upon the Owner's Unit.

18.2 **Agreement to Avoid Costs of Litigation.** The Association, each Owner and all Persons subject to this Declaration, and any Person who may become subject to this Declaration or who agrees to be bound by the dispute resolution procedures of this Declaration, agree to submit to this Section 18.2 (collectively, "Parties" or "Bound Parties", or individually a "Party") to encourage the amicable resolution of disputes in any way involving this Declaration, the Bylaws, Rules or the decisions of the Association which relate to the Property, and to lessen the emotional and financial costs of legal proceedings, if at all possible. Accordingly, each Bound Party covenants and agrees that all claims, causes of action, grievances or disputes, whether based in contract, tort, or applicable law, between such Bound Party and any other Bound Party in any way involving this Declaration, the Property or any Unit (whether it is the purchase, construction or condition of the Unit or Building in which the Unit is located), including, without limitation, claims, causes of action, grievances or disputes arising out of or relating to the interpretation, application or enforcement of this Declaration, Rules the decisions of the Association, or the Bylaws claims arising from or relating to construction (collectively "Claims"), except for those Exempt Claims authorized under Section 18.3 below, shall be subject to the procedures set forth in Section 18.4.

18.3 **Exempt Claims.** The following Claims ("Exempt Claims") shall be exempt from the provisions of Section 18.4

18.3.1 Any claim, action, suit, or foreclosure under Article 6 (Assessments) and 18.1 (Fines) by the Association against any Bound Party, unless the Association, in its sole and absolute discretion, elects to enforce or pursue such claim, action, suit, or foreclosure through another action or process recognized by applicable law;

18.3.2 Any suit by the Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and such other ancillary relief as a court may deem necessary in order to maintain the status quo and preserve the Association's ability to, without limitation, enforce the provisions of this Declaration, the Rules, the decisions of the Association, or the Bylaws including any defensive or responsive actions by the Bound Party against whom the action is taken;

18.3.3 Any suit between Owners, which suit does not include or implicate the Association, Declarant, Declaration, Rules, or Bylaws, seeking redress on the basis of a Claim;

18.3.4 Any suit or enforcement action or exercise of any right or remedy under or in respect of any Mortgage, any indebtedness secured by such Mortgage or any other document or agreement executed in connection with such Mortgage or in respect of any right provided herein with respect to such Mortgage;

18.3.5 Any suit to enforce a settlement reached under Section 18.4 or award under Section 18.5; and

18.3.6 A derivative action related in any way to the Association, Declaration, Rules, decisions of the Association or Bylaws.

Any Bound Party having an Exempt Claim may submit it to the alternative dispute resolution procedures set forth in Section 18.4, but there shall be no obligation to do so.

18.4 Mandatory Procedures for all Non-Exempt Claims.

18.4.1 Notice. The Bound Party asserting a Claim (“Claimant”) against another Bound Party (“Respondent”) shall give written notice to each Respondent and to the Board stating plainly and concisely:

- (a) the nature of the Claim, including the persons involved and the Respondent’s role in the Claim;
- (b) the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);
- (c) the Claimant’s proposed resolution or remedy; and
- (d) the Claimant’s desire to meet with the Respondent to discuss in good faith ways to resolve the Claim.

18.4.2 Negotiation. The Claimant and Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

18.4.3 Mediation. If the parties have not resolved the Claim through negotiation within thirty (30) days of the date of the notice described in Subsection 18.4.1 (or within such other period as the parties may agree upon), the Claimant shall have thirty (30) additional days to submit the Claim to mediation with the Person designated by the Association (if the Association is not a Party to the Claim) or to an independent agency providing dispute resolution services in the Washington County, Utah area.

If the Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation when scheduled, the Claimant shall be deemed to have waived the Claim, and the Respondent shall be relieved of any and all liability to the Claimant (but not third parties) on account of such Claim.

If the Parties do not settle the Claim within thirty (30) days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that

the parties are at an impasse and the date the mediation was terminated. The Claimant shall thereafter be entitled to commence arbitration proceedings under Section 18.5.

Each Party shall bear its own costs of the mediation, including attorney fees, and each Party shall share equally all fees charged by the mediator.

18.4.4 Settlement. Any settlement of the Claim through negotiation or mediation shall be documented in writing and signed by the Parties. If any Party thereafter fails to abide by the terms of such agreement, then any other Party may file suit or arbitration proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Section. In such event, the Party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from a non-complying Party (or if more than one non-complying Party, from all such Parties in equal proportions or jointly and severally, as allowed by law) all costs incurred in enforcing such agreement or award, including without limitation attorneys' fees and legal costs.

18.4.5 Limitation of Action Against Declarant, Board, etc.

(a) In addition to compliance with the foregoing alternative dispute resolution procedures, the Claimant shall not, before or after the Turnover Date, initiate any action the Declarant, the Board, or an employee, an independent contractor, or an agent of the Declarant or Board related to the period prior to the Turnover Date for a Claim unless the following requirements are satisfied. This Section shall not be amended unless such amendment is approved by the Declarant in writing.

(i) the legal action is approved in advance at a meeting where owners of at least fifty-one percent (51%) in aggregate in interest of the undivided ownership of the Common Areas and Facilities are: (1) present; or (2) represented by a proxy specifically assigned for the purpose of voting to approve or deny the legal action at the meeting;

(ii) the legal action is approved by vote in person or by proxy of Owners of the lesser of: (1) more than seventy-five percent (75%) in aggregate in interest of the total aggregate interest of the undivided ownership of the common areas and facilities represented by those owners present at the meeting or represented by a proxy as described in Subsection (i); or (2) more than fifty-one percent (51%) in aggregate in interest of the undivided ownership of the Common Areas and Facilities;

(iii) the Association provides each Owner with the items described in Subsection (b);

(iv) the Association establishes the trust described in Subsection

(v) the Association first: (1) notifies the person subject to the proposed action of the action and the basis of the Association's claim; and (2) gives the person subject to the proposed action a reasonable opportunity to resolve the dispute that is the basis of the action.

(b) Before unit owners in the Association may vote to approve an action described in Subsection (a), the Association shall provide each unit owner: (i) a

written notice that the Association is contemplating legal action; and (ii) after the Association consults with an attorney licensed to practice in the state, a written assessment of: (1) the likelihood that the legal action will succeed; (2) the likely amount in controversy in the legal action; (3) the likely cost of resolving the legal action to the Association's satisfaction; and (4) the likely effect the legal action will have on a unit owner's or prospective unit buyer's ability to obtain financing for a unit while the legal action is pending.

(c) Before the Association commences an arbitration action for a Claim described in Subsection (a), the association shall: (i) allocate an amount equal to ten percent (10%) of the cost estimated to resolve the legal action, not including attorneys' fees; and (ii) place the amount described in Subsection (c)(i) in a trust that the association may only use to pay the costs to resolve the legal action;

(d) This Section does not apply if the Association brings arbitration action that has an amount in controversy of less than Seventy-Five Thousand Dollars (\$75,000);

(e) This Section may not be amended without the written consent of the Declarant; and

(f) Any action related to an improvement of real property may not be commenced by a Claimant unless the dispute resolution process in this Section is commenced within four years from the date "completion" of an improvement on the Property. For the purposes of this Section "completion" shall have the meaning set forth in Utah Code § 78B-2-225(1)(c).

18.5 Final and Binding Arbitration.

18.3.1 The Claimant shall have thirty (30) days following termination of such negotiations to submit the Claim to arbitration in accordance with the Arbitration Provisions attached hereto as Exhibit G or the Claim shall be deemed abandoned, and Respondent shall be released and discharged from any and all liability to Claimant arising out of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Persons not a Party to the foregoing proceedings.

18.3.2 This Section 18.5 is an agreement of the Bound Parties to arbitrate all Claims except Exempt Claims and is specifically enforceable under the applicable arbitration laws of the State of Utah. The arbitration award (the "Award") shall be final and binding, and judgment may be entered upon it in any court of competent jurisdiction to the fullest extent permitted under the laws of the State of Utah.

18.3.3 In the event a Bound Party is compelled by a court to arbitrate any Claim, that Bound Party shall be required to pay all the attorneys' fees and costs incurred by any other Bound Party in connection with compelling arbitration.

18.6 No Waiver. Failure by the Association or the Declarant to enforce any Restriction or provision herein contained, or contained in the Bylaws or Rules, in any certain instance or on

any particular occasion shall not be deemed a waiver of such right of enforcement as to any such future breach of the same or any other Restriction or provision.

18.7 Cumulative Remedies and Limitation on Damages. All rights, options, and remedies of Declarant, the Association, the Owners or the Lenders under this Declaration are cumulative, and no one of them shall be exclusive of any other, and Declarant, the Association, the Owners, and the Lenders shall have the right to pursue any one or all of such rights, options, and remedies or any other remedy or relief which may be provided by law, whether or not stated in this Declaration. Notwithstanding the foregoing or any other provision contained herein, Unit Owners may only seek recovery for actual accrued damages existing at that time under any action brought by or against the Association, Declarant, contractor, or any other third party related to construction of any improvements on the Property, and no action, whether in law or equity, may be maintained or brought that seeks relief for future or potential monetary damages that may occur in the future.

18.8 Severability. Invalidation of any one or a portion of the Restrictions or provisions set forth in this Declaration or in the Bylaws or Rules by judgment or court order shall in no way affect any other Restriction or provisions contained herein or therein which shall remain in full force and effect.

18.9 Covenants to Run with the Land; Term. The Restrictions and other provisions of this Declaration shall run with and bind the Condominium as equitable servitudes and also as covenants running with the land and shall inure to the benefit of and be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors, and assigns, for a term of fifty (50) years from the date this Declaration is recorded, after which time the Restrictions and other provisions shall be automatically extended for successive periods of ten (10) years, unless an instrument, signed and acknowledged by Owners of no less than sixty-seven percent (67%) of the Allocated Interest in the votes of the Association and their Lenders, has been recorded prior to the end of any such period agreeing to change or revoke the Restrictions and other provisions of this Declaration in whole or in part.

18.10 Allocation Upon Termination. Unless provided otherwise herein, upon any liquidation or termination of all or part of the Condominium, the Association shall represent the Owners in any proceedings, negotiations, settlements, or agreements related thereto. Each Owner hereby appoints the Association as attorney-in-fact for such purpose, including the allocation of any losses, awards or proceeds resulting from such termination or liquidation. Any proceeds generated by such a termination or liquidation shall be made payable to the Association, who will hold such proceeds from the benefit of the Owners and their Lenders. Owners shall share in the proceeds of such termination or liquidation in the same proportion as their Allocated Interest in the Common Areas and Facilities (or as otherwise provided by the Act), but in such event, the liens and provisions for all Lenders or Assessment liens encumbering Units within the Condominium so encumbered shall extend to each applicable Owner's interest in such proceeds. The interest of an Owner in such proceeds shall not be distributed to such Owner except upon the prior payment in full of any Assessment lien or lien of a Lender encumbering such proceeds.

18.11 Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a plan for the development of a residential condominium community and for the maintenance of the Condominium. The Article and Section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

18.12 Gender and Number. Whenever the context of this Declaration requires, the singular shall include the plural and vice versa, and the masculine shall include the feminine and the neuter, and vice versa.

18.13 Nuisance. The result of every act or omission whereby any provision or Restriction contained in this Declaration or any provision contained in the Bylaws or Rules is violated in whole or in part is hereby declared to be and shall constitute a nuisance, and every remedy allowed at law or in equity against a nuisance, either public or private, shall be applicable with respect to the abatement thereof and may be exercised by the Association or any Owner. Such remedy shall be deemed cumulative to all other remedies set forth in this Declaration and shall not be deemed exclusive.

18.14 Attorneys' Fees. In the event any action is instituted to enforce any of the provisions contained in this Declaration the Bylaws or Rules, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment reasonable attorneys' fees and costs of suit.

18.15 Notices. Any notice to be given under the provisions of this Declaration shall be in writing and shall be given in accordance with the Bylaws.

18.16 Effect of Declaration. This Declaration is made for the purposes set forth in the recitals in this Declaration and Declarant makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances, regulations, and the like applicable thereto. Declarant shall have no liability whatsoever if any of the provisions of this Declaration, the Bylaws, or Rules are determined to be unenforceable in whole or in part or under certain circumstances.

18.17 Non-Liability of Officials. To the fullest extent permitted by law, neither the Board nor any officer of the Association shall be liable to any Owner or the Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval, course of action, act, omission, error, or negligence if such Board member or officer acted in good faith within the scope of his or their duties.

18.18 Use of Funds Collected by the Association. All funds collected by the Association, including Assessments and contributions to the Association paid by Owners, if any, shall be held by the Association in a fiduciary capacity to be expended in their entirety for non-profit purposes of the Association in managing, maintaining, caring for and preserving the Common Areas and Facilities and for other permitted purposes as set forth in this Declaration. No part of said funds shall inure to the benefit of any Owner (other than as a result of the Association managing,

maintaining, caring for and preserving the Common areas and Facilities and other than as a result of expenditures made for other permitted purposes as set forth in this Declaration).

18.19 Owner Liability and Indemnification. Each Owner shall be liable to the remaining Owners and to the Association for any damage to the Common Areas and Facilities that may be sustained by reason of the negligence of that Owner or such Owner's family members, tenants, guests, or invitees, but only to the extent that any such damage is not covered by casualty insurance in favor of the Association. Each Owner, by acceptance of a deed for a Unit, agrees personally and for family members, tenants, guests, and invitees to indemnify each and every other Owner, and to hold such other Owners harmless from, and to defend such Owners against, any claim of any person for personal injury or property damage occurring within the Unit of that particular Owner, including any Limited Common Area and Facilities, if any, except to the extent (i) that such injury or damage is covered by liability insurance in favor of the Association or any other Owner, or (ii) the injury or damage occurred by reason of the willful or negligent act or omission of the Association or other Owner or other person temporarily visiting such Unit.

18.20 Deed Provisions. Each deed to a Unit shall include, without limitation, the following information:

18.20.1 a description of the Unit and also include the book and page or entry number and date of recording of this Declaration;

18.20.2 the Unit number of the Unit and any other information necessary to identify the Unit;

18.20.3 the percentage of undivided interest appertaining to the Unit in the Common Areas and Facilities; and

18.20.4 until the expiration of the Time Limit, a reservation in favor of Declarant to convert the Convertible Land as provided in this Declaration.

18.21 Conflicting Provisions. In the case of any conflict between the Plat, this Declaration, the Articles, the Bylaws, the Rules, or other Governing Documents of the Association, the provisions of § 57-8-40 of the Act shall control. In the case of any conflict between this Declaration and the Act, to the extent the Act does not legally allow this Declaration to contain provisions contrary to the Act, the Act shall control and this Declaration shall be deemed modified accordingly. Notwithstanding the above, this Declaration shall be deemed modified and amended only to the extent necessary to come into compliance with the Act.

18.22 Assignment of Declarant Rights. Any assignment of Declarant rights, in part or in whole, shall be in writing and recorded in with the County Recorder for Washington County, Utah.

18.23 Safety and Security. Each Owner and Occupant of a Unit, and their respective Guests, Transient Lodgers, and invitees, shall be responsible for their own personal safety and the security of their property at the Condominium. The Association may, but shall not be obligated to, maintain or support certain activities within the Condominium designed to enhance the level of

safety or security which each person provides for himself and his property. Neither the Association nor Declarant, Hotel Operator, or Club Operator shall in any way be considered insurer or guarantors of safety or security within the Condominium, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

No representation or warranty is made that any systems or measures, including any mechanism or system for limiting access to the Condominium or Units, cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing its Guests, invitees, and all Occupants of its Unit that the Association, its Board and committees, Declarant, Hotel Operator, and Club Operator are not insurers or guarantors of security or safety and that each Person within Condominium assumes all risks of personal injury and loss or damage to property, including Units and the contents of Units, resulting from acts of third parties.

18.24 Public Infrastructure Development. The Properties are part of a Public Infrastructure Development ("PID") and a disclosure concerning the PID is attached here to as **Exhibit H.**

ARTICLE 19 **AMENDMENTS**

19.1 Amendments by Declarant. Declarant (without obtaining the approval of Owners, the Association, or Lenders) may unilaterally amend or modify this Declaration prior to the Turnover Date. Additionally, the Declarant reserves the right to unilaterally amend and modify the Plat with respect to rights of conversion, and expansion and as provided for in Articles 8 and 9, respectively.

19.2 General Amendment Requirements. Except as permitted by Section 19.1, 19.5 and Article 16, this Declaration may be amended only by vote or agreement of Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated. Prior to the Turnover Date, this Declaration shall not be amended without Declarant's prior written consent. Amendments, whether by the Declarant or the Unit Owners, may modify, change, add to, increase, decrease, replace, repeal, or provide additional and new covenants, conditions, restrictions, and easements.

19.3 Protection of Declarant Rights. An amendment shall not terminate or decrease any unexpired development right, Special Declarant Right, or period of Declarant control unless Declarant approves or consents in writing.

19.4 Execution of Amendments. An amendment or revocation which only requires the execution of an instrument by Declarant as hereinabove provided shall be effective when executed by declarant and when recorded in the office of the Country Recorder of Washington County, Utah. An amendment which requires the affirmative written assent or vote of the Owners as hereinabove provided shall be effective when executed by the President and Secretary of the Association who shall certify that the amendment has been so approved and Declarant if

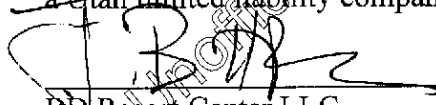
Declarant's consent is also required, and when the amendment has been recorded in the office of the County Recorder of Washington County, Utah.

**ARTICLE 20
NO OBLIGATIONS**

Nothing contained in the condominium instruments shall be deemed to impose upon the Declarant or its successors or assigns any obligation of any nature to build, renovate or provide any improvements except to the extent required by the Condominium Act.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be signed by an authorized official on June 23, 2022.

BD RESORT CENTER LLC
a Utah limited liability company



BD Resort Center LLC

By: Reef Private Equity LLC

Its: Manager

By: Reef Private Equity LLC f/k/a Stillwater Equity Partners LLC

Its: Manager

By: J. Brett Boren, Manager of Reef Private Equity LLC f/k/a Stillwater Equity Partners LLC

STATE OF UTAH,)

:ss.

County of Washington.)

On this 23 day of June, 2022, personally appeared before me J. Brett Boren, who being personally known to me (or satisfactorily proved to me), and who being by me duly sworn did say that he is the Manager of Reef Private Equity LLC f/k/a Stillwater Equity Partners LLC, that is the Manager of Reef Private Equity LLC, that is the Manager of BD Resort Center LLC, a Utah limited liability company, and that he executed the foregoing Declaration on behalf of said Company being authorized and empowered to do so by the Operating Agreement of said Company or resolution of its managers, and he acknowledged before me that such Company executed the same for the uses and purposes stated therein.



KARLI W. BUENO
Notary Public
State Of Utah
My Commission Expires 12-23-2023
COMMISSION NO. 709788



Notary Public

Exhibit A
(Legal Description)

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Exhibit A

Resort Center Black Desert Condominium Subdivision

Boundary Description

Commencing at the East $\frac{1}{4}$ Corner of Section 4, Township 42 South, Range 16 West, Salt Lake Base and Meridian; Thence North $01^{\circ}14'46''$ East, along the Section line, a distance of 111.53 feet; Thence North $90^{\circ}00'00''$ West, a distance of 706.28 feet, to the Point of Beginning; said point being on the Westerly right of way line of Weiskopf Way, said point being the beginning of a curve to the right, of which the radius point lies South $46^{\circ}34'00''$ West, a radial distance of 484.00 feet; thence Southerly along the arc of said curve, and said right of way line, through a central angle of $59^{\circ}43'40''$, a distance of 504.54 feet; Thence South $16^{\circ}17'40''$ West, along said right of way line, a distance of 187.76 feet; Thence North $46^{\circ}30'29''$ West, a distance of 37.40 feet; Thence North $89^{\circ}09'25''$ West, a distance of 237.76 feet; Thence South $86^{\circ}49'32''$ West, a distance of 286.15 feet; Thence South $32^{\circ}04'29''$ West, a distance of 60.75 feet; Thence North $70^{\circ}12'04''$ West, a distance of 37.57 feet; Thence North $08^{\circ}04'11''$ West, a distance of 107.58 feet; Thence South $85^{\circ}29'40''$ West, a distance of 68.71 feet; Thence North $38^{\circ}43'11''$ West, a distance of 87.89 feet; Thence South $57^{\circ}54'05''$ West, a distance of 42.58 feet; Thence South $29^{\circ}08'04''$ East, a distance of 15.58 feet; Thence South $80^{\circ}16'13''$ West, a distance of 33.11 feet; Thence North $41^{\circ}51'23''$ West, a distance of 9.42 feet; Thence South $82^{\circ}25'31''$ West, a distance of 3.11 feet; Thence North $10^{\circ}54'27''$ West, a distance of 1.38 feet; Thence South $79^{\circ}41'25''$ West, a distance of 29.74 feet; Thence North $09^{\circ}17'37''$ West, a distance of 9.36 feet; Thence South $81^{\circ}41'05''$ West, a distance of 18.44 feet to the beginning of a non-tangent curve to the right, of which the radius point lies North $79^{\circ}20'42''$ West, a radial distance of 24.00 feet; thence Northwesterly along the arc of said curve, through a central angle of $233^{\circ}55'49''$, a distance of 97.99 feet to the beginning of a non-tangent curve to the right, of which the radius point lies North $86^{\circ}37'45''$ East, a radial distance of 407.60 feet; thence Northerly along the arc of said curve, through a central angle of $04^{\circ}39'09''$, a distance of 33.10 feet to the beginning of a non-tangent curve to the right, of which the radius point lies North $22^{\circ}47'31''$ East, a radial distance of 24.75 feet; thence Northerly along the arc of said curve, through a central angle of $131^{\circ}01'07''$, a distance of 56.60 feet to the beginning of a non-tangent curve to the right, of which the radius point lies South $79^{\circ}56'07''$ East, a radial distance of 312.97 feet; thence Northeasterly along the arc of said curve, through a central angle of $26^{\circ}57'03''$, a distance of 147.21 feet; Thence North $26^{\circ}00'32''$ West, a distance of 35.26 feet; Thence North $70^{\circ}25'49''$ West, a distance of 35.85 feet; Thence North $56^{\circ}22'22''$ East, a distance of 24.59 feet; Thence North $26^{\circ}30'51''$ West, a distance of 29.56 feet; Thence North $85^{\circ}59'09''$ East, a distance of 4.37 feet; Thence North $26^{\circ}20'36''$ West, a distance of 27.97 feet; Thence North $85^{\circ}59'09''$ East, a distance of 4.20 feet; Thence North $26^{\circ}30'51''$ West, a distance of 27.99 feet; Thence North $85^{\circ}59'09''$ East, a distance of 4.33 feet; Thence North $26^{\circ}30'51''$ West, a distance of 34.26 feet; Thence North $52^{\circ}14'22''$ West, a distance of 6.56 feet to the beginning of a non-tangent curve to the left, of which the radius point lies North $53^{\circ}00'38''$ West, a radial distance of 5.18 feet; thence Northerly along the arc of said curve, through a central angle of $51^{\circ}28'24''$, a distance of 4.65 feet to the beginning of a compound curve to the left having a radius of 44.26 feet and a central angle of $15^{\circ}22'34''$; thence Northerly along the arc of said curve, a distance of 11.88 feet to the beginning of a compound curve to the left having a radius of 38.43 feet and a central angle of $28^{\circ}06'15''$; thence Northwesterly along the arc of said curve, a distance of 18.85 feet; Thence North $15^{\circ}32'14''$ West, a distance of 56.11 feet to a point on the Southerly right of way line of Black Desert Drive, said point being the beginning of a non-tangent curve to the right, of which the radius point lies South $14^{\circ}10'07''$ East, a radial distance of 284.00 feet; thence Easterly along

the arc of said curve, and said line, through a central angle of $17^{\circ}48'28''$, a distance of 88.27 feet; Thence South $86^{\circ}21'39''$ East, along said line, a distance of 54.43 feet to the beginning of a curve to the right having a radius of 23.00 feet and a central angle of $51^{\circ}23'28''$; thence Southeasterly along the arc of said curve, and said line, a distance of 20.63 feet to the beginning of a reverse curve to the left having a radius of 39.50 feet and a central angle of $88^{\circ}15'40''$; thence Easterly along the arc of said curve, and said line, a distance of 60.85 feet to the beginning of a reverse curve to the right having a radius of 23.00 feet and a central angle of $36^{\circ}52'12''$; thence Easterly along the arc of said curve, and said line, a distance of 14.80 feet; Thence South $86^{\circ}21'39''$ East, along said line, a distance of 141.20 feet to the beginning of a curve to the left having a radius of 547.00 feet and a central angle of $44^{\circ}40'36''$; thence Easterly along the arc of said curve, and said line, a distance of 426.51 feet to the beginning of a reverse curve to the right having a radius of 23.00 feet and a central angle of $87^{\circ}36'10''$; thence Easterly along the arc of said curve, a distance of 35.17 feet, to a point on the Westerly right of way line of said Weiskopf Way; Thence South $43^{\circ}26'00''$ East, along said line, a distance of 142.56 feet to the Point of Beginning.

