

**THIRD AMENDMENT TO THE
MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS FOR PECAN VALLEY RESORT**

THIS THIRD AMENDMENT TO THE MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR PECAN VALLEY RESORT is made and executed on the date set forth below and shall be effective upon recording in the Washington County Recorder's Office.

RECITALS

A. Whereas, the Master Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Pecan Valley Resort was recorded in the Washington County Recorder's Office on March 11, 2021 as Entry No. 20210017451 (the "Declaration").

B. Whereas, the Declaration was amended by the First Amendment to the Master Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Pecan Valley Resort recorded in the Washington County Recorder's Office on January 17, 2023 as Entry No. 20230001353.

C. Whereas, the Declaration was next amended by the Second Amendment to the Master Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Pecan Valley Resort recorded in the Washington County Recorder's Office on February 8, 2024 as Entry No. 20240003929.

D. Whereas, the Declarant believes it to be in the Association's best interest to further amend certain provisions of the Declaration.

E. Whereas, at the time of this amendment, the Declarant Control Period has not yet expired.

F. Pursuant to Sections 7.8 and 14.2 of the Declaration, until termination of the Declarant Control Period, the Declarant may amend the Declaration for any purpose whatsoever, and without the consent or approval of any Owners or Members, or any other Person.

AMENDMENT

Part One

Section 3.6 of the Declaration is hereby revised and amended to include the following subsection:

3.6.3 Additional Easements Benefitting the Association. On any parcel of an attached unit (whether a townhome unit or a condominium unit), if the footprint of the unit does not fill the entire parcel, there is hereby granted and reserved a perpetual easement in favor of the Association over, under, and upon such unfilled portion of the parcel for the maintenance and repair of landscaping and other improvements installed thereon and for use of and access to such unfilled portion as if it were Common Area.

Part Two

Article 3 of the Declaration is hereby revised and amended to include the following section:

3.7 Reservation of Access and Utilities.

(a) Wherever sanitary sewer, water, electricity, gas, telephone and communication lines or drainage facilities are installed within the Covered Property, there is hereby reserved and established for the benefit of the Owners of any Lot served by said lines or facilities a nonexclusive easement for the full extent necessary therefore, to enter upon the Lots owned by others, in or upon said lines of facilities, or any portion thereof, to repair, replace and generally maintain said lines and facilities as and when the same may be necessary as set forth below, provided that such Owner or utility company shall promptly repair any damage to a Lot caused by such entry as promptly as possible after completion of work thereon.

(b) Wherever sanitary sewer, water, electricity, gas, telephone or communication lines or drainage facilities are installed within the Covered Property, which lines or facilities serve more than 1 Lot, the Owner of each Lot served by said lines or facilities shall be entitled to the full use and enjoyment of such portions of said lines or facilities which service such Owner's Lot.

(c) The foregoing provisions of this Section shall not be deemed to give any Owner the right to connect to any utility line or facility without first complying with all the requirements of the utility company providing the service in question, including without limitation, the payment of all required connection fees and related charges.

Part Three

Subsection 3.2.1 of the Declaration is hereby revised and amended to read as follows:

3.2.1 Right to Modify and Change. The rights, duties and obligations of the Association, and the reserved right of Declarant, and of the Association, to modify the use of the Common Area, lease portions of the common area, designate portions of the common area for commercial use, convert portions of the common area to limited common area, or to convey portions of the common area free of claims or rights of the Owners or Members;

Part Four

Subsection 5.3.3 of the Declaration is hereby revised and amended to include the following subpart:

(d) Notwithstanding anything to the contrary herein, the Declarant and the Association may designate, lease, or convey portions of the Common Area or Limited Common Area near common recreational facilities for commercial uses in order to permit shops and amenities that enhance the common recreational facilities in Pecan Valley Resort. By way of illustration and without limitation, such commercial uses might include retail, restaurants, and wellness services.

Part Five

Article XV of the Declaration is hereby revised and amended to include the following Section:

15.10 Dispute Resolution

a. Alternative Dispute Resolution Without Litigation.