Containing: 12.55 acres, more or less.

Exhibit B
(Additional Land Legal Description)

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EXHIBIT B
LEGAL DESCRIPTION

Parcel 1 (Blackrock Land / Ivins Resort Land)

BEGINNING AT THE EAST QUARTER CORNER OF SECTION 4, TOWNSHIP 42 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING

THENCE ALONG THE SECTION LINE SOUTH $01^{\circ} 17' 15''$ WEST 66.40 FEET TO A POINT ON A 1498.67 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT (RADIUS POINT BEARS SOUTH $60^{\circ} 48' 46''$ EAST);

THENCE ALONG THE ARC OF SAID CURVE 980.00 FEET THROUGH A CENTRAL ANGLE OF $37^{\circ} 27' 59''$ TO A POINT ON THE ARC OF A 1855.63 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT (RADIUS POINT BEARS NORTH $85^{\circ} 28' 38''$ WEST);

THENCE ALONG THE ARC OF SAID CURVE 315.26 FEET THROUGH A CENTRAL ANGLE OF $09^{\circ} 44' 03''$ MORE OR LESS, TO A POINT ON THE NORTHEAST CORNER OF THE BOUNDARY ADJUSTMENT BETWEEN ST. GEORGE AND THE CITY OF SANTA CLARA, RECORDED AS ENTRY NUMBER 20070036968, OFFICIAL RECORDS OF WASHINGTON COUNTY, UTAH;

THENCE ALONG SAID BOUNDARY ADJUSTMENT THE FOLLOWING THREE (3) COURSES:

SOUTH $28^{\circ} 17' 29''$ EAST 206.34 FEET;

THENCE SOUTH $11^{\circ} 24' 38''$ EAST 137.29 FEET;

THENCE SOUTH $48^{\circ} 56' 39''$ EAST 44.36 FEET;

THENCE LEAVING SAID BOUNDARY ADJUSTMENT SOUTH $72^{\circ} 05' 02''$ EAST 166.37 FEET;

THENCE SOUTH $06^{\circ} 23' 42''$ WEST 50.84 FEET;

THENCE NORTH $72^{\circ} 08' 10''$ WEST 60.27 FEET;

THENCE SOUTH $27^{\circ} 54' 55''$ WEST 71.02 FEET, MORE OR LESS, TO A POINT ON THE BOUNDARY OF ENTRADA AT SNOW CANYON CHACO BENCH PHASE 2, RECORDED AS ENTRY NUMBER 815565, OFFICIAL RECORDS OF WASHINGTON COUNTY, UTAH, SAID POINT ALSO BEING ON THE ARC OF A 300.00 FOOT RADIUS CURVE TO THE LEFT (RADIUS POINT BEARS SOUTH $19^{\circ} 07' 30''$ WEST);

THENCE COINCIDENT WITH SAID BOUNDARY IN THE FOLLOWING FIVE (5) COURSES:

WESTERLY ALONG THE ARC OF SAID CURVE 150.13 FEET THROUGH A CENTRAL ANGLE OF $28^{\circ} 40' 19''$ TO THE POINT OF A 25.00 FOOT RADIUS CURVE TO THE RIGHT;

THENCE ALONG THE ARC OF SAID CURVE 18.78 FEET THROUGH A CENTRAL ANGLE OF $43^{\circ} 02' 57''$ TO THE POINT OF A 50.00 FOOT RADIUS REVERSE CURVE;

THENCE ALONG THE ARC OF SAID CURVE 124.23 FEET THROUGH A CENTRAL ANGLE OF $142^{\circ} 21' 08''$; THENCE NORTH $78^{\circ} 51' 01''$ WEST 174.68 FEET;

THENCE SOUTH $55^{\circ} 30' 38''$ WEST 81.08 FEET;

THENCE LEAVING SAID SUBDIVISION BOUNDARY NORTH $36^{\circ} 04' 49''$ WEST 91.49 FEET TO A POINT ON THE ARC OF A 2045.30 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT (RADIUS POINT BEARS SOUTH $77^{\circ} 11' 59''$ WEST);

THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 4110.42 FEET THROUGH A CENTRAL ANGLE OF $31^{\circ} 06' 24''$ TO A POINT ON THE ARC OF A 790.92 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT (RADIUS POINT BEARS NORTH $86^{\circ} 48' 03''$ WEST);

THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 575.73 FEET THROUGH A CENTRAL ANGLE OF $41^{\circ} 42' 25''$; TO A POINT ON THE ARC OF A 292.10 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT (RADIUS POINT BEARS NORTH $00^{\circ} 06' 00''$ EAST);

THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 816.97 FEET THROUGH A CENTRAL ANGLE OF $160^{\circ} 15' 00''$ TO A POINT ON THE ARC OF A 402.24 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT (RADIUS POINT BEARS NORTH $43^{\circ} 24' 15''$ WEST);

THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 708.63 FEET THROUGH A CENTRAL ANGLE OF $100^{\circ} 56' 13''$;

THENCE SOUTH $25^{\circ} 27' 55''$ WEST 215.30 FEET TO A POINT ON THE ARC OF A 457.31 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT (RADIUS POINT BEARS NORTH $23^{\circ} 24' 32''$ EAST);

THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 806.09 FEET THROUGH A CENTRAL ANGLE OF $100^{\circ} 59' 43''$, MORE OR LESS, TO A POINT ON THE SOUTH LINE OF SECTIONAL LOT 1 OF SAID SECTION 4;

THENCE ALONG SAID LINE SOUTH $88^{\circ} 46' 57''$ EAST 225.17 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF SAID SECTIONAL LOT 1;

THENCE ALONG THE WEST LINE OF SECTIONAL LOT 1 NORTH $00^{\circ} 40' 51''$ EAST 366.58 FEET, MORE OR LESS TO THE SOUTHERLY RIGHT OF WAY LINE OF SNOW CANYON PARKWAY AS RECORDED IN THE OFFICIAL RECORDS OF WASHINGTON COUNTY, UTAH;

THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING FIVE (5) COURSES: SOUTH $43^{\circ} 53' 13''$

EAST 1331.96 FEET TO THE POINT OF A 100.00 FOOT RADIUS CURVE TO THE RIGHT;

THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE 84.11 FEET THROUGH A CENTRAL ANGLE OF $48^{\circ} 11' 29''$ TO THE POINT OF A 110.00 FOOT RADIUS REVERSE CURVE;

THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE 191.86 FEET THROUGH A CENTRAL ANGLE OF $99^{\circ} 56' 03''$ TO THE POINT OF A 100.00 FOOT RADIUS REVERSE CURVE;

THENCE EASTERLY ALONG THE ARC OF SAID CURVE 752.5 FEET THROUGH A CENTRAL ANGLE OF $43^{\circ} 10' 21''$;

THENCE SOUTH $50^{\circ} 30' 18''$ EAST 695.11 FEET;

THENCE SOUTH $43^{\circ} 12' 29''$ WEST 169.49 FEET TO A POINT ON THE CENTER SECTION LINE OF SECTION 3, TOWNSHIP 42 SOUTH, RANGE 216 WEST, SALT LAKE BASE AND MERIDIAN;

THENCE ALONG SAID CENTER SECTION LINE NORTH $89^{\circ} 06' 55''$ WEST 133.42 FEET TO THE POINT OF BEGINNING.

Parcel 2 (Black Desert Lava Land)

BEGINNING AT A POINT ON THE SECTION LINE OF SECTION 4, SAID POINT BEING NORTH 88°22'39" WEST 1721.135 FEET ALONG THE SECTION LINE FROM THE SOUTHEAST CORNER OF SECTION 4, TOWNSHIP 42 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING

THENCE SOUTH 00° 33' 31" WEST 387.26 FEET;

THENCE NORTH 89° 01' 30" WEST 21.23 FEET;

THENCE SOUTH 58° 15' 40" WEST 82.38 FEET;

THENCE SOUTH 33° 46' 48" WEST 35.83 FEET;

THENCE NORTH 56° 13' 12" WEST 114.80 FEET;

THENCE SOUTH 66° 05' 43" WEST 19.19 FEET;

THENCE SOUTH 35° 54' 47" WEST 58.69 FEET;

THENCE SOUTH 89° 31' 42" WEST 75.48 FEET;

THENCE NORTH 30° 53' 35" WEST 30.73 FEET;

THENCE NORTH 07° 15' 30" EAST 267.84 FEET TO A POINT ON THE ARC OF A 289.24 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT (RADIUS POINT BEARS NORTH 21° 48' 15" WEST);

THENCE ALONG THE ARC OF SAID CURVE 822.11 FEET THROUGH A CENTRAL ANGLE OF 162° 51' 15"; THENCE NORTH 75° 43' 02" WEST 33.59 FEET;

THENCE NORTH 17° 21' 44" EAST 81.38 FEET;

THENCE NORTH 46° 31' 13" WEST 148.40 FEET;

THENCE SOUTH 46° 44' 32" WEST 134.91 FEET;

THENCE SOUTH 20° 58' 03" EAST 146.43 FEET;

THENCE SOUTH 47° 49' 10" WEST 65.48 FEET;

THENCE NORTH 51° 09' 55" WEST 289.79 FEET;

THENCE NORTH 50° 16' 03" WEST 142.64 FEET;

THENCE NORTH 07° 02' 53" WEST 102.53 FEET;

THENCE NORTH 48° 26' 31" WEST 52.23 FEET;

THENCE SOUTH 40° 03' 44" WEST 71.43 FEET;

THENCE NORTH 88° 53' 05" WEST 108.34 FEET;

THENCE NORTH 25° 38' 39" WEST 162.26 FEET;

THENCE NORTH 33° 08' 02" WEST 33.97 FEET;

THENCE NORTH 23° 06' 22" EAST 79.62 FEET;

THENCE NORTH 66° 33' 38" WEST 109.11 FEET;

THENCE SOUTH 24° 35' 29" WEST 197.59 FEET;

THENCE SOUTH 17° 53' 18" WEST 262.15 FEET;

THENCE NORTH 54° 46' 09" WEST 250.52 FEET;

THENCE SOUTH 28° 47' 28" WEST 128.32 FEET;

THENCE NORTH 69° 06' 29" WEST 254.93 FEET;

THENCE NORTH 19° 32' 08" WEST 227.87 FEET TO A POINT ON THE ARC OF A 97.06 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT (RADIUS POINT BEARS NORTH 80° 16' 09" EAST);

THENCE ALONG THE ARC OF SAID CURVE 146.56 FEET THROUGH A CENTRAL ANGLE OF 86° 30'

45";

THENCE NORTH 82° 38' 33" EAST 73.87 FEET;

THENCE NORTH 19° 24' 22" WEST 95.20 FEET;

THENCE SOUTH 88° 11' 23" WEST 61.53 FEET;

THENCE NORTH 84° 30' 44" WEST 325.81 FEET MORE OR LESS, TO THE WEST 1/16TH LINE OF SECTION 4;

THENCE ALONG THE 1/16TH LINE NORTH $00^{\circ} 30' 58''$ EAST 2800.60 FEET;
THENCE LEAVING THE WEST 1/16TH LINE SOUTH $88^{\circ} 46' 57''$ EAST 1868.78 FEET TO A 655.00
FOOT RADIUS CURVE TO THE LEFT;
THENCE ALONG THE ARC OF SAID CURVE 402.80 FEET THROUGH A CENTRAL ANGLE OF
 $35^{\circ} 14' 06''$ TO A POINT ON THE SOUTHERLY LINE OF SECTIONAL LOT 1 OF SAID SECTION 4;
THENCE ALONG SAID SECTIONAL LOT LINE SOUTH $88^{\circ} 46' 57''$ EAST 205.20 FEET TO A
POINT ON THE ARC OF A 457.31 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT
(RADIUS POINT BEARS SOUTH $55^{\circ} 35' 45''$ EAST);
THENCE ALONG THE ARC OF SAID CURVE 806.09 FEET THROUGH A CENTRAL ANGLE OF
 $100^{\circ} 59' 43''$;
THENCE NORTH $25^{\circ} 27' 55''$ EAST 215.30 FEET TO A POINT ON THE ARC OF A 402.24 FOOT
RADIUS NON TANGENT CURVE TO THE RIGHT (RADIUS POINT BEARS SOUTH $35^{\circ} 39' 32''$
WEST);
THENCE ALONG THE ARC OF SAID CURVE 708.63 FEET THROUGH A CENTRAL ANGLE OF
 $100^{\circ} 56' 13''$ TO A POINT ON THE ARC OF A 292.10 FOOT RADIUS NON-TANGENT CURVE TO
THE LEFT (RADIUS POINT BEARS SOUTH $19^{\circ} 39' 00''$ EAST);
THENCE ALONG THE ARC OF SAID CURVE 816.97 FEET THROUGH A CENTRAL ANGLE OF
 $160^{\circ} 15' 00''$ TO A POINT ON THE ARC OF A 790.92 FOOT RADIUS NON TANGENT CURVE TO
THE RIGHT (RADIUS POINT BEARS SOUTH $51^{\circ} 29' 33''$ WEST);
THENCE ALONG THE ARC OF SAID CURVE 575.73 FEET THROUGH A CENTRAL ANGLE OF
 $41^{\circ} 42' 25''$ TO A POINT ON THE ARC OF A 2045.30 FOOT RADIUS NON-TANGENT CURVE TO
THE RIGHT (RADIUS POINT BEARS SOUTH $46^{\circ} 05' 35''$ WEST);
THENCE ALONG THE ARC OF SAID CURVE 1110.42 FEET THROUGH A CENTRAL ANGLE OF
 $31^{\circ} 06' 24''$; THENCE SOUTH $36^{\circ} 04' 49''$ EAST 91.49 FEET;
THENCE NORTH $55^{\circ} 30' 38''$ EAST 81.08 FEET;
THENCE SOUTH $07^{\circ} 15' 15''$ WEST 177.97 FEET;
THENCE SOUTH $03^{\circ} 00' 48''$ EAST 121.58 FEET;
THENCE NORTH $89^{\circ} 03' 14''$ WEST 536.82 FEET;
THENCE SOUTH $01^{\circ} 20' 41''$ WEST 437.82 FEET;
THENCE SOUTH $28^{\circ} 12' 40''$ EAST 179.05 FEET TO A POINT ON THE ARC OF A 340.00 FOOT
RADIUS NON-TANGENT CURVE TO THE LEFT (RADIUS POINT BEARS SOUTH $17^{\circ} 59' 42''$
EAST);
THENCE ALONG THE ARC OF SAID CURVE 118.75 FEET THROUGH A CENTRAL ANGLE OF
 $20^{\circ} 00' 43''$; THENCE NORTH $15^{\circ} 00' 00''$ WEST 137.40 TO THE SOUTH LINE OF SAID SECTION 4;
THENCE NORTH $88^{\circ} 22' 39''$ WEST 743.85 FEET TO THE POINT OF BEGINNING.

Parcel 3 (Black Desert Lava Land)

BEGINNING AT A POINT ON THE NORTH 1/16TH LINE OF SECTION 4, AND ON A 655.00 FOOT RADIUS CURVE TO THE RIGHT (RADIUS POINT BEARS NORTH 34°01'03" WEST), SAID POINT BEING NORTH 88°22'39" WEST 1804.81 FEET ALONG THE SECTION LINE AND NORTH 00° 00' 00" EAST 3988.05 FEET FROM THE SOUTHEAST CORNER OF SECTION 4, TOWNSHIP 42 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE ALONG THE ARC OF SAID CURVE 402.80 FEET THROUGH A CENTRAL ANGLE OF 35° 14' 06";

THENCE NORTH 88° 46' 57" WEST 1868.78 FEET, MORE OR LESS, TO THE WEST 1/16TH LINE OF SECTION 4;

THENCE ALONG THE WEST 1/16TH LINE NORTH 00° 30' 58" EAST 120.01 FEET, MORE OR LESS, TO THE NORTH 1/16TH LINE;

THENCE ALONG THE NORTH 1/16TH LINE SOUTH 88° 46' 57" EAST 2248.14 FEET TO THE POINT OF BEGINNING.

Parcel 4 (SCLLC Land)

BEGINNING AT A POINT ON THE WEST LINE OF THE EAST ½ OF THE EAST ½ OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 9, SAID POINT BEING NORTH 88°22'39" WEST 1721.135 FEET ALONG THE SECTION LINE AND SOUTH 00°33'31" WEST 387.26 FEET FROM THE NORTHEAST CORNER OF SECTION 9, TOWNSHIP 42 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING

THENCE SOUTH 00°33'31" WEST 1636.855 FEET;

THENCE SOUTH 88°41'13" EAST 341.27 FEET TO A POINT ON THE WEST LOT

LINE OF SECTIONAL LOT 4, SAID SECTION 9;

THENCE ALONG SAID SECTIONAL LOT LINE SOUTH 00°38'30" WEST 674.07 FEET TO THE SOUTHWEST CORNER OF SAID SECTIONAL LOT 4;

THENCE SOUTH 00°46'06" WEST 336.57 FEET TO THE SOUTHWEST CORNER OF THE NORTH ½ OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF THE SOUTHWEST ¼ OF SAID SECTION 9;

THENCE SOUTH 88°52'31" EAST 339.61 FEET TO THE NORTHEAST CORNER OF THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF THE SOUTHWEST ¼ OF SAID SECTION 9;

THENCE SOUTH 00°53'01" WEST 499.73 FEET TO A POINT ON THE WEST LINE OF THE NORTHEAST ¼ OF THE SOUTHWEST ¼ OF THE NORTHEAST ¼ OF THE SOUTHWEST ¼ OF SAID SECTION 9;

THENCE ALONG THE EASTERLY LINE OF AN 80' POWER LINE EASEMENT THE FOLLOWING TWO

(2) COURSES: SOUTH 62°05'51" EAST 149.92 FEET;

THENCE SOUTH 04°35'29" EAST 321.21 FEET TO THE NORTH LINE OF 2000 NORTH STREET;

THENCE ALONG SAID NORTH LINE NORTH 56°26'40" WEST 261.89 FEET, MORE OR LESS, TO THE NORTH LINE OF PIONEER PARKWAY;

THENCE ALONG SAID NORTH LINE AS FOLLOWS: NORTH 00°55'15" EAST 9.46 FEET;

THENCE NORTH 56°33'02" WEST 175.70 FEET TO THE BEGINNING OF A CURVE, SAID CURVE TURNING TO THE LEFT THROUGH A CENTRAL ANGLE OF 29°05'36" HAVING A RADIUS OF 482.91 FEET (RADIUS POINT BEARS SOUTH 33°26'58" WEST), AND WHOSE CHORD BEARS NORTH 71°05'50" WEST 242.58 FEET;

THENCE ALONG THE ARC OF SAID CURVE 245.21 FEET;

THENCE NORTH 85°38'33" WEST 615.60 FEET TO THE BEGINNING OF A CURVE, SAID CURVE TURNING TO THE RIGHT THROUGH A CENTRAL ANGLE OF 06°26'58", HAVING A RADIUS OF 402.91 FEET (RADIUS POINT BEARS NORTH 04°21'22" EAST), AND WHOSE CHORD BEARS NORTH 82°25'09" WEST 45.33 FEET;

THENCE ALONG THE ARC OF SAID CURVE 45.35 FEET;

THENCE NORTH 79°11'40" WEST 380.66 FEET TO THE BEGINNING OF A CURVE, SAID CURVE TURNING TO THE RIGHT THROUGH A CENTRAL ANGLE OF 32°11'10" HAVING A RADIUS OF 402.91 FEET (RADIUS POINT BEARS NORTH 10°48'20" EAST), AND WHOSE CHORD BEARS NORTH 63°06'05" WEST 223.37 FEET;

THENCE ALONG THE ARC OF SAID CURVE 226.34 FEET TO THE ORIGINAL SANTA CLARA BENCH IRRIGATION COMPANY RIGHT-OF-WAY LINE THAT IS PARALLEL TO AND 24.75 FEET EASTERLY OF THE NORTH-SOUTH RUNNING CENTER SECTION LINE OF SAID SECTION 9;

THENCE NORTH 00°19'02" EAST 731.84 FEET ALONG SAID PARALLEL LINE TO THE ORIGINAL SANTA CLARA BENCH IRRIGATION COMPANY RIGHT-OF-WAY LINE THAT IS PARALLEL TO AND 24.75 FEET NORTHERLY OF THE EAST-WEST RUNNING CENTER SECTION LINE;

THENCE NORTH 88°46'56" WEST 614.34 FEET ALONG SAID PARALLEL LINE TO THE BOUNDARY LINE OF A UTILITY SUB-STATION (DOCUMENT # 20100005742);

THENCE ALONG SAID BOUNDARY LINE THE FOLLOWING FIVE (5) COURSES: NORTH
 65°03'55" EAST 40.43 FEET;
 THENCE SOUTH 61°24'21" EAST 28.69 FEET;
 THENCE NORTH 64°08'47" EAST 203.31 FEET;
 THENCE NORTH 25°51'13" WEST 173.00 FEET;
 THENCE SOUTH 64°08'47" WEST 202.88 FEET TO THE EAST BOUNDARY OF A WASH PARCEL
 (DOCUMENT # 20130034239);
 THENCE ALONG SAID WASH BOUNDARY LINE THE FOLLOWING NINETEEN (19) COURSES:
 NORTH 44°02'46" WEST 134.61 FEET TO THE BEGINNING OF A CURVE, SAID CURVE
 TURNING TO THE RIGHT THROUGH A CENTRAL ANGLE OF 64°06'04", HAVING A RADIUS OF
 50.00 FEET (RADIUS POINT BEARS NORTH 45°57'14" EAST), AND WHOSE CHORD BEARS
 NORTH 11°59'44" WEST 53.07 FEET;
 THENCE ALONG THE ARC OF SAID CURVE 55.94 FEET;
 THENCE NORTH 20°03'18" EAST 33.01 FEET TO THE BEGINNING OF A CURVE, SAID CURVE
 TURNING TO THE LEFT THROUGH A CENTRAL ANGLE OF 43°43'59", HAVING A RADIUS OF
 50.00 FEET (RADIUS POINT BEARS NORTH 69°56'42" WEST), AND WHOSE CHORD BEARS
 NORTH 01°48'42" WEST 37.24 FEET;
 THENCE ALONG THE ARC OF SAID CURVE 38.16 FEET TO THE BEGINNING OF A COMPOUND
 CURVE, SAID CURVE TURNING TO THE LEFT THROUGH A CENTRAL ANGLE OF 36°18'43",
 HAVING A RADIUS OF 250.00 FEET (RADIUS POINT BEARS SOUTH 66°19'19" WEST), AND
 WHOSE CHORD BEARS NORTH 41°50'03" WEST 155.80 FEET;
 THENCE ALONG THE ARC OF SAID CURVE 158.44 FEET;
 THENCE NORTH 59°59'24" WEST 184.84 FEET TO THE BEGINNING OF A CURVE, SAID CURVE
 TURNING TO THE RIGHT THROUGH A CENTRAL ANGLE OF 18°38'38", HAVING A RADIUS OF
 250.00 FEET (RADIUS POINT BEARS NORTH 30°00'36" EAST), AND WHOSE CHORD BEARS
 NORTH 50°40'05" WEST 80.99 FEET;
 THENCE ALONG THE ARC OF SAID CURVE 81.35 FEET;
 THENCE NORTH 41°20'46" WEST 83.03 FEET TO THE BEGINNING OF A CURVE, SAID CURVE
 TURNING TO THE LEFT THROUGH A CENTRAL ANGLE OF 37°25'11", HAVING A RADIUS OF
 350.00 FEET (RADIUS POINT BEARS SOUTH 48°39'14" WEST), AND WHOSE CHORD BEARS
 NORTH 60°03'21" WEST 224.54 FEET;
 THENCE ALONG THE ARC OF SAID CURVE 228.58 FEET;
 THENCE NORTH 78°45'57" WEST 36.58 FEET;
 THENCE SOUTH 72°31'05" WEST 52.03 FEET;
 THENCE NORTH 78°45'57" WEST 22.13 FEET TO THE BEGINNING OF A CURVE, SAID CURVE
 TURNING TO THE RIGHT THROUGH A CENTRAL ANGLE OF 93°50'05", HAVING A RADIUS OF
 75.00 FEET (RADIUS POINT BEARS NORTH 11°14'03" EAST), AND WHOSE CHORD BEARS
 NORTH 31°50'55" WEST 109.56 FEET;
 THENCE ALONG THE ARC OF SAID CURVE 122.83 FEET;
 THENCE NORTH 15°04'08" EAST 318.54 FEET;
 THENCE NORTH 00°28'02" EAST 53.61 FEET;
 THENCE NORTH 18° 17' 02" WEST 99.64 FEET;
 THENCE NORTH 68° 12' 53" WEST 237.23 FEET TO THE BEGINNING OF A CURVE, SAID
 CURVE TURNING TO THE RIGHT THROUGH A CENTRAL ANGLE OF 37°55'26", HAVING A
 RADIUS OF 750.00 FEET (RADIUS POINT BEARS NORTH 21°47'07" EAST), AND WHOSE
 CHORD BEARS NORTH 49°15'10" WEST 487.41 FEET;
 THENCE ALONG THE ARC OF SAID CURVE 496.42 FEET;
 THENCE NORTH 30° 17' 27" WEST 302.68 FEET, MORE OR LESS, TO THE SOUTH LOT LINE OF
 LOT 5 IN BLOCK 28 OF THE SAINT GEORGE AND SANTA CLARA BENCH IRRIGATION
 COMPANY SURVEY;

THENCE SOUTH 89°11'26" EAST 135.79 FEET, MORE OR LESS, ALONG SAID SOUTH LOT LINE TO THE EAST LOT LINE OF SAID LOT 5;
 THENCE NORTH 00°33'04" EAST 671.91 FEET ALONG THE EAST LOT LINE OF SAID LOT 5 TO THE
 NORTH SECTION LINE OF SECTION 9;
 THENCE SOUTH 89°19'28" EAST 666.52 FEET ALONG THE NORTH SECTION LINE OF SAID SECTION TO THE WEST 1/16TH LINE OF SECTION 4;
 THENCE ALONG THE 1/16TH LINE NORTH 00°30'58" EAST 1,075.38 FEET;
 THENCE LEAVING SAID 1/16TH LINE SOUTH 84° 30' 44" EAST 325.94 FEET;
 THENCE NORTH 88° 11' 23" EAST 61.53 FEET;
 THENCE SOUTH 19° 24' 23" EAST 95.20 FEET;
 THENCE SOUTH 82° 38' 33" WEST 73.87 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, SAID CURVE TURNING TO THE LEFT THROUGH A CENTRAL ANGLE OF 86°30'45", HAVING A RADIUS OF 97.06 FEET (RADIUS POINT BEARS SOUTH 13°13'06" EAST), AND WHOSE CHORD BEARS SOUTH 33°31'31" WEST 133.03 FEET;
 THENCE ALONG THE ARC OF SAID CURVE 146.56 FEET;
 THENCE SOUTH 19°32'08" EAST 227.87 FEET;
 THENCE SOUTH 69°06'29" EAST 254.93 FEET;
 THENCE NORTH 28°47'28" EAST 128.32 FEET;
 THENCE SOUTH 54°46'09" EAST 250.52 FEET;
 THENCE NORTH 17°53'18" EAST 262.15 FEET;
 THENCE NORTH 24°35'29" EAST 197.59 FEET;
 THENCE SOUTH 66°53'38" EAST 109.11 FEET;
 THENCE SOUTH 23°06'22" WEST 79.62 FEET;
 THENCE SOUTH 33°08'02" EAST 33.97 FEET;
 THENCE SOUTH 25°38'39" EAST 162.26 FEET;
 THENCE SOUTH 88°53'05" EAST 108.34 FEET;
 THENCE NORTH 40°03'44" EAST 71.43 FEET;
 THENCE SOUTH 48°26'31" EAST 52.23 FEET;
 THENCE SOUTH 07°02'53" EAST 102.53 FEET;
 THENCE SOUTH 50°16'03" EAST 142.64 FEET;
 THENCE SOUTH 51°09'55" EAST 289.79 FEET;
 THENCE NORTH 47°49'10" EAST 65.48 FEET;
 THENCE NORTH 20°58'03" WEST 146.43 FEET;
 THENCE NORTH 46°44'32" EAST 134.91 FEET;
 THENCE SOUTH 46°31'13" EAST 148.40 FEET;
 THENCE SOUTH 17°21'44" WEST 81.38 FEET;
 THENCE SOUTH 75°43'02" EAST 33.59 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, SAID CURVE TURNING TO THE RIGHT THROUGH A CENTRAL ANGLE OF 162°51'15", HAVING A RADIUS OF 289.24 FEET (RADIUS POINT BEARS SOUTH 04°39'30" EAST), AND WHOSE CHORD BEARS SOUTH 13°13'53" EAST 572.01 FEET;
 THENCE ALONG THE ARC OF SAID CURVE 822.11 FEET;
 THENCE SOUTH 07°15'30" WEST 59.80 FEET;
 THENCE SOUTH 07°15'30" WEST 211.05 FEET;
 THENCE SOUTH 30°53'35" EAST 30.73 FEET;
 THENCE NORTH 89°31'42" EAST 75.48 FEET;
 THENCE NORTH 35°54'47" EAST 58.69 FEET;
 THENCE NORTH 66°05'43" EAST 19.19 FEET;
 THENCE SOUTH 56°13'12" EAST 114.80 FEET;
 THENCE NORTH 33°46'48" EAST 35.83 FEET;
 THENCE NORTH 58°15'40" EAST 62.38 FEET;

THENCE SOUTH 89°01'30" EAST 21.23 FEET TO THE POINT OF BEGINNING.
LESS AND EXCEPTING FROM PARCEL 4 THAT PORTION LYING WITHIN THE DEDICATED
ROADWAYS AS SET FORTH ON THE ST. GEORGE AND SANTA CLARA BENCH IRRIGATION
COMPANY SURVEY.

Parcel 5 (Conservation Hill / NRC Land)

BEGINNING AT THE WEST ¼ CORNER OF SECTION 3, TOWNSHIP 42 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING

THENCE ALONG THE CENTER OF SECTION LINE SOUTH 89° 06' 55" EAST 133.42 FEET;
THENCE LEAVING SAID CENTER OF SECTION LINE NORTH 43° 12' 29" EAST 169.49 FEET,
MORE

OR LESS, TO THE RIGHT OF WAY LINE OF SNOW CANYON PARKWAY;

THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING THREE (3) COURSES: SOUTH 50° 30' 18" EAST 173.93 FEET TO A POINT ON A 590.00 FOOT RADIUS CURVE TO THE LEFT (LONG CHORD BEARS SOUTH 56° 47' 56" EAST 129.36 FEET);

THENCE 129.62 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 12° 35' 16";

THENCE SOUTH 63° 05' 34" EAST 214.04 FEET;

THENCE LEAVING SAID RIGHT OF WAY SOUTH 37° 39' 43" WEST 7.59 FEET;

THENCE SOUTH 06° 10' 29" EAST 597.68 FEET;

THENCE SOUTH 14° 21' 04" EAST 340.65 FEET;

THENCE SOUTH 54° 52' 36" WEST 495.33 FEET;

THENCE SOUTH 51° 42' 13" WEST 364.64 FEET;

THENCE SOUTH 37° 32' 12" WEST 61.48 FEET;

THENCE SOUTH 06° 20' 12" WEST 40.49 FEET;

THENCE SOUTH 06° 25' 10" WEST 33.55 FEET;

THENCE NORTH 72° 05' 02" WEST 167.37 FEET;

THENCE NORTH 48° 56' 39" WEST 44.36 FEET;

THENCE NORTH 11° 24' 38" WEST 137.29 FEET;

THENCE NORTH 28° 17' 29" WEST 206.34 FEET TO A POINT ON A NON-TANGENTIAL 1,855.63 FOOT RADIUS CURVE TO THE LEFT (LONG CHORD BEARS NORTH 09° 23' 24" EAST 314.88 FEET);

THENCE 315.26 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 44' 03" TO A POINT ON A NON-TANGENTIAL 1,498.67 FOOT RADIUS REVERSE CURVE TO THE RIGHT (LONG CHORD BEARS NORTH 10° 27' 14" EAST 962.63 FEET);

THENCE 980.00 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 37° 27' 59" TO THE SECTION LINE OF SECTION 3;

THENCE ALONG SAID SECTION LINE NORTH 01° 17' 15" EAST 64.40 FEET TO THE POINT OF BEGINNING.

Parcel 6 (North Village)

BEGINNING AT A POINT WHICH LIES SOUTH 88°43'01" EAST 174.23 FEET ALONG THE SECTION LINE AND SOUTH 41.26 FEET FROM THE NORTH QUARTER CORNER OF SECTION 4, TOWNSHIP 42 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN, SAID POINT BEING ALSO ON THE SOUTHERLY RIGHT OF WAY LINE OF SNOW CANYON PARKWAY AND RUNNING THENCE ALONG SAID SOUTHERLY RIGHT OF WAY THE FOLLOWING FOUR COURSES; SOUTH 88°43'01" EAST 109.11 FEET TO THE POINT OF A 450.00 FOOT RADIUS CURVE TO THE RIGHT; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 56°18'04", A DISTANCE OF 452.01 FEET TO THE POINT OF A REVERSE CURVE TO THE LEFT, THE RADIUS POINT OF WHICH BEARS NORTH 57°35'03" EAST 790.00 FEET DISTANT; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 11°28'16"; A DISTANCE OF 158.16 FEET TO THE POINT OF TANGENCY; THENCE SOUTH 43°53'13" EAST 849.37 FEET; THENCE SOUTH 0°41'23" WEST 368.83 FEET TO THE SOUTHEAST CORNER OF SECTIONAL LOT 1 OF SAID SECTION 4; THENCE NORTH 88°47'13" WEST 1352.63 FEET TO THE SOUTHWEST CORNER OF SAID LOT 1; THENCE NORTH 88°46'07" WEST 425.56 FEET TO THE SOUTHEAST CORNER OF LOT 30 OF PADRE CANYON ESTATES PHASE 1, ACCORDING TO THE OFFICIAL PLAT THEREOF, RECORDS OF WASHINGTON COUNTY; THENCE NORTH 0°45'46" EAST 317.43 FEET TO THE NORTHEAST CORNER OF SAID LOT 30; THENCE SOUTH 89°24'44" EAST 224.81 FEET; THENCE SOUTH 89°14'01" EAST 220.65 FEET; THENCE NORTH 1°24'55" EAST 442.42 FEET TO A POINT OF A CURVE TO THE RIGHT, THE RADIUS POINT OF WHICH BEARS SOUTH 57°10'23" EAST 495.45 FEET DISTANT; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 7°51'01", A DISTANCE OF 67.88 FEET TO THE POINT OF A REVERSE CURVE TO THE LEFT, THE RADIUS POINT OF WHICH BEARS NORTH 49°19'22" WEST 558.71 FEET DISTANT; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 39°23'39", A DISTANCE OF 384.15 FEET TO THE POINT OF TANGENCY; THENCE NORTH 1°16'59" EAST 92.00 FEET TO THE POINT OF A 30.00 FOOT RADIUS CURVE TO THE LEFT; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00", A DISTANCE OF 47.12 FEET TO THE POINT OF BEGINNING.

CONTAINING APPROXIMATELY 31.53 ACRES

Less and Excepting the following two Tracts of Land:

Parcel A (Resort Center Black Desert Condominium Subdivision Boundary Description)

Commencing at the East $\frac{1}{4}$ Corner of Section 4, Township 42 South, Range 16 West, Salt Lake Base and Meridian; Thence North $01^{\circ}14'46''$ East, along the Section line, a distance of 111.53 feet; Thence North $90^{\circ}00'00''$ West, a distance of 706.28 feet, to the Point of Beginning; said point being on the West side right of way line of Weiskopf Way, said point being the beginning of a curve to the right, of which the radius point lies South $46^{\circ}34'00''$ West, a radial distance of 484.00 feet; thence Southerly along the arc of said curve, and said right of way line, through a central angle of $59^{\circ}43'40''$, a distance of 504.54 feet; Thence South $16^{\circ}17'40''$ West, along said right of way line, a distance of 187.76 feet; Thence North $46^{\circ}30'29''$ West, a distance of 37.40 feet; Thence North $80^{\circ}09'25''$ West, a distance of 237.76 feet; Thence South $86^{\circ}49'32''$ West, a distance of 286.15 feet; Thence South $32^{\circ}04'29''$ West, a distance of 60.75 feet; Thence North $70^{\circ}12'04''$ West, a distance of 37.57 feet; Thence North $08^{\circ}04'11''$ West, a distance of 107.58 feet; Thence South $85^{\circ}29'40''$ West, a distance of 68.71 feet; Thence North $38^{\circ}43'11''$ West, a distance of 87.89 feet; Thence South $57^{\circ}54'05''$ West, a distance of 42.58 feet; Thence South $29^{\circ}08'04''$ East, a distance of 15.58 feet; Thence South $80^{\circ}16'13''$ West, a distance of 33.11 feet; Thence North $11^{\circ}51'23''$ West, a distance of 9.42 feet; Thence South $82^{\circ}25'31''$ West, a distance of 3.11 feet; Thence North $10^{\circ}54'27''$ West, a distance of 1.38 feet; Thence South $79^{\circ}41'25''$ West, a distance of 29.74 feet; Thence North $09^{\circ}17'37''$ West, a distance of 9.36 feet; Thence South $81^{\circ}41'05''$ West, a distance of 18.44 feet to the beginning of a non-tangent curve to the right, of which the radius point lies North $79^{\circ}20'42''$ West, a radial distance of 24.00 feet; thence Northwesterly along the arc of said curve, through a central angle of $233^{\circ}55'49''$, a distance of 97.99 feet to the beginning of a non-tangent curve to the right, of which the radius point lies North $86^{\circ}37'45''$ East, a radial distance of 407.60 feet; thence Northerly along the arc of said curve, through a central angle of $04^{\circ}39'09''$, a distance of 33.10 feet to the beginning of a non-tangent curve to the right, of which the radius point lies North $22^{\circ}47'31''$ East, a radial distance of 24.75 feet; thence Northerly along the arc of said curve, through a central angle of $131^{\circ}01'07''$, a distance of 56.60 feet to the beginning of a non-tangent curve to the right, of which the radius point lies South $79^{\circ}56'07''$ East, a radial distance of 312.97 feet; thence Northeasterly along the arc of said curve, through a central angle of $26^{\circ}57'03''$, a distance of 147.21 feet; Thence North $26^{\circ}00'32''$ West, a distance of 35.26 feet; Thence North $70^{\circ}25'49''$ West, a distance of 35.85 feet; Thence North $56^{\circ}22'22''$ East, a distance of 24.59 feet; Thence North $26^{\circ}30'51''$ West, a distance of 29.56 feet; Thence North $85^{\circ}59'09''$ East, a distance of 4.37 feet; Thence North $26^{\circ}20'36''$ West, a distance of 27.97 feet; Thence North $85^{\circ}59'09''$ East, a distance of 4.20 feet; Thence North $26^{\circ}30'51''$ West, a distance of 27.99 feet; Thence North $85^{\circ}59'09''$ East, a distance of 4.33 feet; Thence North $26^{\circ}30'51''$ West, a distance of 34.26 feet; Thence North $52^{\circ}14'22''$ West, a distance of 6.56 feet to the beginning of a non-tangent curve to the left, of which the radius point lies North $53^{\circ}00'38''$ West, a radial distance of 5.18 feet; thence Northerly along the arc of said curve, through a central angle of $51^{\circ}28'24''$, a distance of 4.65 feet to the beginning of a compound curve to the left having a radius of 44.26 feet and a central angle of $15^{\circ}22'34''$; thence Northerly along the arc of said curve, a distance of 11.88 feet to the beginning of a compound curve to the left having a radius of 38.43 feet and a central angle of $28^{\circ}06'05''$; thence Northwesterly along the arc of said curve, a

distance of 18.85 feet; Thence North 15°32'14" West, a distance of 56.11 feet to a point on the Southerly right of way line of Black Desert Drive, said point being the beginning of a non-tangent curve to the right, of which the radius point lies South 14°10'07" East, a radial distance of 284.00 feet; thence Easterly along the arc of said curve, and said line, through a central angle of 17°48'28", a distance of 88.27 feet; Thence South 86°21'39" East, along said line, a distance of 54.43 feet to the beginning of a curve to the right having a radius of 23.00 feet and a central angle of 51°23'28"; thence Southeasterly along the arc of said curve, and said line, a distance of 20.63 feet to the beginning of a reverse curve to the left having a radius of 39.50 feet and a central angle of 88°15'40"; thence Easterly along the arc of said curve, and said line, a distance of 60.85 feet to the beginning of a reverse curve to the right having a radius of 23.00 feet and a central angle of 36°52'12"; thence Easterly along the arc of said curve, and said line, a distance of 14.80 feet; Thence South 86°21'39" East, along said line, a distance of 141.21 feet to the beginning of a curve to the left having a radius of 547.00 feet and a central angle of 44°40'30"; thence Easterly along the arc of said curve, and said line, a distance of 426.51 feet to the beginning of a reverse curve to the right having a radius of 23.00 feet and a central angle of 87°36'10"; thence Easterly along the arc of said curve, a distance of 35.17 feet, to a point on the Westerly right of way line of said Weiskopf Way; Thence South 43°26'00" East, along said line, a distance of 142.56 feet to the Point of Beginning.

Containing: 12.55 acres, more or less.

Parcel B (Weiskopf Way and Black Desert Drive Road Dedication Boundary Description)

Commencing at the East ¼ Corner of Section 4, Township 42 South, Range 16 West, Salt Lake Base and Meridian; Thence North 01°14'46" East, along the Section line, a distance of 111.53 feet; Thence North 90°00'00" West, a distance of 706.28 feet, to the Point of Beginning, said point being on the Westerly right of way line of Weiskopf Way; Thence North 43°26'00" West, along said line, a distance of 142.56 feet to the beginning of a curve to the left having a radius of 23.00 feet and a central angle of 87°36'10"; thence Westerly along the arc of said curve a distance of 35.17 feet a point on the Southerly right of way line of Black Desert Drive, said point being the beginning of a reverse curve to the right having a radius of 547.00 feet and a central angle of 44°40'30"; thence Westerly along the arc of said curve, and said right of way line, a distance of 426.51 feet; Thence North 86°21'39" West, along said line, a distance of 141.21 feet to the beginning of a curve to the left having a radius of 23.00 feet and a central angle of 36°52'12"; thence Westerly along the arc of said curve, and said line, a distance of 14.80 feet to the beginning of a reverse curve to the right having a radius of 39.50 feet and a central angle of 88°15'40"; thence Westerly along the arc of said curve, and said line, a distance of 60.85 feet to the beginning of a reverse curve to the left having a radius of 23.00 feet and a central angle of 51°23'28"; thence Northwesterly along the arc of said curve, and said line, a distance of 20.63 feet; Thence North 86°21'39" West, along said line, a distance of 54.43 feet to the beginning of a curve to the left having a radius of 284.00 feet and a central angle of 17°48'28"; thence Westerly along the arc of said curve, and said line, a distance of 88.27 feet; Thence North 14°12'32" West, a distance of 32.00 feet to a point on the Northerly right of way line of said Black Desert Drive, said point being the beginning of a non-tangent curve to the right, of which the radius point lies South 14°10'22" East, a radial distance of 316.00 feet; thence Easterly along the arc of

said curve, and said right of way line, through a central angle of $17^{\circ}48'42''$, a distance of 98.24 feet; Thence South $86^{\circ}21'39''$ East, along said line, a distance of 54.43 feet, to the beginning of a curve to the left having a radius of 23.00 feet and a central angle of $51^{\circ}23'28''$; thence Easterly along the arc of said curve, and said line, a distance of 20.63 feet to the beginning of a reverse curve to the right having a radius of 39.50 feet and a central angle of $88^{\circ}15'40''$; thence Easterly along the arc of said curve, and said line, a distance of 60.85 feet to the beginning of a reverse curve to the left having a radius of 23.00 feet and a central angle of $36^{\circ}52'12''$; thence Easterly along the arc of said curve, and said line, a distance of 14.80 feet; Thence South $86^{\circ}21'39''$ East, along said line, a distance of 101.38 feet to the beginning of a curve to the left having a radius of 23.00 feet and a central angle of $90^{\circ}00'00''$; thence Northeasterly along the arc of said curve, and said line a distance of 36.13 feet; Thence South $89^{\circ}08'20''$ East, along said line, a distance of 32.04 feet to the beginning of a non-tangent curve to the left, of which the radius point lies South $86^{\circ}21'39''$ East, a radial distance of 23.00 feet; thence Southeasterly along the arc of said curve, and said line, through a central angle of $94^{\circ}39'31''$, a distance of 38.00 feet to the beginning of a compound curve to the left having a radius of 493.00 feet and a central angle of $39^{\circ}30'22''$; thence Easterly along the arc of said curve, and said line, a distance of 339.93 feet to the beginning of a compound curve to the left having a radius of 23.00 feet and a central angle of $92^{\circ}54'28''$; thence Northerly along the arc of said curve, a distance of 37.30 feet, to a point on the Westerly right of way line of said Weiskopf Way; Thence North $43^{\circ}26'00''$ West, along said line, a distance of 35.74 feet to the beginning of a curve to the right having a radius of 526.00 feet and a central angle of $32^{\circ}02'16''$; thence Northerly along the arc of said curve, and said right of way line a distance of 294.12 feet; thence North $11^{\circ}23'44''$ West, a distance of 346.72 feet to the beginning of a curve to the right having a radius of 316.00 feet and a central angle of $57^{\circ}30'31''$; thence Northerly 317.17 feet along said curve; thence North $46^{\circ}06'47''$ East, a distance of 37.70 feet to the beginning of a curve to the left having a radius of 32.00 feet and a central angle of $82^{\circ}03'22''$; thence Northerly 45.83 feet along said curve to a point on the Westerly right of way line of Snow Canyon Parkway; Thence South $43^{\circ}33'13''$ East, a distance of 87.25 feet along said right of way line to the beginning of a non-tangent curve concave to the South, having a radius of 32.00 feet of which the radius point lies South $38^{\circ}20'56''$ West; thence Westerly, a distance of 45.93 feet along said curve through a central angle of $82^{\circ}14'09''$ and a chord bearing of South $87^{\circ}13'51''$ West 42.09 feet to a point on the Southerly right of way line of said Weiskopf Way; thence South $46^{\circ}06'47''$ West, a distance of 37.69 feet to the beginning of a curve to the left having a radius of 284.00 feet and a central angle of $57^{\circ}30'31''$; thence Southerly, a distance of 285.06 feet along said curve; thence South $11^{\circ}23'44''$ East 346.72 feet to the beginning of a curve to the left having a radius of 494.00 feet and a central angle of $32^{\circ}02'16''$; thence Southeasterly, a distance of 276.23 feet along said curve; Thence South $43^{\circ}26'00''$ East, along said line, a distance of 36.34 feet to the beginning of a curve to the left having a radius of 23.00 feet and a central angle of $90^{\circ}00'00''$; thence Easterly along the arc of said curve a distance of 36.13 feet, to a point on the Northerly right of way line of said Black Desert Drive; Thence North $46^{\circ}34'00''$ East, along said line, a distance of 302.08 feet to the beginning of a curve to the left having a radius of 23.00 feet and a central angle of $90^{\circ}00'00''$; thence Northerly along the arc of said curve, and said line, a distance of 36.13 feet; Thence North $46^{\circ}34'00''$ East, along said line, a distance of 32.00 feet to the beginning of a non-tangent curve to the left, of which the radius point lies North $46^{\circ}34'00''$ East, a radial distance of 23.00 feet; thence Easterly along the arc of said curve, and said line, through a central angle of $90^{\circ}00'00''$, a distance of 36.13 feet; Thence North $46^{\circ}34'00''$ East, along said line, a distance of 66.12 feet to the beginning of a curve to the left having a radius of 73.00 feet and a central angle of $34^{\circ}17'07''$; thence Northeasterly along the arc of said curve, and said right of way line, a distance of 43.68 feet, to a point on the Westerly right

of way line of Snow Canyon Parkway, said point being the beginning of a non-tangent curve to the left, of which the radius point lies North $67^{\circ}19'01''$ East, a radial distance of 110.00 feet; thence Southeasterly along the arc of said curve, and said right of way line, through a central angle of $42^{\circ}35'23''$, a distance of 81.77 feet to a point on the Southerly right of way line of said Black Desert Drive, said point being the beginning of a non-tangent curve to the left, of which the radius point lies South $08^{\circ}25'24''$ East, a radial distance of 73.00 feet; thence Southwesterly along the arc of said curve, and said right of way line, through a central angle of $35^{\circ}00'36''$, a distance of 44.61 feet; Thence South $46^{\circ}34'00''$ West, along said line, a distance of 66.12 feet to the beginning of a curve to the left having a radius of 23.00 feet and a central angle of $90^{\circ}00'00''$; thence Southerly along the arc of said curve, and said line, a distance of 36.13 feet; Thence South $46^{\circ}34'00''$ West, along said line, a distance of 32.00 feet to the beginning of a non-tangent curve to the left, of which the radius point lies South $46^{\circ}34'00''$ West, a radial distance of 23.00 feet; thence Westerly along the arc of said curve, and said line, through a central angle of $90^{\circ}00'00''$, a distance of 36.13 feet; Thence South $46^{\circ}34'00''$ West, along said line, a distance of 302.08 feet to the beginning of a curve to the left having a radius of 23.00 feet and a central angle of $90^{\circ}00'00''$; thence Southerly along the arc of said curve a distance of 36.13 feet, to a point on the Easterly Right of way line of said Weiskopf Way; Thence South $43^{\circ}26'00''$ East, along said line, a distance of 142.06 feet to the beginning of a curve to the right having a radius of 516.00 feet and a central angle of $59^{\circ}43'40''$; thence Southerly along the arc of said curve, and said right of way line, a distance of 537.90 feet; Thence South $16^{\circ}17'40''$ West, along said line, a distance of 187.76 feet; Thence North $73^{\circ}42'20''$ West, a distance of 32.00 feet, to a point on the Westerly right of way line of said Weiskopf Way; Thence North $16^{\circ}17'40''$ East, along said right of way line, a distance of 187.76 feet to the beginning of a curve to the left having a radius of 484.00 feet and a central angle of $59^{\circ}43'40''$; thence Northerly along the arc of said curve and said right of way line, a distance of 504.54 feet to the Point of Beginning.

Containing: 3.12 acres, more or less.

Exhibit C
(Allocated Interest)

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Black Desert Resort Allocated Interest

Exhibit C

Resort Center

Building	Unit No.	Unit Type	Square Feet	Par Value	Votes	Common Area Allocated Interest
Outside	Unit 1	Outdoor Unit	19,467	0.1	1,947	0.325363%
Outside	Unit 2	Outdoor Unit	3,475	0.1	348	0.058080%
Outside	Unit 3	Outdoor Unit	46,190	0.1	4,619	0.771999%
Outside	Unit 4	Outdoor Unit	31,923	0.1	3,192	0.533547%
Outside	Unit 5	Outdoor Unit	28,900	0.1	2,890	0.483022%
Outside	Unit 6	Outdoor Unit	46,996	0.1	4,700	0.785470%
Outside	Unit 7	Outdoor Unit	30,187	0.1	3,019	0.504532%
A	A1	Commercial Unit	5,313	1	5,313	0.887991%
A	A2	Commercial Unit	4,161	1	4,161	0.695451%
A	A3	Commercial Unit	12,154	1	12,154	2.031365%
A	A4	Commercial Unit	3,956	1	3,956	0.661188%
A	A5	Commercial Unit	4,004	1	4,004	0.669211%
A	A6	Commercial Unit	6,446	1	6,446	1.077356%
A	A7	Commercial Unit	6,610	1	6,610	1.104786%
A	A8	Hotel Unit	10,223	1	10,223	1.708627%
A	A9	Hotel Lodging Unit	4,607	1	4,607	0.769993%
A	A10	Hotel Lodging Unit	2,904	1	2,904	0.485362%
A	A11	Hotel Lodging Unit	4,135	1	4,135	0.691105%
A	A12	Commercial Unit	6,868	1	6,868	1.147887%
A	A13	Hotel Lodging Unit	3,281	1	3,281	0.548372%
A	A14	Hotel Lodging Unit	10,085	1	10,085	1.685562%
A	A15	Hotel Lodging Unit	5,693	1	5,693	0.951503%
A	A16	Hotel Lodging Unit	5,122	1	5,122	0.856068%
A	A17	Hotel Lodging Unit	2,831	1	2,831	0.473161%
A	A18	Hotel Lodging Unit	3,281	1	3,281	0.548372%
A	A19	Hotel Lodging Unit	10,085	1	10,085	1.685562%
A	A20	Hotel Lodging Unit	5,693	1	5,693	0.951503%
A	A21	Hotel Lodging Unit	5,122	1	5,122	0.856068%
A	A22	Hotel Lodging Unit	2,831	1	2,831	0.473161%
A	A23	Commercial Unit	6,487	1	6,487	1.084208%
B	B1	Commercial Unit	319	1	319	0.053316%
B	B2	Commercial Unit	33,602	1	33,602	5.616088%
B	B3	Commercial Unit	395	1	395	0.066019%
B	B4	Commercial Unit	3,223	1	3,223	0.538678%
C	C1	Commercial Unit	13,271	1	13,271	2.218056%
C	C2	Commercial Unit	10,420	1	10,420	1.741552%
C	6202	Residential Unit	581	1	581	0.094933%
C	6204	Residential Unit	581	1	581	0.097106%
C	6206	Residential Unit	581	1	581	0.097106%
C	6208	Residential Unit	581	1	581	0.097106%
C	6210	Residential Unit	581	1	581	0.097106%
C	6218	Residential Unit	1,068	1	1,068	0.178501%
C	6220	Residential Unit	581	1	581	0.097106%
C	6222	Residential Unit	581	1	581	0.097106%
C	6224	Residential Unit	581	1	581	0.097106%
C	6226	Residential Unit	581	1	581	0.097106%
C	6228	Residential Unit	581	1	581	0.097106%
C	6230	Residential Unit	581	1	581	0.097106%
C	6232	Residential Unit	598	1	598	0.099947%
C	6201	Residential Unit	649	1	649	0.108471%

Black Desert Resort Allocated Interest

Exhibit C

Resort Center

Building	Unit No.	Unit Type	Square Feet	Par Value	Votes	Common Area Allocated Interest
C	6203	Residential Unit	587	1	587	0.098109%
C	6205	Residential Unit	581	1	581	0.097106%
C	6207	Residential Unit	581	1	581	0.097106%
C	6209	Residential Unit	581	1	581	0.097106%
C	6211	Residential Unit	659	1	659	0.110142%
C	6213	Residential Unit	583	1	583	0.097440%
C	6215	Residential Unit	582	1	582	0.097273%
C	6217	Residential Unit	581	1	581	0.097106%
C	6219	Residential Unit	581	1	581	0.097106%
C	6221	Residential Unit	581	1	581	0.097106%
C	6223	Residential Unit	581	1	581	0.097106%
C	6225	Residential Unit	581	1	581	0.097106%
C	6227	Residential Unit	581	1	581	0.097106%
C	6229	Residential Unit	581	1	581	0.097106%
C	6231	Residential Unit	594	1	594	0.099279%
C	6302	Residential Unit	568	1	568	0.094933%
C	6304	Residential Unit	581	1	581	0.097106%
C	6306	Residential Unit	581	1	581	0.097106%
C	6308	Residential Unit	581	1	581	0.097106%
C	6310	Residential Unit	581	1	581	0.097106%
C	6318	Residential Unit	1,068	1	1,068	0.178501%
C	6320	Residential Unit	581	1	581	0.097106%
C	6322	Residential Unit	581	1	581	0.097106%
C	6324	Residential Unit	581	1	581	0.097106%
C	6326	Residential Unit	581	1	581	0.097106%
C	6328	Residential Unit	581	1	581	0.097106%
C	6330	Residential Unit	581	1	581	0.097106%
C	6332	Residential Unit	598	1	598	0.099947%
C	6301	Residential Unit	649	1	649	0.108471%
C	6303	Residential Unit	587	1	587	0.098189%
C	6305	Residential Unit	581	1	581	0.097106%
C	6307	Residential Unit	581	1	581	0.097106%
C	6309	Residential Unit	581	1	581	0.097106%
C	6311	Residential Unit	659	1	659	0.110142%
C	6313	Residential Unit	582	1	582	0.097273%
C	6315	Residential Unit	582	1	582	0.097273%
C	6317	Residential Unit	581	1	581	0.097106%
C	6319	Residential Unit	581	1	581	0.097106%
C	6321	Residential Unit	581	1	581	0.097106%
C	6323	Residential Unit	581	1	581	0.097106%
C	6325	Residential Unit	581	1	581	0.097106%
C	6327	Residential Unit	581	1	581	0.097106%
C	6329	Residential Unit	581	1	581	0.097106%
C	6331	Residential Unit	594	1	594	0.099279%
D	5100	Residential Unit	582	1	582	0.097273%
D	5102	Residential Unit	580	1	580	0.096939%
D	5104	Residential Unit	580	1	580	0.096939%
D	5106	Residential Unit	869	1	869	0.145241%
D	5124	Residential Unit	874	1	874	0.146076%

Black Desert Resort Allocated Interest

Exhibit C

Resort Center

Building	Unit No.	Unit Type	Square Feet	Par Value	Votes	Common Area Allocated Interest
D	5126	Residential Unit	580	1	580	0.096939%
D	5128	Residential Unit	580	1	580	0.096939%
D	5130	Residential Unit	580	1	580	0.096939%
D	5132	Residential Unit	580	1	580	0.096939%
D	5134	Residential Unit	580	1	580	0.096939%
D	5136	Residential Unit	580	1	580	0.096939%
D	5138	Residential Unit	580	1	580	0.096939%
D	5140	Residential Unit	579	1	579	0.096771%
D	5154	Residential Unit	866	1	866	0.144739%
D	5156	Residential Unit	580	1	580	0.096939%
D	5158	Residential Unit	580	1	580	0.096939%
D	5160	Residential Unit	580	1	580	0.096939%
D	5162	Residential Unit	594	1	594	0.099279%
D	5101	Residential Unit	583	1	583	0.097440%
D	5103	Residential Unit	612	1	612	0.102287%
D	5105	Residential Unit	580	1	580	0.096939%
D	5107	Residential Unit	942	1	942	0.157442%
D	5109	Residential Unit	580	1	580	0.096939%
D	5111	Residential Unit	580	1	580	0.096939%
D	5113	Residential Unit	577	1	577	0.096437%
D	5115	Residential Unit	577	1	577	0.096437%
D	5117	Residential Unit	564	1	564	0.094264%
D	5119	Residential Unit	813	1	813	0.135881%
D	5121	Residential Unit	580	1	580	0.096939%
D	5123	Residential Unit	580	1	580	0.096939%
D	5125	Residential Unit	580	1	580	0.096939%
D	5127	Residential Unit	580	1	580	0.096939%
D	5129	Residential Unit	580	1	580	0.096939%
D	5131	Residential Unit	580	1	580	0.096939%
D	5133	Residential Unit	580	1	580	0.096939%
D	5135	Residential Unit	580	1	580	0.096939%
D	5137	Residential Unit	580	1	580	0.096939%
D	5139	Residential Unit	580	1	580	0.096939%
D	5141	Residential Unit	580	1	580	0.096939%
D	5143	Residential Unit	558	1	558	0.093262%
D	5149	Residential Unit	820	1	820	0.137051%
D	5151	Residential Unit	563	1	563	0.094097%
D	5153	Residential Unit	577	1	577	0.096437%
D	5155	Residential Unit	580	1	580	0.096939%
D	5157	Residential Unit	571	1	571	0.095434%
D	5159	Residential Unit	571	1	571	0.095434%
D	5161	Residential Unit	579	1	579	0.096771%
D	5200	Residential Unit	583	1	583	0.097440%
D	5202	Residential Unit	580	1	580	0.096939%
D	5204	Residential Unit	562	1	562	0.093930%
D	5206	Residential Unit	868	1	868	0.145074%
D	5224	Residential Unit	875	1	875	0.146244%
D	5226	Residential Unit	580	1	580	0.096939%
D	5228	Residential Unit	580	1	580	0.096939%

Black Desert Resort Allocated Interest

Exhibit C

Resort Center

Building	Unit No.	Unit Type	Square Feet	Par Value	Votes	Common Area Allocated Interest
D	5230	Residential Unit	580	1	580	0.096939%
D	5232	Residential Unit	580	1	580	0.096939%
D	5234	Residential Unit	580	1	580	0.096939%
D	5236	Residential Unit	581	1	581	0.097106%
D	5238	Residential Unit	581	1	581	0.097106%
D	5240	Residential Unit	580	1	580	0.096939%
D	5254	Residential Unit	867	1	867	0.144907%
D	5256	Residential Unit	580	1	580	0.096939%
D	5258	Residential Unit	580	1	580	0.096939%
D	5260	Residential Unit	580	1	580	0.096939%
D	5262	Residential Unit	595	1	595	0.099446%
D	5201	Residential Unit	584	1	584	0.097607%
D	5203	Residential Unit	612	1	612	0.102287%
D	5205	Residential Unit	580	1	580	0.096939%
D	5207	Residential Unit	944	1	944	0.157776%
D	5209	Residential Unit	581	1	581	0.097106%
D	5211	Residential Unit	581	1	581	0.097106%
D	5213	Residential Unit	578	1	578	0.096604%
D	5215	Residential Unit	580	1	580	0.096939%
D	5217	Residential Unit	573	1	573	0.095769%
D	5219	Residential Unit	817	1	817	0.136550%
D	5221	Residential Unit	580	1	580	0.096939%
D	5223	Residential Unit	580	1	580	0.096939%
D	5225	Residential Unit	580	1	580	0.096939%
D	5227	Residential Unit	580	1	580	0.096939%
D	5229	Residential Unit	580	1	580	0.096939%
D	5231	Residential Unit	580	1	580	0.096939%
D	5233	Residential Unit	580	1	580	0.096939%
D	5235	Residential Unit	580	1	580	0.096939%
D	5237	Residential Unit	580	1	580	0.096939%
D	5239	Residential Unit	580	1	580	0.096939%
D	5241	Residential Unit	580	1	580	0.096939%
D	5243	Residential Unit	561	1	561	0.093763%
D	5245	Residential Unit	577	1	577	0.096437%
D	5247	Residential Unit	768	1	768	0.128360%
D	5249	Residential Unit	823	1	823	0.137553%
D	5251	Residential Unit	563	1	563	0.094097%
D	5253	Residential Unit	578	1	578	0.096604%
D	5255	Residential Unit	580	1	580	0.096939%
D	5257	Residential Unit	580	1	580	0.096939%
D	5259	Residential Unit	580	1	580	0.096939%
D	5261	Residential Unit	594	1	594	0.099279%
D	5300	Residential Unit	583	1	583	0.097440%
D	5302	Residential Unit	580	1	580	0.096939%
D	5304	Residential Unit	561	1	561	0.093763%
D	5306	Residential Unit	868	1	868	0.145074%
D	5324	Residential Unit	875	1	875	0.146244%
D	5326	Residential Unit	580	1	580	0.096939%
D	5328	Residential Unit	580	1	580	0.096939%

Black Desert Resort Allocated Interest

Exhibit C

Resort Center

Building	Unit No.	Unit Type	Square Feet	Par Value	Votes	Common Area Allocated Interest
D	5330	Residential Unit	580	1	580	0.096939%
D	5332	Residential Unit	580	1	580	0.096939%
D	5334	Residential Unit	580	1	580	0.096939%
D	5336	Residential Unit	580	1	580	0.096939%
D	5338	Residential Unit	580	1	580	0.096939%
D	5340	Residential Unit	579	1	579	0.096771%
D	5354	Residential Unit	866	1	866	0.144739%
D	5356	Residential Unit	580	1	580	0.096939%
D	5358	Residential Unit	580	1	580	0.096939%
D	5360	Residential Unit	580	1	580	0.096939%
D	5362	Residential Unit	594	1	594	0.099279%
D	5301	Residential Unit	583	1	583	0.097440%
D	5303	Residential Unit	612	1	612	0.102287%
D	5305	Residential Unit	580	1	580	0.096939%
D	5307	Residential Unit	944	1	944	0.157776%
D	5309	Residential Unit	580	1	580	0.096939%
D	5311	Residential Unit	580	1	580	0.096939%
D	5313	Residential Unit	578	1	578	0.096604%
D	5315	Residential Unit	580	1	580	0.096939%
D	5317	Residential Unit	574	1	574	0.095936%
D	5319	Residential Unit	814	1	814	0.136048%
D	5321	Residential Unit	580	1	580	0.096939%
D	5323	Residential Unit	580	1	580	0.096939%
D	5325	Residential Unit	580	1	580	0.096939%
D	5327	Residential Unit	580	1	580	0.096939%
D	5329	Residential Unit	579	1	579	0.096771%
D	5331	Residential Unit	580	1	580	0.096939%
D	5333	Residential Unit	580	1	580	0.096939%
D	5335	Residential Unit	580	1	580	0.096939%
D	5337	Residential Unit	580	1	580	0.096939%
D	5339	Residential Unit	580	1	580	0.096939%
D	5341	Residential Unit	579	1	579	0.096771%
D	5343	Residential Unit	560	1	560	0.093596%
D	5345	Residential Unit	571	1	571	0.095434%
D	5347	Residential Unit	780	1	780	0.130366%
D	5349	Residential Unit	818	1	818	0.136717%
D	5351	Residential Unit	563	1	563	0.094097%
D	5353	Residential Unit	577	1	577	0.096437%
D	5355	Residential Unit	580	1	580	0.096939%
D	5357	Residential Unit	580	1	580	0.096939%
D	5359	Residential Unit	580	1	580	0.096939%
D	5361	Residential Unit	594	1	594	0.099279%
E	3100	Residential Unit	957	1	957	0.159949%
E	3102	Residential Unit	580	1	580	0.096939%
E	3104	Residential Unit	580	1	580	0.096939%
E	3106	Residential Unit	764	1	764	0.127692%
E	3108	Residential Unit	580	1	580	0.096939%
E	3110	Residential Unit	580	1	580	0.096939%
E	3112	Residential Unit	580	1	580	0.096939%

Black Desert Resort Allocated Interest

Exhibit C

Resort Center

Building	Unit No.	Unit Type	Square Feet	Par Value	Votes	Common Area Allocated Interest
E	3114	Residential Unit	580	1	580	0.096939%
E	3116	Residential Unit	580	1	580	0.096939%
E	3118	Residential Unit	580	1	580	0.096939%
E	3120	Residential Unit	579	1	579	0.096771%
E	3122	Residential Unit	579	1	579	0.096771%
E	3124	Residential Unit	580	1	580	0.096939%
E	3126	Residential Unit	580	1	580	0.096939%
E	3128	Residential Unit	580	1	580	0.096939%
E	3130	Residential Unit	580	1	580	0.096939%
E	3132	Residential Unit	580	1	580	0.096939%
E	3134	Residential Unit	580	1	580	0.096939%
E	3136	Residential Unit	764	1	764	0.127692%
E	3138	Residential Unit	580	1	580	0.096939%
E	3140	Residential Unit	580	1	580	0.096939%
E	3142	Residential Unit	884	1	884	0.147748%
E	3109	Residential Unit	747	1	747	0.124850%
E	3111	Residential Unit	580	1	580	0.096939%
E	3113	Residential Unit	580	1	580	0.096939%
E	3115	Residential Unit	580	1	580	0.096939%
E	3117	Residential Unit	580	1	580	0.096939%
E	3119	Residential Unit	579	1	579	0.096771%
E	3121	Residential Unit	579	1	579	0.096771%
E	3123	Residential Unit	580	1	580	0.096939%
E	3125	Residential Unit	580	1	580	0.096939%
E	3127	Residential Unit	580	1	580	0.096939%
E	3129	Residential Unit	580	1	580	0.096939%
E	3200	Residential Unit	954	1	954	0.159447%
E	3202	Residential Unit	580	1	580	0.096939%
E	3204	Residential Unit	580	1	580	0.096939%
E	3206	Residential Unit	762	1	762	0.127357%
E	3208	Residential Unit	580	1	580	0.096939%
E	3210	Residential Unit	580	1	580	0.096939%
E	3212	Residential Unit	580	1	580	0.096939%
E	3214	Residential Unit	580	1	580	0.096939%
E	3216	Residential Unit	580	1	580	0.096939%
E	3218	Residential Unit	580	1	580	0.096939%
E	3220	Residential Unit	578	1	578	0.096604%
E	3222	Residential Unit	578	1	578	0.096604%
E	3224	Residential Unit	580	1	580	0.096939%
E	3226	Residential Unit	580	1	580	0.096939%
E	3228	Residential Unit	580	1	580	0.096939%

Black Desert Resort Allocated Interest

Exhibit C

Resort Center

Building	Unit No.	Unit Type	Square Feet	Par Value	Votes	Common Area Allocated Interest
E	3230	Residential Unit	580	1	580	0.096939%
E	3232	Residential Unit	580	1	580	0.096939%
E	3234	Residential Unit	580	1	580	0.096939%
E	3236	Residential Unit	763	1	763	0.127524%
E	3238	Residential Unit	580	1	580	0.096939%
E	3240	Residential Unit	580	1	580	0.096939%
E	3242	Residential Unit	879	1	879	0.146912%
E	3209	Residential Unit	747	1	747	0.124850%
E	3211	Residential Unit	580	1	580	0.096939%
E	3213	Residential Unit	580	1	580	0.096939%
E	3215	Residential Unit	580	1	580	0.096939%
E	3217	Residential Unit	580	1	580	0.096939%
E	3219	Residential Unit	579	1	579	0.096771%
E	3221	Residential Unit	579	1	579	0.096771%
E	3223	Residential Unit	580	1	580	0.096939%
E	3225	Residential Unit	580	1	580	0.096939%
E	3227	Residential Unit	580	1	580	0.096939%
E	3229	Residential Unit	580	1	580	0.096939%
E	3300	Residential Unit	956	1	956	0.159782%
E	3302	Residential Unit	580	1	580	0.096939%
E	3304	Residential Unit	580	1	580	0.096939%
E	3306	Residential Unit	762	1	762	0.127357%
E	3308	Residential Unit	580	1	580	0.096939%
E	3310	Residential Unit	580	1	580	0.096939%
E	3312	Residential Unit	580	1	580	0.096939%
E	3314	Residential Unit	580	1	580	0.096939%
E	3316	Residential Unit	580	1	580	0.096939%
E	3318	Residential Unit	580	1	580	0.096939%
E	3320	Residential Unit	579	1	579	0.096771%
E	3322	Residential Unit	579	1	579	0.096771%
E	3324	Residential Unit	580	1	580	0.096939%
E	3326	Residential Unit	580	1	580	0.096939%
E	3328	Residential Unit	580	1	580	0.096939%
E	3330	Residential Unit	580	1	580	0.096939%
E	3332	Residential Unit	580	1	580	0.096939%
E	3334	Residential Unit	580	1	580	0.096939%
E	3342	Residential Unit	3,341	1	3,341	0.558400%
E	3309	Residential Unit	747	1	747	0.124850%
E	3311	Residential Unit	580	1	580	0.096939%
E	3313	Residential Unit	580	1	580	0.096939%
E	3315	Residential Unit	580	1	580	0.096939%
E	3317	Residential Unit	580	1	580	0.096939%
E	3319	Residential Unit	579	1	579	0.096771%
E	3321	Residential Unit	579	1	579	0.096771%
E	3323	Residential Unit	580	1	580	0.096939%
E	3325	Residential Unit	580	1	580	0.096939%
E	3327	Residential Unit	580	1	580	0.096939%
E	3329	Residential Unit	580	1	580	0.096939%
F	F1	Underground Parking Unit	198,324	1	198,324	33.146922%
						100.000000%

Exhibit D
(Bylaws)

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**BYLAWS
OF
BLACK DESERT RESORT CENTER CONDOMINIUM OWNERS ASSOCIATION**

ARTICLE I - GENERAL

1.1 Purpose of Bylaws.

These Bylaws are adopted by the Board of Directors ("Board") in accordance with Utah Code Section 16-6a-206 for the regulation and management of the affairs of **BLACK DESERT RESORT CENTER CONDOMINIUM OWNERS ASSOCIATION**, a Utah nonprofit corporation (the "Association"), organized to be the association to which reference is made in the **DECLARATION OF CONDOMINIUM AND DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BLACK DESERT RESORT CENTER CONDOMINIUM A CONVERTIBLE AND EXPANDABLE CONDOMINIUM PROJECT** in the official records of the Washington County Recorder, State of Utah, as amended or supplemented from time to time (the "Declaration"), to perform the functions as provided in the Declaration and to further the interests of Owners of Units within the Property.

1.2 Terms Defined in Declaration.

Unless otherwise specifically provided herein, capitalized terms in these Bylaws shall have the same meaning as given to such terms in the Declaration. Additionally, references in the Condominium Act (defined below), the Declaration, or other governing document of the Association to the "Management Committee" are synonymous with the terms "Board," "Board of Directors," or "Directors" as used herein.

1.3 Controlling Laws and Instruments.

These Bylaws are controlled by and shall always be consistent with the provisions of the Utah Revised Nonprofit Corporation Act (Utah Code § 16-6a-101, *et seq.*) ("Nonprofit Act") and the Condominium Ownership Act (Utah Code § 57-8-1, *et seq.*) ("Condominium Act") (collectively the "Acts"), the Declaration, and the Articles of Incorporation of the Association ("Articles") filed with the Division of Corporations and Commercial Code of the Utah Department of Commerce (the "Division"), as any of the foregoing may be amended from time to time.

ARTICLE II - OFFICES

2.1 Principal Office.

The principal office of the Association shall be at the address identified in the Association's latest annual report filed with the Division. The Board in its discretion, may change from time to time the location of the principal office. (A member of the Board shall hereinafter be referred to as a "Director.")

2.2 Registered Office and Agent.

The Acts require that the Association have and continuously maintain in the State of Utah a registered office and a registered agent. The registered agent must be an individual who resides in the State of Utah and whose business office is identical with the registered office. The initial registered office and the initial registered agent are specified in the Articles and may be changed by the Association at any time, without amendment to the Articles, by filing a statement as specified by law with the Division.

ARTICLE III - MEMBERS

3.1 Members.

A "Member" is the Person or, if more than one (1), all Persons collectively, who constitute the Owner of a Unit within the Property.

3.2 Memberships Appurtenant.

Each membership shall be appurtenant to the fee simple title to a Unit. The Person or Persons who constitute the owner of fee simple title to a Unit shall automatically be the holder of the membership appurtenant to that Unit and the membership shall automatically pass with fee simple title to the Unit.

3.3 Members' Voting Rights.

Subject to the provisions in the Declaration and the Articles, each Member shall be entitled to one (1) vote for each Unit which the Member owns within the Property.

3.4 Voting by Joint Owners.

In the event there is more than one (1) Owner of a particular Unit, the vote relating to such Unit shall be exercised as such Owners may determine among themselves. A vote cast at any Association meeting by any of such Owners, whether in Person, by proxy, or through ballot, shall be conclusively presumed to be the vote attributable to the Unit concerned, unless an objection is immediately made by another Owner of the same Unit. In the event such an objection is made, the vote involved shall not be counted for any purpose whatsoever, other than to determine whether a quorum exists.

3.5 Resolution of Voting Disputes.

In the event of any dispute as to the entitlement of any Member to vote or as to the results of any vote of Members at a meeting, the Board shall act as arbitrators and the decision of a

disinterested majority of the Board shall, when rendered in writing, be final and binding as an arbitration award and may be acted upon in accordance with Utah law.

3.6. Transfer of Memberships on Association Books.

Transfer of membership shall be made on the books of the Association only upon the presentation of evidence, satisfactory to the Association, of the transfer of ownership of the Unit to which the membership is appurtenant. Prior to presentation of such evidence, the Association may treat the previous Owner of the membership as the Owner of the membership entitled to all rights in connection therewith, including the right to vote and to receive notice.

3.7 Assignment of Voting Rights to Tenants and Mortgagees.

A Member may assign the Member's right to vote to a tenant occupying the Member's Unit or to a mortgagee of the Member's Unit for the term of the lease or the mortgage and any sale, transfer or conveyance of the Unit shall, unless otherwise provided in the document of sale, transfer or conveyance, be subject to any such assignment of voting rights to any tenant or mortgagee. Any such assignment of voting rights and any revocation or termination of any assignment of voting rights shall be in writing and shall be filed with the secretary of the Association. Any such assignment of voting rights shall be automatically terminated and revoked upon the sale, transfer, or conveyance of the Unit.

ARTICLE IV - MEETING OF MEMBERS

4.1 Place of Members' Meetings.

Meetings of Members shall be held at the principal office of the Association or at such other place, within or convenient to the Property, as may be fixed by the Board and specified in the notice of the meeting.

4.2 Annual Meetings of Members.

Annual Meetings of the Members shall be held at such time of day as is fixed by the Board and specified in the notice of meeting. The Annual Meetings shall be held to elect Directors of the Association and to transact such other business as may properly come before the meeting.

4.3 Special Meetings of Members.

Special Meetings of the Members may be called by the president or the Board or by Members holding not less than twenty-five percent (25%) of the total votes of all Members. No business shall be transacted at a special meeting of Members except as indicated in the notice thereof.

4.4 Record Date/Members List.

4.4.1. The record date for the purpose of determining Members entitled to notice of, or to vote at, any meeting of Members or in order to make a determination of such Members for any other proper purpose for the taking of any other lawful action shall be as set forth in Subsection 4.4.2 below, unless the Board, in advance of sending notice, sets a date by resolution as the record date for any such determination of Members. Such record date shall not be more than sixty (60) days prior to the meeting of Members or the event requiring a determination of Members.

4.4.2. Members entitled to notice of a meeting of the Members are the Members of the Association at the close of business on the business day preceding the day on which notice is effective, or, if notice is waived, at the close of business on the business day preceding the day on which the meeting is held. Members entitled to vote at a meeting of the Members are the Members of the Association on the date of the meeting, and who are otherwise eligible to vote. The record date for the purpose of determining the Members entitled to exercise any rights in respect of any other lawful action are Members of the Association at the later of (a) the close of business on the day on which the Board adopts the resolution relating to the exercise of the right; or (b) the close of business on the sixtieth (60th) day before the date of the exercise of the right. A record date fixed under this Section may not be more than seventy (70) days before the meeting or action requiring a determination of Members occurs. A determination of members entitled to notice of or to vote at a meeting of Members is effective for any adjournment of the meeting unless the Board fixes a new date for determining the right to notice or the right to vote.

4.4.3. The Association shall only be required to prepare a list of the names of the Members as provided for in Section 9.3.3.

4.5 Notice of Members' Meetings.

Written notice stating the place, day and hour of any meeting shall be given not less than fifteen (15) nor more than sixty (60) days before the date of the meeting (plus any time added to effectuate delivery under Section 9.17). The notice of an annual, regular or special meeting shall include: (a) the names of any known candidate for Director and shall identify any other matter which it is known may come before the meeting; (b) potential conflicting interest transactions of a Director, party related to a Director, or an entity in which the Director is a director or has a financial interest (as set forth in Utah Code § 16-6a-825), if any; (c) notice of any indemnification or advance of expenses to a Director in connection with a legal "proceeding" as defined in the Acts; (d) notice of any amendment to these Bylaws proposed by the Members and a copy, summary or general statement of the proposed amendment; (e) notice of a proposed plan of merger; (f) notice of a proposed sale of the Properties by the Association other than in the regular course of activities; (g) notice of a proposed dissolution of the Association; and (h) any matter a Member intends to raise at the meeting if requested in writing to do so by a Person entitled to call a special meeting and the request is received (receipt deemed effective as set forth under Section 9.17) by the secretary or president at least ten (10) days before the Association gives notice of the meeting, plus any time added to effectuate delivery under Section 9.17. The notice of a special meeting shall state the purpose or purposes for which the meeting is called.

4.6 Proxies at Meetings.

A Member entitled to vote at a meeting may vote in Person, by ballot, or by proxy executed in writing by the Member or his duly authorized attorney-in-fact and filed with the secretary of the meeting prior to the time the proxy is exercised.

4.7 Ballots at Meetings.

A written ballot may, upon the election of the Board, be used in connection with any annual, regular, or special meeting of Members, thereby allowing Members the choice of either voting in Person, by proxy, or by written ballot delivered by a Member to the Association in lieu of attendance at such meeting. Any written ballot shall comply with the requirements of Section 4.8 and shall be counted equally with the votes of Members in attendance at any meeting for every purpose, including satisfaction of a quorum requirement.

4.8 Ballots without a Meeting and Electronic Voting.

The Association may, upon the election of the Board or upon specific request of a Member for a special meeting of the Members, utilize ballots without a meeting to take any action that may be taken at any annual, regular, or special meeting of the Members provided the Association delivers a written ballot to every member entitled to vote. Any ballot utilized without a meeting shall be valid only when (a) the time by which all ballots must be received has passed so that a quorum can be determined and (b) the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

4.8.1 All solicitations for votes by written ballot shall: (a) set forth each proposed action; (b) provide for an opportunity to vote for or against each proposed action; (c) indicate the number of responses needed to meet the quorum requirements; (d) state the percentage of approvals necessary to approve each matter other than the election of Directors; (e) specify the time by which a ballot must be received by the Association in order to be counted; and (f) be accompanied by written information sufficient to permit each Person casting the ballot to reach an informed decision on the matter.

4.8.2 Any written ballot shall comply with the requirements in this Section and shall be counted equally with the votes of Members in attendance (by Person or proxy) at any meeting for every purpose, including satisfaction of a quorum requirement.

4.8.3 Members shall be provided a fair and reasonable amount of time before the day on which the Association must receive ballots. An amount of time is considered to be fair and reasonable if (a) Members are given at least fifteen (15) days from the day on which the notice is mailed, if the notice is mailed by first-class or registered mail; (b) Members are given at least thirty (30) days from the day on which the notice is mailed, if the notice is mailed by other than first-

class or registered mail; or (c) considering all the circumstances, the amount of time is otherwise reasonable.

4.8.4 The Association and its members, by adoption of these Bylaws, agree to allow voting by electronic means. To effectuate electronic voting, ballots may be signed electronically as provided for in Subsection 4.19.

4.9 Revocation of Proxy or Ballot.

A proxy or ballot may be revoked, prior to the time the proxy is exercised or the ballot counted, by (a) the Member attending the meeting and voting in Person, or (b) the Member signing and delivering to the secretary or other Person authorized to tabulate proxy or ballot votes (i) a writing stating that the appointment of proxy or ballot is revoked, or (ii) a subsequent proxy form or ballot. A proxy or ballot shall automatically cease upon the conveyance by a Member of the Unit of the Member and the transfer of the membership on the books of the Association. No proxy shall be valid after the earlier of (i) the day after the meeting of the Members for which the proxy was expressly submitted; or (ii) eleven (11) months from the date of its execution unless otherwise provided in the proxy. The death or incapacity of the Member appointing a proxy or issuing a ballot does not affect the right of the Association to accept the proxy's authority or count the ballot unless notice of the death or incapacity is received by the secretary or other officer or agent authorized to tabulate votes before the proxy exercises the proxy's authority or the ballot is counted.

4.10 Written Consents Without a Meeting.

Unless prohibited by the Articles, any action required to be taken or which may be taken at a meeting of Members may be taken without a meeting and without prior notice, if one (1) or more written consents, setting forth the action taken, are signed by the members having not less than the minimum voting power that would be necessary to authorize or take the action at a meeting at which all Members entitled to vote on the action were present and voted. Directors may not be elected by written consent, except by unanimous written consent of all Members entitled to vote for the election of Directors. Any action taken under this Section 4.10 is not effective unless all written consents are received within a sixty (60) day period and have not been revoked. A written consent may be given by electronic transmission or other form of communication providing the Association with a complete copy of the written consent, including: (i) the date the written consent was sent and (ii) the signature (including electronic signatures as provided in Section 4.19).

4.11 Telecommunications.

Any or all of the Members may participate in an annual, regular or special meeting of the Members by, or the meeting may be conducted through the use of, any means of communication by which all Persons participating in the meeting may hear each other during the meeting. A member participating in a meeting by a means permitted under this Section 4.11 is considered to be present in Person at the meeting.

4.12 Quorum at Members' Meetings.

Except as may be otherwise provided in the Declaration, the Articles, or these Bylaws, and except as hereinafter provided with respect to the calling of another meeting, the representation, in Person, by proxy or by ballot, of Members entitled to cast at least twenty-five percent (25%) of the votes of all Members shall constitute a quorum at any meeting of such Members. Members present in Person or by proxy or represented by ballot at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of Members so as to leave less than a quorum.

4.13 Adjournment of Members' Meetings.

Members present in Person or by proxy at any meeting, whether or not there is a quorum may adjourn the meeting from time to time. If the meeting is adjourned, the Board shall issue a new Notice of Members Meeting at which meeting the members that are present in Person or by proxy or represented by ballot shall constitute a quorum, except as otherwise provided in the Declaration, the Articles, or these Bylaws. No such subsequent meeting shall be held more than forty-five (45) days following such preceding meeting at which a quorum was not present.

4.14 Vote Required at Members' Meetings.

At any meeting where a quorum is present, action on a matter, other than the election of Directors, is approved if the votes cast favoring the action exceed the votes cast opposing the action unless a greater proportion is required by law, the Declaration, the Articles, or these Bylaws. In the case of elections to the Board, a quorum is not required and when there is more than one (1) candidate, the Person or Persons receiving the highest number of votes shall be elected.

4.15 Cumulative Voting Not Permitted.

Cumulative voting by Members in the election of Directors shall not be permitted.

4.16 Order of Business.

Unless otherwise changed by resolution of the Board or the Members, the order of business at any meeting of Members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) election of Directors, if applicable; (d) report of finances; and (e) any other Association business.

4.17 Expenses of Meetings.

The Association shall bear the expenses of all regular and annual meetings of Members and of special meetings of Members.

4.18 Waiver of Notice.

A Member may waive any notice required by the Acts or by these Bylaws, whether before or after the date or time stated in the notice as the date or time when any action will occur or has occurred. A waiver shall be in writing, signed by the Member entitled to the notice, and delivered to the Association for inclusion in the minutes; or filing with the corporate records. The delivery and filing required above may not be conditions of the effectiveness of the waiver. A Member's attendance at a meeting (a) waives objection to lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice, and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering the matter when it is presented.

4.19 Signature of Members.

Except as otherwise provided in the Acts, all votes, consents, written ballots, waivers, proxy appointments, and proxy or ballot revocations shall be in the name of the Member and signed by the Member with a designation of the Member's capacity; i.e., owner, partner, president, director, member, trustee, conservator, guardian, etc. Pursuant to Utah Code Section 46-4-201 a signature may not be denied legal effect or enforceability solely because it is in electronic form, i.e. an electronic signature. As used herein, the term "electronic" means relating to technology having electrical, digital, magnet, wireless, optical, electromagnetic, or similar capabilities. As used herein, the term "electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a ballot and executed or adopted by a Person with the intent to sign the ballot.

ARTICLE V - BOARD OF DIRECTORS

5.1 General Powers and Duties of the Board of Directors.

The Board shall have the duty to manage and supervise the affairs of the Association and shall have all powers necessary or desirable to permit it to do so. Without limiting the generality of the foregoing, the Board shall have the power to exercise or cause to be exercised for the Association all of the powers, rights and authority of the Association not reserved to Members in the Declaration, the Articles, these Bylaws, or the Acts.

5.2 Special Powers and Duties of the Board of Directors.

Without limiting the foregoing statement of general powers and duties of the Board or the powers and duties of the Board as set forth in the Declaration, the Board shall be vested with the following specific powers and duties:

5.2.1 Assessments. The duty to fix and levy from time to time assessments, special assessments, and all other assessments upon the Members of the Association as provided in the Declaration; and to enforce the payment of such delinquent assessments as provided in the Declaration.

5.2.2 Insurance. The duty to contract and pay premiums for fire, casualty, liability, and other insurance in accordance with the provisions of the Declaration.

5.2.3 Common Areas. The duty to manage and care for the Common Areas, and to employ Personnel necessary for the care and operation of the Common Areas, and to contract and pay for necessary or desirable improvements on property acquired by the Association in accordance with the Declaration.

5.2.4 Agents and Employees. The power to select, appoint, and remove all officers, agents, and employees of the Association and to prescribe such powers and duties for them as may be consistent with law, with the Declaration, the Articles, and these Bylaws.

5.2.5 Borrowing. The power, with the approval of the Members representing at least two-thirds (2/3) of the voting power of the Association, to borrow money and to incur indebtedness for the purpose of the Association, and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, mortgages, pledges, hypothecations or other evidences of debt, and securities therefor.

5.2.6 Enforcement. The power to enforce the provisions of the Declaration, the rules and regulations, these Bylaws, or other agreements of the Association.

5.2.7 Delegation of Powers. The power to delegate its powers according to law.

5.2.8 Rules and Regulations. The power to adopt such rules and regulations with respect to the interpretation and implementation of the Declaration, use of Common Areas, and use of any property within the Property, including Living Units, and to levy fines and penalties for infractions and violations thereof; provided, however, that such rules and regulations shall be enforceable only to the extent that they are consistent with the Declaration, the Articles, and these Bylaws.

5.2.9 Emergency Powers. The right to exercise such emergency powers as provided for in the Acts.

5.3 Qualifications of Directors.

The initial Directors on the Board need not be Members or own a Unit and may be appointed by the Declarant. The right to appoint Directors to the Board by the Declarant terminates when Declarant's Class B Voting rights under the Declaration terminate. Thereafter, a Director must be a natural person eighteen (18) years of age or over and an Owner of a Unit within the Property or, if the Owner of any such Unit is a partnership, corporation, or limited liability

company, must be a designated representative of such partnership, corporation, or limited liability company. If a Director conveys or transfers title to his Unit, or if a Director who is a designated representative of a partnership, corporation, or limited liability company ceases to be such designated representative, or if the partnership, corporation, or limited liability company of which a Director is a designated representative transfers title to its Unit, such Director's term as Director shall immediately terminate and a new Director shall be selected as promptly as possible to take such Director's place. Notwithstanding anything in this Section to the contrary, none of the initial Directors, as designated in the Articles, shall be required to have any ownership interest in any Unit in order to qualify to serve as a Director until the first election of Directors by the Members. Any Director no longer qualified to serve under the standards provided for in this Section 5.3 may be removed by a majority vote of the Directors then in office.

5.4 Number of Directors.

The number of Directors of the Association shall be three (3) or five (5). Subject to such limitations, the number of Directors shall be three (3) until changed pursuant to this Section 5.4. The number of Directors may be increased beyond three (3) Directors to five (5) by the majority vote of the Board.

5.5 Term of Office of Directors and Elections.

The affairs of the Association shall be managed by a Board composed of five (5) individuals, unless changed pursuant to Section 5.4. The Board shall be elected at a meeting of the Members by any authorized and lawful procedure adopted by the Board, to serve as follows:

At each annual Meeting of the Members, the Members shall elect Directors for terms of two (2) years, with an odd number of Directors (at least two (2) less than the entire Board) elected in odd-numbered years and an even number of Directors elected in even-numbered years. In the initial election of Directors, the method of election shall provide that the term of an odd number of Directors (at least two (2) less than the entire Board) shall expire in the next odd numbered year, and the term of an even number of Directors shall expire in the next even numbered year.

Directors newly elected at the annual meeting of the Members shall take office immediately. Newly elected Directors are invited to attend Board meetings to familiarize them with the Association procedures prior to taking office. Only Members who are not in violation of the Declaration, these Bylaws or Association rules and regulations shall be eligible to run for a position on the Board.

In an election of multiple Directors, that number of candidates equaling the number of Directors to be elected having the highest number of votes cast in favor of their election, are elected to the Board. When only one (1) Director position is being voted upon, the candidate having the highest number of votes cast in his or her favor is elected to the Board.

5.6 Nominating Committee

Nominations for election to the Board shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting of the Members. The nominating committee shall consist of a chairman, who shall be a member of the Board, and two (2) or more Members of the Association. The nominating committee shall be appointed by the Board prior to each annual meeting of the Members. The nominating committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations shall be made from among the Members.

5.7 Removal of Directors by the Members.

At any meeting of the Members, the notice of which indicates such purpose, any or all of the Directors may be removed, with or without cause, by the affirmative vote of Members holding a majority of the voting interests of all Members; and a successor may be then and there elected to fill the vacancy thus created. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association and any Director who shall be absent from three (3) consecutive Board meetings shall be automatically removed from the Board unless determined otherwise by the Board.

5.8 Resignation of Directors.

Any Director may resign at any time by giving written notice to the president, to the secretary, or to the Board stating the effective date of such resignation. Acceptance of such resignation shall not be necessary to make the resignation effective. A Director who resigns may deliver to the Division a statement setting forth (a) that Person's name; (b) the name of the Association; (c) information sufficient to identify the report or other document in which the Person is named as a Director or officer; and (d) the date on which the Person ceased to be a Director or officer or a statement that the Person did not hold the position for which the Person was named in the corporate report or other document.

5.9 Vacancies in the Board of Directors.

Any vacancy occurring in the Board shall be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum of the Board. A Director elected or appointed to fill a vacancy shall be elected or appointed for the unexpired term of his predecessor in office. A directorship to be filled by reason of an increase in the number of Directors shall be filled only by vote of the Members. A Director elected by the Board to fill the vacancy of a Director elected by the voting Members may be removed without cause by the voting Members, but not the Board. Should any vacancy of the Board remain unfilled for a period of two (2) months, the Members may, at a special meeting of the Members called for that purpose, elect a Director to fill such vacancy by a majority of the votes which Members present at such meeting, or represented by proxy or ballot, are entitled to cast.

5.10 Appointment of Committees.

The Board, by resolution adopted by a majority of the Directors in office, may designate and appoint one (1) or more committees which shall consist of two (2) or more Directors and which, unless otherwise provided in such resolution, shall have and may exercise the authority to make recommendations (but not final decisions) to the Board in the management of the Association, except authority with respect to those matters specified in the Acts as matters which such committee may not have and exercise the authority of the Board.

5.11 General Provisions Applicable to Committees.

The designation and appointment of any committee and the delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon it or him by law. The provision of these Bylaws with respect to notice of meeting, waiver of notice, quorums, adjournments, vote required and action by consent applicable to meetings of the Board shall not be applicable to meetings of committees of the Board.

ARTICLE VI - MEETING OF DIRECTORS

6.1 Place of Directors' Meetings.

Meetings of the Board shall be held at the principal office of the Association or at such other place, within or convenient to the Property, as may be fixed by the Board and specified in the notice of the meeting.

6.2 Annual Meeting of Directors.

The annual meeting of the Board shall be held on the same date as, or within ten (10) days following, the annual meeting of Members. The Business to be conducted at the annual meeting of the Board shall consist of the appointment of officers of the Association and the transaction of such other business as may properly come before the meeting. No prior notice of the annual meeting of the Board shall be necessary if the meeting is held on the same day and at the same place as the annual meeting of Members at which the Board is elected or if the time and place of the annual meeting of the Board is announced at the annual meeting of Members.

6.3 Other Regular Meetings of Directors.

The Board may hold other regular meetings and may, by resolution, establish in advance the times and places for such regular meetings. The resolution of meeting schedule shall be given to all Members of the Association at least forty-eight (48) hours (plus any time added to effectuate delivery under Section 9.17) before the first meeting scheduled. No prior notice of any regular meeting need be given after establishment of the time and place thereof by such resolution.

6.4 Special Meetings of Directors.

Special Meetings of the Board may be called by the president or any two (2) members of the Board other than the president. Any special meeting of the Board not regularly scheduled under Section 6.3 shall require the same notice as Section 6.3.

6.5 Open Meetings/Member Right to Participate.

Except as provided in Subsections 6.6, a Board meeting, whether in Person or by means of electronic communication, at which the Board can take binding action shall be open to each Member or the Member's representative if the representative is designated in writing. At each meeting, the Board shall provide each Member a reasonable opportunity to offer comments. The Board may limit the comments to one specific time period during the meeting. A Director may not avoid or obstruct the requirements of this Section. However, nothing in this Section shall affect the validity or enforceability of an action of a Board. This Section 6.5 does not apply to Board meetings so long as Class B voting rights exist, except that (i) there shall be at least one open Board meeting per year and (ii) each time the Association increases a fee or raises an assessment, the Board shall also hold an open meeting.

6.6 Closed Meetings.

The Board may close a meeting to: (a) consult with an attorney for the purpose of obtaining legal advice; (b) discuss ongoing or potential litigation, mediation, arbitration, or administrative proceedings; (c) discuss a Personnel matter; (d) discuss a matter relating to contract negotiations, including review of a bid or proposal; (e) discuss a matter that involves an individual if the discussion is likely to cause the individual undue embarrassment or violate the individual's reasonable expectation of privacy, or (f) discuss a delinquent assessment or fine.

If after a vote of the majority of all other Directors, it is determined that a Director has not maintained the confidentiality of any matter covered in the previous paragraph that is addressed at a closed meeting ("Confidential Matter"), the non-offending Directors may take one of the two following steps: (1) exclude the offending Director from any closed meetings at which that Confidential Matter is addressed, or (2) create a committee to address the Confidential Matter and exclude the offending Director from that committee.

6.7 Notice to Directors of Board Meetings.

In the case of all meetings of the Board for which notice is required by these Bylaws, notice stating the place, day and hour of the meeting shall be given not less than two (2) nor more than thirty (30) days before the date of the meeting (plus any time added to effectuate delivery under Section 9.17), by mail, fax, electronic means, telephone or Personally, by or at the direction of the Persons calling the meeting, to each member of the Board. If by telephone such notice shall be deemed to be effective when given by telephone to the Director. If given Personally, such notice shall be deemed effective upon delivery of a copy of a written notice to, or upon verbally advising, the Director or some Person who appears competent and mature at his home or business address as either appears on the records of the Association.

Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice to the Director or waiver of such meeting.

6.8 Notice to Members of Board Meetings.

At least forty-eight (48) hours before an open Board meeting (plus any time added to effectuate delivery under Section 9.17), the Association shall give written notice of the meeting via email to each Member who requests notice of a meeting, unless: (a) notice of the meeting is included in a meeting schedule that was previously provided to the Member; or (b) the meeting is to address an emergency and each Director receives notice (receipt deemed effective as set forth under Section 9.17) of the meeting less than forty-eight (48) hours before the meeting. The notice to the Members shall: (a) be delivered to the Member by email, to the email address that the Member provides to the Board or the Association (or via mail if requested in writing by the Member); (b) state the time and date of the meeting; (c) state the location of the meeting; and (d) if a Director may participate by means of electronic communication, provide the information necessary to allow the member to participate by the available means of electronic communication.

6.9 Proxies.

For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a particular proposal, a Director may be considered to be present at a meeting and to vote if the Director has granted a signed written proxy: (a) to another Director who is present at the meeting; and (b) authorizing the other Director to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy. Except as provided in this Section 6.9, Directors may not vote or otherwise act by proxy.

6.10 Telecommunications.

The Board may permit any Director to participate in a regular or special meeting of the Board by, or conduct the meeting through the use of, any means of communication by which all Directors participating may hear each other during the meeting. A Director so participating in such a meeting is considered to be present in Person at the meeting. If a Director is to participate in a Board meeting by electronic communication, the Board shall provide the information necessary to allow the Owners entitled to notice of the Board meeting under Section 6.8 to participate by the available electronic means.

6.11 Quorum of Directors.

A majority of the number of Directors fixed in these Bylaws shall constitute a quorum for the transaction of business. For the purpose of determining the presence of a quorum, Directors will be counted if represented in Person or by proxy, if applicable.

6.12 Adjournment of Directors' Meeting.

Directors present at any meeting of the Board may adjourn the meeting from time to time, whether or not a quorum shall be present, without notice other than announcement at the meeting, for a total period or periods not to exceed thirty (30) days after the date set for the original meeting. At any adjourned meeting which is held without notice other than announcement at the meeting, the quorum requirement shall not be reduced or changed, but if the originally required quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

6.13 Vote Required at Directors' Meeting.

At any meeting of the Board, if a quorum is present, a majority of the votes present in Person or by proxy, if applicable, and entitled to be cast on a matter shall be necessary for the adoption of the matter, unless a greater proportion is required by law, the Declaration, the Articles, or these Bylaws.

6.14 Officers at Meetings.

The president shall act as chairman and the Board shall appoint a secretary to act at all meetings of the Board.

6.15 Waiver of Notice.

A waiver of notice of any meeting of the Board, signed by a Director, whether before or after the meeting, shall be equivalent to the giving of notice of the meeting to such Director. Attendance of a Director at a meeting in Person shall constitute waiver of notice of such meeting unless (a) at the beginning of the meeting or promptly upon the Director's later arrival the Director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and, after objecting, the Director does not vote for or assent to action taken at the meeting, or (b) the Director contemporaneously requests that the Director's dissent or abstention as to any specific action taken be entered in the minutes of the meeting; or (c) the Director causes written notice of the Director's dissent or abstention as to any specific action to be received by (i) the presiding officer of the meeting before adjournment of the meeting; or (ii) the Association promptly after adjournment of the meeting.

6.16 Dissent or Abstention

The right of dissent or abstention pursuant to Section 6.15 is not available to a Director who votes in favor of the action taken.

6.17 Action of Directors Without a Meeting.

The Directors shall have the right to take any action in the absence of a meeting which they could take at any meeting by obtaining the written approval of all the Directors. Such approval

may be provided by electronic communication. Any action so approved shall be in accordance with Section 16-6a-813 of the Nonprofit Act and have the same effect as though taken at a meeting of the Directors. The form attached hereto as Exhibit "A" may be utilized by the Board when taking action without a meeting.

ARTICLE VII - OFFICERS

7.1 Officers, Employees and Agents.

The officers of the Association shall be natural Persons eighteen (18) years of age or over and shall consist of a president, a secretary, a treasurer, and such other officers, assistant officers, employees, and agents as may be deemed necessary by the Board. Officers other than the secretary and the treasurer must be Directors. The same Person may simultaneously hold more than one office.

7.2 Appointment and Term of Office of Officers.

The officers shall be appointed by the Board at the annual meeting of the Board and shall hold office, subject to the pleasure of the Board, until the next annual meeting of the Board or until their successors are appointed, whichever is later, unless the officer resigns, or is removed earlier.

7.3 Resignation and Removal of Officers.

An officer may resign at any time by giving written notice of resignation to the Association. A resignation of an officer is effective when the notice is received by the Association unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Board may: (a) (i) permit the officer to remain in office until the effective date; and (ii) fill the pending vacancy before the effective date if the successor does not take office until the effective date; or (b) (i) remove the officer at any time before the effective date; and (ii) fill the vacancy created by the removal. The Board may remove any officer at any time with or without cause. An officer who resigns, is removed, or whose appointment has expired may file a statement in the same form as provided in Section 5.8.

7.4 Vacancies in Officers.

Any vacancy occurring in any position as an officer may be filled by the Board. An officer appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office.

7.5 President.

The president shall be a member of the Board and shall be the principal executive officer of the Association and, subject to the control of the Board, shall direct, supervise, coordinate and have general control over the affairs of the Association, and shall have the powers generally attributable to the chief executive officer of a corporation. The president shall preside at all meetings of the Board and of the Members of the Association.

7.6 Vice President.

The vice president, if any, may act in place of the president in case of his death, absence or inability to act, and shall perform such other duties and have such authority as is from time to time delegated by the Board or by the president.

7.7 Secretary.

The secretary shall be the custodian of the records and the seal, if any, of the Association and shall affix the seal to all documents requiring the same; shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law and that the books, reports and other documents and records of the Association set forth in Section 9.3 are properly kept and filed; shall take or cause to be taken and shall keep minutes of the meetings of Members, of the Board, and of committees of the Board; shall keep at the principal office of the Association a record of the names and addresses of the Members; and, in general, shall perform all duties incident to the office of secretary and such other duties as may from time to time, be assigned to him by the Board or by the president. The Board may appoint one or more assistant secretaries who may act in place of the secretary in case of his death, absence or inability to act. The duties of the secretary may be delegated to a property management company.

7.8 Treasurer.

The treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Association; shall deposit all such funds in the name of the Association in such depositories as shall be designated by the Board; shall keep correct and complete financial records and books of account and records of financial transactions and condition of the Association and shall submit such reports thereof as the Board may, from time to time, require; shall arrange for the annual report required under Section 9.6 of these Bylaws, and, in general, shall perform all the duties incident to the office of treasurer and such other duties as may from time to time be assigned to him by the Board or by the president. The Board may appoint one or more assistant treasurers who may act in place of the treasurer in case of his death, absence or inability to act. The duties of the treasurer may be delegated to a property management company.

7.9 Bonds.

The Association may pay for fidelity bonds covering officers or other Persons handling funds of the Association as provided for in the Declaration. The Association shall pay the premiums for any such bonds acquired.

7.10 Special Appointments.

The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

ARTICLE VIII - INDEMNIFICATION OF OFFICIALS AND AGENTS

8.1 Right of Indemnification.

The Association shall indemnify any Director, officer, employee, fiduciary and agent (including without limitation the property manager) to the fullest extent allowed the Acts, or any replacement Sections thereof.

8.2 Authority to Insure.

The Association may purchase and maintain liability insurance on behalf of any Director, officer, employee, fiduciary, and agent against any liability asserted against him and incurred by him in such capacity or arising out of his status as such, including liabilities for which he might not be entitled to indemnification hereunder.

ARTICLE IX - MISCELLANEOUS

9.1 Amendment/Conflict.

These Bylaws may be amended, at any regular, annual, or special meeting of the Board, by a vote of the majority of the Board, except if it would result in a change of the rights, privileges, preferences, restrictions, or conditions of a membership class as to voting, dissolution, redemption, or transfer by changing the rights, privileges, preferences, restrictions, or conditions of another class. The Members may amend the Bylaws even though the Bylaws may also be amended by the Board. Amendments to the Bylaws by Members shall be made in accordance with the Acts. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

9.2 Compensation of Officers, Directors and Members.

No Director shall have the right to receive any compensation from the Association for serving as a Director except for reimbursement of expenses as may be approved by resolution of disinterested members of the Board and except as may otherwise be approved by the Members. Officers, agents and employees shall receive such reasonable compensation as may be approved by the Board. Appointment of a Person as an officer, agent or employee shall not, of itself, create any right to compensation.

9.3 Books and Records.

9.3.1 The Association shall keep as permanent records: (a) minutes of all meetings of its Members and Board; (b) a record of all actions taken by the Members or Board without a meeting; (c) a record of all actions taken by a committee of the Board in place of the Board on behalf of the Association; (d) a record of all waivers of notices of meetings of Members and of the Board or any committee of the Board; and (e) a copy of the Declaration, as the same may be amended.

9.3.2 The Association shall maintain appropriate accounting records.

9.3.3 The Association or its agent shall maintain a record of its Members in a form that permits preparation of a list of the name and address of all Members: (a) in alphabetical order, by class, and (b) showing the number of votes each Member is entitled to vote.

9.3.4 The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

9.3.5 The Association shall keep a copy of each of the following records at its principal office: (a) Declaration; (b) Articles; (c) Bylaws; (d) resolutions adopted by its Board relating to the characteristics, qualifications, rights, limitations, and obligations of Members; (e) the minutes of all Member meetings for a period of three (3) years; (f) records of all actions taken by Members without a meeting; (g) all written communications to Members generally as Members for a period of three (3) years; (h) a list of the names and business or home addresses of its current Directors and officers; (i) a copy of its most recent annual report; (j) all financial statements prepared for periods ending during the last three (3) years; (k) the most recent approved Board meeting minutes; and (l) the most recent budget and financial report.

9.3.6 If the Association has an active website, the Association shall make the documents described in Subsection 9.3.5 available to all Members, free of charge, through the website; or, if the Association does not have an active website, make physical copies of the documents described in Subsection 9.3.5 available to Members during regular business hours at the Association's address registered with the Department of Commerce.

9.4 Inspection of Records.

9.4.1 A Director or Member is entitled to inspect and copy any of the records of the Association described in Subsection 9.3.5: (a) during regular business hours; (b) at the Association's principal office; and (c) if the Director or Member gives the Association written demand, at least five (5) business days before the date on which the Member wishes to inspect and copy the records.

9.4.2 In addition to the rights set forth in Subsection 9.4.1, a Director or Member is entitled to inspect and copy any of the other records of the Association: (a) during regular business hours; (b) at a reasonable location specified by the Association; and (c) at least five (5) business days before the date on which the Member wishes to inspect and copy the records, if the Director or Member: (i) meets the requirements of Subsection 9.4.3; and (ii) gives the Association written demand.

9.4.3 A Director or Member may inspect and copy the records described in Subsection 9.4.2 only if: (a) the demand is made: (i) in good faith; and (ii) for a proper purpose; (b) the Director or Member describes with reasonable particularity the purpose and the records the Director or Member desires to inspect; and (c) the records are directly connected with the described purpose.

9.4.4 Notwithstanding any other provision in these Bylaws, for purposes of this Section: (a) "Member" includes: (i) a beneficial owner whose membership interest is held in a voting trust; and (ii) any other beneficial owner of a membership interest who establishes beneficial ownership; and (b) "proper purpose" means a purpose reasonably related to the demanding Member's or Director's interest as a Member or Director.

9.4.5 The right of inspection granted by this Section may not be abolished or limited by the Articles or these Bylaws.

9.4.6 This Section does not affect: (a) the right of a Director or Member to inspect records relating to ballots; (b) the right of a Member to inspect records to the same extent as any other litigant if the Member is in litigation with the Association; or (c) the power of a court, independent of this Article IX, to compel the production of corporate records for examination.

9.4.7 A Director or Member may not use any information obtained through the inspection or copying of records permitted by 9.4.2 for any purposes other than those set forth in the demand made under 9.4.3.

9.4.8 The Association may redact the following information from any document the Association produces for inspection or copying (a) a Social Security number; (b) a bank account number; or (c) any communication subject to attorney-client privilege.

9.4.9

(a) In a written request to inspect or copy documents, a Member shall include:

- i. the Association's name;
- ii. the Member's name;
- iii. the Member's property address;
- iv. the Member's email address;
- v. a description of the documents requested; and
- vi. any election or request described in Subsection (b).

(b) In a written request to inspect or copy documents, a Member may:

- i. elect whether to inspect or copy the documents;
- ii. if the Member elects to copy the documents, request hard copies or electronic scans of the documents; or
- iii. subject to Subsection 9.4.10, request that:
 - (A) the Association make the copies or electronic scans of the requested documents;
 - (B) a recognized third-party duplicating service make the copies or electronic scans of the requested documents;
 - (C) the Member be allowed to bring any necessary imaging equipment to the place of inspection and make copies or electronic scans of the documents while inspecting the documents; or
 - (D) the Association email the requested documents to an email address provided in the request.

9.4.10 If the Association produces the copies or electronic scans, the copies or electronic scans shall be legible and accurate and the Member shall pay the Association the reasonable cost of the copies or electronic scans and for the time spent meeting with the Member, which may not exceed: (a) the actual cost that the Association paid to a recognized third-party duplicating service to make the copies or electronic scans; or (b) if an employee, manager, or other agent of the Association makes the copies or electronic scans, ten cents (\$.10) per page and fifteen dollars (\$15.00) per hour for the employee's, manager's, or other agent's time making the copies or electronic scans.

9.4.11 If a Member requests a recognized third-party duplicating service make the copies or electronic scans the Association shall arrange for the delivery and pick up of the original documents; and the Member shall pay the duplicating service directly. If a Member requests to bring imaging equipment to the inspection, the Association shall provide the necessary space, light, and power for the imaging equipment.

9.4.12 Subject to Subsection 9.4.13, if in response to a Members request to inspect or copy documents, the Association fails to comply with a provision of this section, the Association shall pay:

- (a) the reasonable costs of inspecting and copying the requested documents;
- (b) for items described Subsection 9.3.5, twenty-five dollars (\$25.00) to the Member who made the request for each day the request continues unfulfilled, beginning the sixth (6th) day after the day on which the Member made the request; and
- (c) reasonable attorney fees and costs incurred by the Member in obtaining the inspection and copies of the requested documents.

9.4.13 The Association is not liable for identifying or providing a document in error, if the Association identified or provided the erroneous document in good faith.

9.5 Scope of Inspection Right.

A Director or Member's agent or attorney has the same inspection and copying rights as the Director or Member. The right to copy records under Section 9.4 includes, if reasonable, the right to receive copies made by photographic, xerographic, electronic, or other means. The Association may comply with a Director's or Member's demand to inspect the record of Members under Subsection 9.3.3 by furnishing to the Director or Member a list of Directors or Members that: (a) complies with Subsection 9.3.3; and (b) is compiled no earlier than the date of the Director's or Member's demand. Concerning financial statements, by no later than fifteen (15) days after the day on which the Association receives a written request of any Member (receipt by the Association deemed effective as set forth under Section 9.17), the Association shall mail to the Member the following that show in reasonable detail the assets and liabilities and results of the operations of the Association: (a) the Association's most recent annual financial statements, if any; and (b) the Association's most recently published financial statements, if any. Without consent of the Board, a membership list or any part thereof may not be obtained or used by any Person for any purpose unrelated to a Member's interest as a Member.

9.6 Annual Report.

The Board shall cause to be prepared and distributed to each Member, and any first mortgagee of a Member who has filed a written request therefor, not later than ninety (90) days after the close of each fiscal year of the Association, an annual report containing (a) an income statement reflecting income and expenditures of the Association for such fiscal year; (b) a balance sheet as of the end of such fiscal year; (c) a statement of changes in financial position for such fiscal year; and (d) a statement of the place of the principal office of the Association where the books and records of the Association, including a list of names and addresses of current Members, may be found. The Board shall also annually distribute to the Members a summary of the latest reserve analysis or update and a full copy to any Member making such request.

9.7 Statement of Account.

Upon payment of a reasonable fee to be determined by the Association and upon written request of an Owner of a Unit or any Person with any right, title or interest in a Unit or intending to acquire any right, title or interest in a Unit, the Association shall give, within ten (10) days after the receipt of such request (receipt by the Association deemed effective as set forth under Section 9.17), a written statement of account setting forth the amount of unpaid assessments, or other amounts, if any, due or accrued and then unpaid with respect to the Unit, and the amount of the assessments for the current fiscal period of the Association payable with respect to the Unit. Such statement shall, with respect to the party to whom it is issued, be conclusive against the Association and all parties, for all purposes, that no greater or other amounts were then due or accrued and unpaid and that no other assessments have been levied.

9.8 Annual Corporation Reports.

The Association shall file with the Division, within the time prescribed by law, annual corporate reports in such form and containing the information required by law and shall pay the fee for such filing as prescribed by law.

9.9 Fiscal Year.

The fiscal year of the Association shall be the calendar year and shall begin on January 1 and end the succeeding December 31. The fiscal year may be changed by the Board without amending these Bylaws.

9.10 Shares of Stock and Dividends Prohibited.

The Association shall not have or issue shares of stock and no dividends shall be paid and no part of the income or profit of the Association shall be distributed to its Members, Directors or officers. Notwithstanding the foregoing, the Association may issue certificates evidencing membership therein, may confer benefits upon its Members in conformity with its purposes and, upon dissolution or final liquidation, may make distributions as permitted by law, and no such

payment, benefit or distribution shall be deemed to be a dividend or distribution of income or profit.

9.11 Loans to Directors, Officers, and Members Prohibited.

No loan shall be made by the Association to its Members, Directors or officers, and any Director, officer or Member who assents to or participates in the making of any such loan shall be liable to the Association for the amount of such loan until the repayment thereof.

9.12 Limited Liability.

The Association, the Board, the Architectural Control Committee, and any agent or employee of the Association, the Board, or the Architectural Control Committee, shall not be liable to any Person for any actions or for any failure to act in connection with the affairs of the Association if the action taken or failure to act was in good faith and without malice.

9.13 Minutes and Presumptions Thereunder.

Minutes or any similar record of the meetings of Members or of the Board, when signed by the secretary or acting secretary of the meeting, shall be presumed to truthfully evidence the matters set forth therein. A recitation in any such minutes that notice of the meeting was properly given shall be prima facie evidence that the notice was given.

9.14 Checks, Drafts, and Documents.

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such Person or Persons, and in such manner as, from time to time, shall be determined by resolution of the Board.

9.15 Execution of Documents.

The Board, except as these Bylaws otherwise provide, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

9.16 Right to Inspect

Notwithstanding the other provisions of this Article, unless otherwise provided in these Bylaws, a right of a Member to inspect or receive information from the Association applies only to a voting Member of the Association or that Member's agent.

9.17 Manner of Giving Notice.

Notwithstanding any other provision in the Declaration, Articles, Bylaws, or rules and regulations, the Association may provide notice to Owners orally or by electronic means, including text message, email, or the Association's website, except that an Owner may, by written demand, require the Association provide notice to that Owner by mail. Any notice required to be given will be deemed received and effective upon the earlier to occur of the following:

(a) when sent by facsimile, the notice is deemed effective when the sender receives a facsimile acknowledgment confirming delivery of the facsimile;

(b) when placed into the care and custody of the United States Postal Service, first-class mail, and addressed to the most recent address of the recipient according to the records of the Association, the notice is deemed effective at the earliest of the following: (a) when received; (b) six (6) days after it is mailed; or (c) on the date shown on the return receipt if sent by registered or certified mail, sent return receipt requested, and the receipt is signed by or on behalf of the addressee;

(c) when sent via electronic means such as an e-mail, text message or similar electronic communication, the notice is deemed effective within twenty-four (24) hours of being sent and a rejection or undeliverable notice is not received by the sender;

(d) when posted on the Association's website, the notice is deemed effective seventy-two (72) hours after it was posted;

(e) when hand delivered, the notice is deemed effective immediately upon delivery;

(f) when notice is given orally, the notice is deemed effective when communicated; or

(g) when delivered by other means, the notice is deemed effective upon such circumstances and conditions as are reasonably calculated to give notice to the Owner.

9.18 Severability.

Invalidation of any provision of the Governing Documents by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

9.19 Interpretation.

The provisions of the Governing Documents shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community and for the maintenance of the Common Areas and other areas within the Property. The article and section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter. Except for judicial construction and express Utah law, the Board shall have the exclusive right to construe and interpret the provisions of the Governing Documents, and amendments thereto. In the absence of any adjudication by a court of competent jurisdiction or express Utah law to the contrary, the Board's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all Persons and property benefitted or bound by the Governing Documents.

ARTICLE X - NOTICE AND HEARING PROCEDURE

10.1. Association's Enforcement Rights.

In the event of an alleged violation of the Declaration, the Articles, these Bylaws, or the rules and regulations of the Association by a Member or occupant ("Respondent"), the Board shall have the right, upon an affirmative vote of a majority of all Directors, to take any one (1) or more of the actions and to pursue one (1) or more of the remedies permitted by law or equity or under the provisions of the Declaration, these Bylaws, or the rules and regulations of the Association. The failure of the Board or the Architectural Control Committee to enforce the rules and regulations of the Association, these Bylaws, or the Declaration shall not constitute waiver of the right to enforce the same thereafter. The remedies set forth and provided by law or equity or in the Declaration, these Bylaws, or the rules and regulations of the Association shall be cumulative, and none shall be exclusive.

10.2. Hearing.

(a) At the hearing, the Respondent must show cause, if any cause can be shown, why said Respondent is not in violation of the Declaration, these Bylaws, or the rules and regulations of the Association, as set forth in the Notice.

(b) Oral evidence shall be taken only on oath or affirmation administered by a Director. The use of affidavits and written interrogatories in lieu of oral testimony shall be encouraged by the Board.

(c) Each party shall have these rights: to call and examine witnesses; to introduce exhibits; to cross-examine witnesses on any matter relevant to the issues; to impeach any witness; and to rebut the evidence against such party. If Respondent does not testify in his own behalf, he may be called and examined as if under cross-examination.

(d) The hearing need not be conducted according to technical rules relating to evidence of witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible Persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil action. Hearsay evidence may be used for the purpose of supplementing or explaining other evidence but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions.

(e) Neither the complainant nor the Respondent need be in attendance at the hearing. The Board may close the meeting to the general membership if the Board believes the discussion is likely to cause undue embarrassment or violate the individual's reasonable expectation of privacy.

(f) In rendering a decision, official notice may be taken at any time of any provision of the Declaration, these Bylaws, the rules and regulations of the Association, or any generally

understood matter within the working of the Association. Persons present at the hearing shall be informed of the matters to be noticed by the Board, and these matters shall be made a part of the record of proceedings.

(g) The Board may grant continuances on a showing of good cause.

(h) Whenever the Board has commenced to hear the matter and a Director is forced to withdraw prior to a final determination by the Board, the remaining Directors shall continue to hear and decide the case.

10.3. Decision.

If a Respondent fails to appear at a hearing, the Board may take action based upon the evidence presented to it without further notice to Respondent. However, the Respondent may make any showing by way of mitigation. After all testimony and documentary evidence has been presented to the Board, the Board may vote by secret written ballot, or otherwise, upon the matter, with a majority of the entire Board controlling. A copy of the Notice of Adjudication of the Board may be posted by the Board at a conspicuous place in the Property, and a copy shall be provided by the president of the Association to each Person directly involved in the matter and his attorney, if any, in accordance with the notice provision(s) set forth in the Declaration, if any. The Notice of Adjudication may include (a) the terms of any disciplinary action; (b) the levy of any Assessment of fine; or (c) other such actions or remedies as the Board deems appropriate. The decision of the Board shall become effective ten (10) days after it is given to each Respondent, unless otherwise ordered in writing by the Board of Directors. The Board may order a reconsideration at any time within fifteen (15) days following service of its decision on the involved Persons, on its own motion or on petition by any party. However, no action against a Respondent arising from the alleged violation shall take effect prior to the expiration of the later of (a) fifteen (15) days after each Respondent's receipt of the Notice of Hearing; or (b) ten (10) days after the hearing required herein.

(signature on following page)

CERTIFICATE OF PRESIDENT

I, the undersigned, do hereby certify that:

1. I am the duly elected and acting Secretary of Black Desert Resort Center Condominium Owners Association, and

2. The foregoing Bylaws constitute the Bylaws of the Association duly adopted at the meeting of the Board of the Association duly held on May 12, 2022.

IN WITNESS WHEREOF, I have hereunto subscribed my hand this 12 day of May, 2022

**BLACK DESERT RESORT CENTER
CONDOMINIUM OWNERS ASSOCIATION,
a Utah nonprofit Corporation**


By: Sean Skanchy
Its: Secretary

Exhibit E
(Convertible Land Legal Description)

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43 South 100 East, Suite 100 T 435.628.6500
St George, Utah 84770 F 435.628.6553

alphaengineering.com

CONVERTIBLE LAND

(April 25, 2022)

Commencing at the East ¼ Corner of Section 4, Township 42 South, Range 16 West, Salt Lake Base and Meridian; Thence North 01°14'46" East, along the Section line, a distance of 111.53 feet; Thence North 90°00'00" West, a distance of 706.28 feet, to the Point of Beginning; said point being on the Westerly right of way line of Weiskopf Way, said point being the beginning of a curve to the right, of which the radius point lies South 46°34'00" West, a radial distance of 484.00 feet; thence Southerly along the arc of said curve, and said right of way line, through a central angle of 59°43'40", a distance of 504.54 feet; Thence South 16°17'40" West, along said right of way line, a distance of 187.76 feet; Thence North 46°30'29" West, a distance of 37.40 feet; Thence North 80°09'25" West, a distance of 237.76 feet; Thence South 86°49'32" West, a distance of 286.15 feet; Thence South 32°04'29" West, a distance of 60.75 feet; Thence North 70°12'04" West, a distance of 37.57 feet; Thence North 08°04'11" West, a distance of 107.58 feet; Thence South 85°29'40" West, a distance of 68.71 feet; Thence North 38°43'11" West, a distance of 87.89 feet; Thence South 57°54'05" West, a distance of 42.58 feet; Thence South 29°08'04" East, a distance of 15.58 feet; Thence South 80°16'13" West, a distance of 33.11 feet; Thence North 11°51'23" West, a distance of 9.42 feet; Thence South 82°25'31" West, a distance of 3.11 feet; Thence North 10°54'27" West, a distance of 1.38 feet; Thence South 79°41'25" West, a distance of 29.74 feet; Thence North 09°17'37" West, a distance of 9.36 feet; Thence South 81°41'05" West, a distance of 18.44 feet to the beginning of a non-tangent curve to the right, of which the radius point lies North 79°20'42" West, a radial distance of 24.00 feet; thence Northwesterly along the arc of said curve, through a central angle of 233°55'49", a distance of 97.99 feet to the beginning of a non-tangent curve to the right, of which the radius point lies North 86°37'45" East, a radial distance of 407.60 feet; thence Northerly along the arc of said curve, through a central angle of 04°39'09", a distance of 33.10 feet to the beginning of a non-tangent curve to the right, of which the radius point lies North 22°47'31" East, a radial distance of 24.75 feet; thence Northerly along the arc of said curve, through a central angle of 131°01'07", a distance of 56.60 feet to the beginning of a non-tangent curve to the right, of which the radius point lies South 79°56'07" East, a radial distance of 312.97 feet; thence Northeasterly along the arc of said curve, through a central angle of 26°57'03", a distance of 147.21 feet; Thence North 26°00'32" West, a distance of 35.26 feet; Thence North 70°25'49" West, a distance of 35.85 feet; Thence North 56°22'22" East, a distance of 24.59 feet; Thence North 26°30'51" West, a distance of 29.56 feet; Thence North 85°59'09" East, a distance of 4.37 feet; Thence North 26°20'36" West, a distance of 27.97 feet; Thence North 85°59'09" East, a distance of 4.20 feet; Thence North 26°30'51" West, a distance of 27.99 feet; Thence North 85°59'09" East, a distance of 4.33 feet; Thence North 26°30'51" West, a distance of 34.26 feet; Thence North 52°14'22" West, a distance of 6.56 feet to the beginning of a non-tangent curve to the left, of which the radius point lies North 53°00'38" West, a radial distance of 5.18 feet; thence Northerly along the arc of said curve, through a central angle of 51°28'24", a distance of 4.65 feet to the beginning of a compound curve to the left having a radius of 44.26 feet and a central angle of 15°22'34"; thence Northerly along the arc of said curve, a distance of 11.88 feet to the beginning of a compound curve to the left having a radius of 38.43 feet and a central

angle of $28^{\circ}06'15''$; thence Northwesterly along the arc of said curve, a distance of 18.85 feet; Thence North $15^{\circ}32'14''$ West, a distance of 56.11 feet to a point on the Southerly right of way line of Black Desert Drive, said point being the beginning of a non-tangent curve to the right, of which the radius point lies South $14^{\circ}10'07''$ East, a radial distance of 284.00 feet; thence Easterly along the arc of said curve, and said line, through a central angle of $17^{\circ}48'28''$, a distance of 88.27 feet; Thence South $86^{\circ}21'39''$ East, along said line, a distance of 54.43 feet to the beginning of a curve to the right having a radius of 23.00 feet and a central angle of $51^{\circ}23'28''$; thence Southeasterly along the arc of said curve, and said line, a distance of 20.63 feet to the beginning of a reverse curve to the left having a radius of 39.50 feet and a central angle of $88^{\circ}15'40''$; thence Easterly along the arc of said curve, and said line, a distance of 60.85 feet to the beginning of a reverse curve to the right having a radius of 23.00 feet and a central angle of $36^{\circ}52'12''$; thence Easterly along the arc of said curve, and said line, a distance of 14.80 feet; Thence South $86^{\circ}21'39''$ East, along said line, a distance of 141.21 feet to the beginning of a curve to the left having a radius of 547.00 feet and a central angle of $44^{\circ}40'30''$; thence Easterly along the arc of said curve, and said line, a distance of 426.51 feet to the beginning of a reverse curve to the right having a radius of 23.00 feet and a central angle of $87^{\circ}36'10''$; thence Easterly along the arc of said curve, a distance of 35.17 feet, to a point on the Westerly right of way line of said Weiskopf Way; Thence South $43^{\circ}26'00''$ East, along said line, a distance of 142.56 feet to the Point of Beginning.

Less and excepting therefrom the following areas:

Unit 1, Unit 2, Unit 3, Unit 4, Unit 5, Unit 6, and Unit 7 as shown on the recorded plat of Resort Center Black Desert Condominium Subdivision.

Building "A", Building "B", Building "C", Building "D", and Building "E" as shown on the recorded plat of Resort Center Black Desert Condominium Subdivision.

Exhibit F
(Maintenance Schedule)

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Exhibit F Maintenance Schedule

Maintenance Schedule	Benefitted	Common	Hotel Unit Owner	Hotel Lodging Unit Owners	Residential Units	Commercial Units	Outdoor Units/Club Amenity	Underground Parking Unit Owner(s)
Association Manager / Administrative								
Association Manager		100.000000%						
Association Accounting Services		100.000000%						
Association Bank Account Charges & Fees		100.000000%						
Capital Reserve Study		100.000000%						
Video Conference Line		100.000000%						
Meeting Expense		100.000000%						
Association Licenses & Permits		100.000000%						
Association Office Supplies	*measured	100.000000%						
Association Postage	*measured	100.000000%						
Association Printing & Shipping	*measured	100.000000%						
Black Desert Master Community Assessments	*master, *measured	100.000000%						
Miscellaneous	*measured	100.000000%						
Association Employees								
Accounting and Bookkeeping - 1099		100.000000%						
Association Employees		100.000000%						
Association Employee Taxes & Benefits		100.000000%						
Reimbursement for Employee Expenses	*measured	100.000000%						
Association Employee Bonuses / Incentives		100.000000%						
Association Employee Meals		100.000000%						
Association Employee Health Insurance		100.000000%						
Equipment & Supplies								
Association Maintenance Vehicle		100.000000%						
Association Painting Equipment		100.000000%						
Association Painting Supplies	*measured	100.000000%						
Association Cleaning Equipment		100.000000%						
Association Cleaning Supplies	*measured	100.000000%						
Association Flooring Equipment		100.000000%						
Association Flooring Supplies	*measured	100.000000%						
Association Equipment Repair	*measured	100.000000%						
Other Association Maintenance Supplies	*measured	100.000000%						
Association Communication Devices		100.000000%						
Association Uniforms	*measured	100.000000%						
Maintenance								
Halfway, Stairs & Elevator Maintenance	*measured	100.000000%						
Balcony Maintenance	*measured	100.000000%						
Hotel Limited Common Area Maintenance		100.000000%						
Commercial Unit Maintenance	*measured					100.000000%		
Hotel Unit Maintenance	*measured		100.000000%					
Hotel Lodging Unit Maintenance	*measured			100.000000%				
Outdoor Unit Maintenance	*measured						100.000000%	
Residential Unit Maintenance	*measured				100.000000%			
Underground Parking Unit Maintenance	*measured							100.000000%
Common Area (Mechanical Systems) Maintenance		100.000000%						
Utility Maintenance		100.000000%						
Common Area (Roof) Maintenance		100.000000%						
Exterior Sign Maintenance		100.000000%						
Lighting replacement	*measured	100.000000%						
Window Cleaning	*measured	100.000000%						

Exhibit F Maintenance Schedule

Maintenance Schedule		Benefitted	Common	Hotel Unit Owner	Hotel Lodging Unit Owners	Residential Units	Commercial Units	Outdoor Units/Club Amenity	Underground Parking Unit Owner(s)
Repairs									
	Residential Unit Painting	*measured				100.000000%			
	Residential Unit Carpet	*measured				100.000000%			
	Hotel Lodging Unit Painting	*measured		100.000000%					
	Hotel Lodging Unit Carpet	*measured		100.000000%					
	Residential Condo Unit Repair - Other	*measured				100.000000%			
	Hotel Lodging Unit Repair - Other	*measured		100.000000%					
	Commercial Unit Repairs	*measured					100.000000%		
	Hotel Limited Common Area (Hallways, Stairs & Elevators) Repairs		100.000000%						
	Unit Limited Common Area (Balconies) Repairs	*measured			17.783991%	50.441531%	31.764470%		
	Parking Repairs		100.000000%						100.000000%
	Patio & Sidewalk Repair	*measured	100.000000%						
	Common Area (Landscaping) Repairs		100.000000%					100.000000%	
	Plumbing Repairs	*measured	100.000000%						
	Mechanical Systems Repair		100.000000%						
	Elevator Maintenance & Repair	*measured	100.000000%						
	Roof Repair	*measured	100.000000%	0.000000%		0.000000%	0.000000%		
	Garbage Area Repairs	*measured							100.000000%
Furnishings									
	Association Common Area Fixtures, Furnishings & Equipment		100.000000%						
Utilities									
	Natural Gas	*Sub-Meter	100.000000%						
	Electric	*Sub-Meter	100.000000%						
	Water	*Sub-Meter	100.000000%						
	Sewer		100.000000%						
	Cable	*measured	100.000000%						
	Phone	*measured	100.000000%						
	Internet	*measured	100.000000%						
3rd Party Services									
	Pest Control		100.000000%						
	Garbage Removal	*measured	100.000000%						
	Security System	*measured	100.000000%						
	Fire Protection Services		100.000000%						
	Information Technology Support - Cable	*measured	100.000000%						
	Information Technology Support - Internet	*measured	100.000000%						
	Information Technology Support - Phone	*measured	100.000000%						
	Audit / Tax	*measured	100.000000%						
	Legal	*measured	100.000000%						
	Storage	*measured							
Property Taxes & Insurance									
	Property Taxes	*measured	100.000000%						
	Insurance - Property / Liability		100.000000%						
Reserves									
	Mechanical Systems	*measured	100.000000%						
	Roof	*measured	100.000000%						
	Exteriors	*measured	100.000000%						
	Parking	*measured	100.000000%						
Contingency									
	Contingency		100.000000%						

Exhibit F Maintenance Schedule

Maintenance Schedule

Benefitted	Common	Hotel Unit Owner	Hotel Lodging Unit Owners	Residential Units	Commercial Units	Outdoor Units/Club Activity	Underground Parking Unit Owner(s)
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Benefited Assessments

*measured As further described in Section 23.1.4 of the Amended and Restated Declaration of Black Desert Resort, Budget items marked as measured in the Benefited Column shall be subject to individualized Benefited Assessment levied from the Association against a particular Unit or Units for expenses incurred or to be incurred by the Association to cover the costs, including overhead and administrative costs, or providing benefits, items or services to the Unit or Units, or Occupants. The initial Budget for each individual line item above will be the baseline for the annual Budget, but as different expenses are measured they will be assessed to each Unit owner according to the appropriate measurement and not necessarily according to the corresponding percentages in this schedule.

*master This assessment is made to the Association and the Association will collect it from the Unit Owners as a common expense. The Master Association may also have a lien against the individual Units for this amount.

*Sub-Meter Budget items marked as *Sub-Meter shall be subject to individualized Benefited Assessments from the Association against a particular Unit or Units for individual measured utility usage. Meters will be installed on each separate water line, electric line, and gas line servicing individual Units to measure total consumption or a particular utility for each Unit. The initial Budget for each individual line item above will be the baseline for the annual Budget, but as different expenses are measured they will be assessed to each Unit owner according to the appropriate measurement and not necessarily according to the corresponding percentages in this schedule.

Exhibit G
(Arbitration Provisions)

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Exhibit G

Arbitration Provisions

1. Dispute Resolution.

The Bound Parties hereby agree that the arbitration provisions set forth in this Exhibit M (“Arbitration Provisions”) are binding on each of them. As a result, any attempt to rescind or declare these Arbitration Provisions invalid or unenforceable for any reason is subject to these Arbitration Provisions.

2. Arbitration.

Any Claim must be submitted to arbitration (“Arbitration”) to be conducted exclusively in Summit County, Utah and pursuant to the terms set forth in these Arbitration Provisions. The Bound Parties agree that the award of the arbitrator rendered pursuant to Paragraph 4 below (the “Arbitration Award”) shall be (a) final and binding upon the Bound Parties, (b) the sole and exclusive remedy between them regarding any Claim, claims, counterclaims, issues, or accountings presented or pleaded to the arbitrator, and (c) promptly payable in United States dollars free of any tax, deduction, or offset (with respect to monetary awards). Any costs or fees, including without limitation attorneys’ fees, incurred in connection with or incident to enforcing the Arbitration Award shall, to the maximum extent permitted by law, be charged against the party resisting such enforcement. Judgment upon the Arbitration Award may be entered and enforced by any state court sitting in Washington County, Utah.

3. The Arbitration Act.

The Bound Parties hereby incorporate herein the provisions and procedures set forth in the Utah Uniform Arbitration Act, U.C.A. § 78B-11-101 et seq. (as amended or superseded from time to time, the “Arbitration Act”). Notwithstanding the foregoing, pursuant to, and to the maximum extent permitted by, Section 105 of the Arbitration Act, in the event of conflict or variation between the terms of these Arbitration Provisions and the provisions of the Arbitration Act, the terms of these Arbitration Provisions shall control and the Bound Parties hereby waive or otherwise agree to vary the effect of all requirements of the Arbitration Act that may conflict with or vary from these Arbitration Provisions.

4. Arbitration Proceedings.

Arbitration between Bound Parties will be subject to the following:

4.1. Initiation of Arbitration.

The Bound Parties agree that any of the Bound Parties may initiate Arbitration (“Arbitration Claimant”) by giving written notice (the “Arbitration Notice”) to one or more of any of the other Bound Parties (collectively, “Arbitration Respondent”) using any method of service authorized for the commencement of a civil action under the Utah Rules of Civil Procedure (“Service”). The Arbitration Notice must describe the nature of the controversy, the identity of the Arbitration Respondent, the remedies sought, and the election to commence Arbitration proceedings. All Claims in the Arbitration Notice must be pleaded consistent with the Utah Rules of Civil Procedure.

4.2. Selection and Payment of Arbitrator.

4.2.1. Arbitration Claimant and Arbitration Respondent shall make good faith efforts to agree on an arbitrator from the roster of arbitrators maintained by Utah ADR Services (<http://www.utahadr.com>). If the Arbitration Claimant and Arbitration Respondent cannot agree to an arbitrator, Arbitration Claimant or Arbitration Respondent may seek the appointment of an arbitrator by filing an action in the Fourth Judicial District Court of Utah sitting in Summit County and requesting via a motion that the court appoint an arbitrator.

4.2.2. The date that an arbitrator is selected or appointed pursuant to this Paragraph 4.2 and agrees in a writing (including via email) to serve as the arbitrator hereunder is referred to herein as the “Arbitration Commencement Date.” If an arbitrator resigns or is unable to act during the Arbitration, a replacement arbitrator shall be chosen in accordance with this Paragraph 4.2 to continue the Arbitration. If Utah ADR Services ceases to exist or to provide a list of neutrals or qualified arbitrators, then the arbitrator shall be selected under the then prevailing rules of the American Arbitration Association.

4.2.3. The cost of the arbitrator must be paid equally by the parties to the Arbitration.

4.3. Applicability of Certain Utah Rules.

The Bound Parties agree that the Arbitration shall be conducted generally in accordance with the Utah Rules of Civil Procedure and the Utah Rules of Evidence. More specifically, the Utah Rules of Civil Procedure shall apply, without limitation, to the filing of any pleadings, motions, or memoranda, the conducting of discovery, and the taking of any depositions. The Utah Rules of Evidence shall apply to any hearings, whether telephonic or in person, held by the arbitrator. Notwithstanding the foregoing, it is the Bound Parties’ intent that the incorporation of such rules will in no event supersede

these Arbitration Provisions. In the event of any conflict between the Utah Rules of Civil Procedure or the Utah Rules of Evidence and these Arbitration Provisions, these Arbitration Provisions shall control.

4.4. Answer and Default

The Arbitration Respondent shall deliver to the arbitrator and all parties to the Arbitration an answer and any counterclaims or crossclaims related to the Arbitration Notice within twenty (20) calendar days after the Arbitration Commencement Date.

4.5. Discovery.

The Bound Parties agree that discovery shall be conducted as follows:

4.5.1. Written discovery will only be allowed if the likely benefits of the proposed written discovery outweigh the burden or expense thereof, and the written discovery sought is likely to reveal information that will satisfy a specific element of a claim or defense already pleaded in the Arbitration. The party seeking written discovery shall always have the burden of showing that all of the standards and limitations set forth in these Arbitration Provisions are satisfied.

4.5.2. Unless otherwise agreed to in writing by the Bound Parties, no party shall be allowed (i) more than fifteen (15) interrogatories (including discrete subparts), (ii) more than fifteen (15) requests for admission (including discrete subparts), (iii) more than ten (10) document requests (including discrete subparts), or (iv) more than three (3) depositions (excluding expert depositions) for a maximum of seven (7) hours per deposition. The costs associated with depositions will be borne by the party taking the deposition. Further, the party defending the deposition will submit a notice to the party taking the deposition of the estimated attorneys' fees that such party expects to incur in connection with defending (but not preparing for) the deposition. If the party defending the deposition fails to submit an estimate of attorneys' fees within five (5) calendar days of its receipt of a deposition notice, then such party shall be deemed to have waived its right to the estimated attorneys' fees. The party taking the deposition must pay the party defending the deposition the estimated attorneys' fees prior to taking the deposition, unless such obligation is deemed to be waived as set forth in the immediately preceding sentence. If the party taking the deposition believes that the estimated attorneys' fees are unreasonable, such party may submit the issue to the arbitrator for a decision. All depositions of Bound Parties will be taken in Summit County, Utah.

4.5.3. All discovery requests (including document production requests included in deposition notices) must be submitted in writing to the arbitrator and the other party. The party submitting the written discovery requests must include with such discovery requests a detailed explanation of how the proposed discovery requests satisfy the requirements of these Arbitration Provisions and the Utah Rules of

Civil Procedure. The receiving party will then be allowed, within five (5) calendar days of receiving the proposed discovery requests, to submit to the arbitrator an estimate of the attorneys' fees and costs associated with responding to such written discovery requests and a written challenge to each applicable discovery request. After receipt of an estimate of attorneys' fees and costs and/or challenge(s) to one or more discovery requests, the arbitrator will within three (3) calendar days make a finding as to the likely attorneys' fees and costs associated with responding to the discovery requests and issue an order that (i) requires the requesting party to prepay the attorneys' fees and costs associated with responding to the discovery requests, and (ii) requires the responding party to respond to the discovery requests as limited by the arbitrator within twenty-five (25) calendar days of the arbitrator's finding with respect to such discovery requests. If a party entitled to submit an estimate of attorneys' fees and costs and/or a challenge to discovery requests fails to do so within such 5-day period, the arbitrator will make a finding that (A) there are no attorneys' fees or costs associated with responding to such discovery requests, and (B) the responding party must respond to such discovery requests (as may be limited by the arbitrator) within twenty-five (25) calendar days of the arbitrator's finding with respect to such discovery requests. Any party submitting any written discovery requests to another party, including without limitation interrogatories, requests for production, or requests for admissions, must prepay the estimated attorneys' fees and costs, before the responding party has any obligation to produce or respond to the same, unless such obligation is deemed waived as set forth above.

4.5.4. In order to allow a written discovery request, the arbitrator must find that the discovery request satisfies the standards set forth in these Arbitration Provisions and the Utah Rules of Civil Procedure. The arbitrator must strictly enforce these standards. If a discovery request does not satisfy any of the standards set forth in these Arbitration Provisions or the Utah Rules of Civil Procedure, the arbitrator may modify such discovery request to satisfy the applicable standards, or strike such discovery request in whole or in part.

4.5.5. Each party may submit expert reports (and rebuttals thereto), provided that such reports must be submitted within sixty (60) days of the Arbitration Commencement Date. Each party will be allowed a maximum of two (2) experts unless the arbitrator orders otherwise. Expert reports must contain the following: (i) a complete statement of all opinions the expert will offer at any hearing or arbitration and the basis and reasons for them; (ii) the expert's name and qualifications, including a list of all the expert's publications within the preceding ten (10) years, and a list of any other cases in which the expert has testified at trial, hearing, arbitration, or in a deposition or prepared a report within the preceding ten (10) years; and (iii) the compensation to be paid for the expert's report and testimony. The Bound Parties are entitled to depose any other party's expert witness one (1) time for no more than four (4) hours. An expert may not

testify in a party's case-in-chief concerning any matter not fairly disclosed in the expert report.

4.6. Dispositive Motions.

Each party shall have the right to submit dispositive motions pursuant to the Utah Rules of Civil Procedure (a "Dispositive Motion"). Within seven (7) calendar days of delivery of the Dispositive Motion the other party shall deliver to the arbitrator and to the other party a memorandum in opposition to the Dispositive Motion (the "Memorandum in Opposition"). Within seven (7) calendar days of delivery of the Memorandum in Opposition, as applicable, the party that submitted the Dispositive Motion shall deliver to the arbitrator and to the other party a reply memorandum to the Memorandum in Opposition ("Reply Memorandum"). If the applicable party shall fail to deliver the Memorandum in Opposition as required above, or if the other party fails to deliver the Reply Memorandum as required above, then the applicable party shall lose its right to deliver the same, and the Dispositive Motion shall proceed regardless.

4.7. Confidentiality.

All information disclosed by any party (or such party's agents) during the Arbitration process (including without limitation information disclosed during the discovery process) shall be considered confidential in nature. Each party agrees not to disclose any confidential information received during the Arbitration process and from the other party (or its agents) (including without limitation during the discovery process) unless (a) prior to or after the time of disclosure such information becomes public knowledge or part of the public domain, not as a result of any inaction or action of the receiving party or its agents, (b) such information is required by a court order, subpoena, or similar legal obligation to be disclosed if such receiving party has notified the other party thereof in writing and given it a reasonable opportunity to obtain a protective order from a court of competent jurisdiction prior to disclosure, or (c) such information is disclosed to the receiving party's agents, representatives, and legal counsel on a need to know basis who each agree in writing not to disclose such information to any third party. The arbitrator is hereby authorized and directed to issue a protective order to prevent the disclosure of privileged information and confidential information upon the written request of any party.

4.8. Authorization, Timing; Scheduling Order

Subject to all other portions of these Arbitration Provisions, the Bound Parties hereby authorize and direct the arbitrator to take such actions and make such rulings as may be necessary to carry out the Bound Parties' intent for the Arbitration proceedings to be efficient and expeditious. The Bound Parties hereby agree that an Arbitration Award must be made within one hundred twenty (120) calendar days after the Arbitration Commencement Date. The arbitrator is hereby authorized and directed to hold a scheduling conference within ten (10) calendar days after the Arbitration Commencement Date in order to establish a scheduling order with various binding deadlines for hearings,

discovery, expert testimony, and the submission of documents by the Bound Parties to enable the arbitrator to render a decision prior to the end of such 180-day period.

4.9. Relief.

The arbitrator shall have the right to award or include in the Arbitration Award (or in a preliminary ruling) any relief which the arbitrator deems proper under the circumstances, including, without limitation, specific performance and injunctive relief, provided that the arbitrator may not award exemplary or punitive damages.

4.10. Fees and Costs.

As part of the Arbitration Award, the arbitrator is hereby directed to require the losing party to (a) pay the full amount of any unpaid costs and fees of the Arbitration, and (b) reimburse the prevailing party for all reasonable attorneys' fees, arbitrator costs and fees, deposition costs, other discovery costs, and other expenses, costs, or fees paid or otherwise incurred by the prevailing party in connection with the Arbitration.

5. Miscellaneous.

5.1. Severability.

If any part of these Arbitration Provisions is found to violate or be illegal under applicable law, then such provision shall be modified to the minimum extent necessary to make such provision enforceable under applicable law, and the remainder of the Arbitration Provisions shall remain unaffected and in full force and effect.

5.2. Governing Law.

These Arbitration Provisions shall be governed by the laws of the State of Utah without regard to the conflict of laws principles therein.

5.3. Interpretation.

The headings of these Arbitration Provisions are for convenience of reference only and shall not form part of, or affect the interpretation of, these Arbitration Provisions.

5.4. Waiver.

No waiver of any provision of these Arbitration Provisions shall be effective unless it is in the form of a writing signed by the party granting the waiver.

EXHIBIT H
(PID Disclosure)

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EXHIBIT H**DISCLOSURE OF PUBLIC INFRASTRUCTURE DISTRICT**

BLACK DESERT PUBLIC INFRASTRUCTURE DISTRICT (the "District") hereby provides this notice of its creation and existence. The boundaries of the District are located in Washington County, State of Utah, and more particularly described as follows:

See **Exhibit "A"** attached and incorporated herein with this reference.

All of the property within the Master Community are within the District. A copy of the District's Governing Document is on file with Ivins City, Utah. The District may finance and repay infrastructure and other improvements through the levy of a property tax. The maximum debt mill levy of the District is .01 per dollar of taxable value, subject to adjustment as provided under Section 17B-2a-1207(8), Utah Code Annotated 1953, as may be amended from time to time. A limited tax bond issued by the District may be converted to a general obligation bond if allowed under Section 17B-2a-1207(3)(d), Utah Code Annotated 1953, as may be amended from time to time. As of May 2022, the mill levy of the District pursuant to the bonds that were issued in fall of 2021 is .00815 per dollar of taxable value.

Disclosure regarding impact of any applicable property tax under maximum mill levy: Under the maximum property tax rate of the District, a residence valued at \$500,000 would have an additional annual property tax of \$5,000 for the duration of the District's Bonds. A business property valued at \$500,000 would have an additional annual property tax of \$5,000 for the duration of the District's Bonds.

Disclosure regarding impact of presently applicable mill levy of .00815 per dollar of taxable value effective May 2022: Under present property tax rate of the District, a residence valued at \$500,000 would have an additional annual property tax of \$4,075 for the duration of the District's Bonds at the presently effective mill rate. A business property valued at \$500,000 would have an additional annual property tax of \$4,075 for the duration of the District's Bonds at the presently effective mill rate.

Exhibit A

PID Boundary Description

BEGINNING AT THE EAST $\frac{1}{4}$ CORNER OF SECTION 4, TOWNSHIP 42 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE SOUTH $01^{\circ}17'15''$ WEST 1329.40 FEET ALONG THE SECTION LINE; THENCE NORTH $88^{\circ}27'56''$ WEST 197.75 FEET ALONG THE NORTH LINE OF SECTIONAL LOT 9 OF SAID SECTION 4; THENCE SOUTH $28^{\circ}17'29''$ EAST 206.34 FEET; THENCE SOUTH $11^{\circ}24'38''$ EAST 137.29 FEET; THENCE SOUTH $48^{\circ}56'39''$ EAST 44.36 FEET; THENCE SOUTH $87^{\circ}54'14''$ EAST 35.96 FEET; THENCE SOUTH $82^{\circ}30'25''$ EAST 127.57 FEET; THENCE SOUTH $06^{\circ}23'42''$ WEST 84.40 FEET; THENCE NORTH $72^{\circ}08'10''$ WEST 60.27 FEET; THENCE SOUTH $27^{\circ}54'55''$ WEST 70.65 FEET TO A POINT ON THE NORTH BOUNDARY LINE OF "ENTRADA AT SNOW CANYON -PHASE 2-" SUBDIVISION, SAID POINT ALSO BEING AT THE BEGINNING OF A NON-TANGENT CURVE, ENTRADA AT SNOW CANYON -PHASE 2-" SUBDIVISION, SAID POINT ALSO BEING AT THE BEGINNING OF A NON-TANGENT CURVE, SUBDIVISION, SAID POINT ALSO BEING AT THE BEGINNING OF A NON-TANGENT CURVE, SAID CURVE TURNING TO THE LEFT THROUGH A CENTRAL ANGLE OF $28^{\circ}46'20''$, HAVING A RADIUS OF 300.00 FEET (RADIUS POINT BEARS SOUTH $19^{\circ}13'30''$ WEST), AND WHOSE CHORD BEARS NORTH $85^{\circ}09'40''$ WEST 149.07 FEET; THENCE RUNNING ALONG THE NORTH BOUNDARY OF SAID SUBDIVISION IN THE FOLLOWING FOUR COURSES: WESTERLY ALONG THE ARC OF SAID CURVE 150.65 FEET TO THE BEGINNING OF A REVERSE CURVE, SAID CURVE TURNING TO THE RIGHT THROUGH A CENTRAL ANGLE OF $43^{\circ}02'57''$, HAVING A RADIUS OF 25.00 FEET (RADIUS POINT BEARS NORTH $09^{\circ}32'50''$ WEST), AND WHOSE CHORD BEARS NORTH $78^{\circ}01'22''$ WEST 18.35 FEET; THENCE ALONG THE ARC OF SAID CURVE 18.78 FEET TO THE BEGINNING OF A REVERSE CURVE, SAID CURVE TURNING TO THE LEFT THROUGH A CENTRAL ANGLE OF $142^{\circ}21'08''$, HAVING A RADIUS OF 50.00 FEET (RADIUS POINT BEARS SOUTH $33^{\circ}30'07''$ WEST), AND WHOSE CHORD BEARS SOUTH $52^{\circ}19'33''$ WEST 94.65 FEET; THENCE ALONG THE ARC OF SAID CURVE 124.23 FEET; THENCE NORTH $78^{\circ}51'01''$ WEST 174.68 FEET; THENCE SOUTH $55^{\circ}30'38''$ WEST 81.08 FEET; THENCE NORTH $36^{\circ}04'49''$ WEST 91.49 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, SAID CURVE TURNING TO THE LEFT THROUGH A CENTRAL ANGLE OF $14^{\circ}28'05''$, HAVING A RADIUS OF 2045.30 FEET (RADIUS POINT BEARS SOUTH $77^{\circ}11'59''$ WEST), AND WHOSE CHORD BEARS NORTH $20^{\circ}02'03''$ WEST 515.09 FEET; THENCE ALONG THE ARC OF SAID CURVE 516.46 FEET TO THE NORTH LINE OF SAID SECTIONAL LOT 9; THENCE NORTH $88^{\circ}27'56''$ WEST 2087.65 FEET ALONG THE NORTH LINE OF SECTIONAL LOTS 9 AND 8 OF SAID SECTION 4 TO THE NORTH-SOUTH CENTER SECTION LINE OF SAID SECTION 4; THENCE NORTH $88^{\circ}56'23''$ WEST 1329.94 FEET ALONG THE SOUTH $\frac{1}{16}$ LINE OF SAID SECTION 4; THENCE NORTH $00^{\circ}34'52''$ EAST 1334.33 FEET ALONG THE WEST $\frac{1}{16}$ LINE TO THE EAST-WEST CENTER SECTION LINE OF SAID SECTION 4; THENCE NORTH $00^{\circ}23'18''$ EAST 1324.37 FEET ALONG SAID WEST $\frac{1}{16}$ LINE TO THE SOUTHWEST CORNER OF SECTIONAL LOT 2 OF SAID SECTION 4, SAID POINT ALSO BEING ON THE SOUTH BOUNDARY LINE OF "PADRE CANYON ESTATES UNIT 1 - PADRE CANYON ESTATES UNIT 1 - PHASE 1" SUBDIVISION; THENCE SOUTH $88^{\circ}47'01''$ EAST 899.84 FEET ALONG SAID SOUTH BOUNDARY LINE TO THE SOUTHEAST CORNER OF LOT 30 OF SAID SUBDIVISION; THENCE SOUTH $88^{\circ}47'01''$ EAST 899.84 FEET ALONG SAID

SOUTH BOUNDARY LINE TO THE SOUTHEAST CORNER OF LOT 30 OF SAID SUBDIVISION; THENCE NORTH 00°45'46" EAST 317.65 FEET ALONG THE EAST BOUNDARY LINE OF SAID SUBDIVISION TO THE NORTHEAST CORNER OF SAID LOT 30; THENCE LEAVING SAID SUBDIVISION BOUNDARY RUNNING SOUTH 89°24'44" EAST 224.81 FEET; THENCE SOUTH 89°14'01" EAST 220.65 FEET; THENCE NORTH 01°24'55" EAST 442.44 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, SAID CURVE TURNING TO THE RIGHT THROUGH A CENTRAL ANGLE OF 07°51'01", HAVING A RADIUS OF 495.45 FEET (RADIUS POINT BEARS SOUTH 57°10'27" EAST), AND WHOSE CHORD BEARS NORTH 36°45'07" EAST 67.83 FEET; THENCE ALONG THE ARC OF SAID CURVE 67.88 FEET TO THE BEGINNING OF A REVERSE CURVE, SAID CURVE TURNING TO THE LEFT THROUGH A CENTRAL ANGLE OF 39°23'39", HAVING A RADIUS OF 558.71 FEET (RADIUS POINT BEARS NORTH 49°19'22" WEST), AND WHOSE CHORD BEARS NORTH 20°58'49" EAST 376.62 FEET; THENCE ALONG THE ARC OF SAID CURVE 384.15 FEET; THENCE NORTH 01°16'59" EAST 92.00 FEET TO THE BEGINNING OF A CURVE, SAID CURVE TURNING TO THE LEFT THROUGH A CENTRAL ANGLE OF 90°00'00", HAVING A RADIUS OF 30.00 FEET (RADIUS POINT BEARS NORTH 88°43'01" WEST), AND WHOSE CHORD BEARS NORTH 43°43'01" WEST 42.43 FEET; THENCE ALONG THE ARC OF SAID CURVE 47.12 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF "SNOW CANYON PARKWAY"; RUNNING THENCE ALONG SAID RIGHT OF WAY LINE IN THE FOLLOWING EIGHT COURSES: SOUTH 88°43'01" EAST 109.12 FEET TO THE SNOW CANYON PARKWAY; RUNNING THENCE ALONG SAID RIGHT OF WAY LINE IN THE FOLLOWING EIGHT COURSES: SOUTH 88°43'01" EAST 109.12 FEET TO THE ; RUNNING THENCE ALONG SAID RIGHT OF WAY LINE IN THE FOLLOWING EIGHT COURSES: SOUTH 88°43'01" EAST 109.12 FEET TO THE BEGINNING OF A CURVE, SAID CURVE TURNING TO THE RIGHT THROUGH A CENTRAL ANGLE OF 56°18'02", HAVING A RADIUS OF 460.00 FEET (RADIUS POINT BEARS SOUTH 01°17'00" WEST), AND WHOSE CHORD BEARS SOUTH 60°33'59" EAST 434.04 FEET; THENCE ALONG THE ARC OF SAID CURVE 452.01 FEET TO THE BEGINNING OF A REVERSE CURVE, SAID CURVE TURNING TO THE LEFT THROUGH A CENTRAL ANGLE OF 10°28'15", HAVING A RADIUS OF 790.00 FEET (RADIUS POINT BEARS NORTH 57°35'03" EAST), AND WHOSE CHORD BEARS SOUTH 38°09'05" EAST 157.90 FEET; THENCE ALONG THE ARC OF SAID CURVE 158.16 FEET; THENCE SOUTH 43°53'13" EAST 2181.61 FEET TO THE BEGINNING OF A CURVE, SAID CURVE TURNING TO THE RIGHT THROUGH A CENTRAL ANGLE OF 48°11'23", HAVING A RADIUS OF 100.00 FEET (RADIUS POINT BEARS SOUTH 46°06'47" WEST), AND WHOSE CHORD BEARS SOUTH 19°47'32" EAST 81.65 FEET; THENCE ALONG THE ARC OF SAID CURVE 84.11 FEET TO THE BEGINNING OF A REVERSE CURVE, SAID CURVE TURNING TO THE LEFT THROUGH A CENTRAL ANGLE OF 99°56'13", HAVING A RADIUS OF 110.00 FEET (RADIUS POINT BEARS SOUTH 85°41'50" EAST), AND WHOSE CHORD BEARS SOUTH 45°39'56" EAST 168.45 FEET; THENCE ALONG THE ARC OF SAID CURVE 191.865 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, SAID CURVE TURNING TO THE RIGHT THROUGH A CENTRAL ANGLE OF 43°10'19" HAVING A RADIUS OF 100.00 FEET (RADIUS POINT BEARS SOUTH 03°55'23" EAST), AND WHOSE CHORD BEARS SOUTH 72°20'14" EAST 73.58 FEET; THENCE ALONG THE ARC OF SAID CURVE 75.35 FEET; THENCE SOUTH 50°30'18" EAST 695.11 FEET; THENCE SOUTH 43°12'29" WEST 169.49 FEET TO THE EAST-WEST CENTER SECTION LINE OF SECTION 3, TOWNSHIP 42 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN; THENCE

NORTH 89°06'55" WEST 133.42 FEET ALONG SAID CENTER SECTION LINE TO THE POINT OF BEGINNING. CONTAINING 12,123,152 SQUARE FEET OR 278.309 ACRES.

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