(i) Bound Parties. The Declarant; the Association; the Owners; Nominees; and the officers, directors, managers, members, employees, representatives, agents, successors and assigns of any of the foregoing; any other person subject to this Declaration; and any other person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties"), agree that it is in the best interest of all Bound Parties to encourage the amicable resolution of Claims (defined below) without the emotional and financial costs of litigation or the toll or market taint such litigation can have on the value of the Project and/or the Lots that may be involved or impacted. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim defined in subsections (b) and (c), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 20.2 in a good faith effort to resolve such Claim.

(ii) Claims. As used in this Article, the term "Claim" means any claim, grievance, or dispute arising out of or relating to:

- 1. the interpretation, application, or enforcement of the Governing Documents;*
- 2. the rights, obligations, and duties of any Bound Party under the Governing Documents; or*
- 3. the design or construction of improvements on the Project, other than matters of aesthetic judgment to be determined by the Association or Board under the Design Guidelines and other provisions hereof, which shall not be subject to review and shall not be subject to this Article.*

(iii) Exclusion from Definition of Claims. The following shall not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Subsection b:

- 1. any suit by the Association to collect assessments or other amounts due from any Owner;*
- 2. any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of Article IX of this Declaration (relating to the Design Guidelines);*
- 3. any suit that does not include the Declarant, any affiliate of the Declarant, or the Association as a party, if such suit asserts a Claim that would constitute a cause of action independent of the Governing Documents;*
- 4. any dispute that affects the material rights or obligations of a party who is not a Bound Party and has not agreed to submit to the procedures set forth in Subsection b;*

5. *any suit as to which any applicable statute of limitations would expire within 180 days of giving the Notice required by Section b(i), unless the party or parties against whom the Claim is made agree to toll, or extend, the Claim's statute of limitations to comply with this Article;*
6. *any suit or dispute between the Declarant or an affiliate of Declarant and a developer, contractor(s), subcontractor(s), or any other party contracted by the Declarant or an affiliate of the Declarant in connection with the development of the Covered Properties; and*
7. *any suit or dispute involving a governmental entity as a party.*

b. Dispute Resolution Procedures.

(i) Notice. *The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") shall give written notice ("Notice") by mail or personal delivery to each Respondent and to the Board, stating plainly and concisely:*

1. *the nature of the Claim, including the persons involved and the Respondent's role in the Claim;*
2. *the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);*
3. *the Claimant's proposed resolution or remedy;*
4. *that the person alleged to be responsible for the acts giving rise to the Claim shall have six (6) months to cure or resolve the Claim; and*
5. *a proposal by Claimant to meet with the Respondent to discuss, in good faith, ways to resolve the Claim.*

(ii) Right to Cure. *For any Claim arising from a dispute over the construction of improvements within the Project, the Claimant shall provide Respondent six (6) months to rectify alter, or fix the claimed defect(s) in the improvements. The expiration of this six-month cure period shall be a prerequisite to Claimant's ability to initiate litigation as permitted under Subsection c below. For all Claims involving alleged defects in construction, the negotiation, mediation, and settlement requirements shall remain in effect during the cure period, however, the mediation deadline set forth in subsection (iv) below shall be extended to expire on the same date the cure period expires.*

(iii) 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.*

(iv) Mediation. *If the parties have not resolved the Claim through negotiation within 30 days of the date of the Notice (or within such other agreed upon period), the Claimant shall have 30 additional days to submit the Claim to mediation with an individual or entity designated by the Association (if the Association is not a party to the Claim) or to an independent mediator providing dispute resolution services predominately in Utah. Each Bound Party shall present the mediator with a written summary of the Claim or will otherwise comply with the mediator's proscribed procedures and requirements for mediating claims.*

1. *Waiver of Claim for Failure to Appear or Participate.* *If the Claimant does not submit the Claim to mediation within such time, or does not appear for and participate in good faith in 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.

- 2. Termination of Mediation Proceedings. If the parties do not settle the Claim within 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 that mediation was terminated. The Claimant shall thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.*
- 3. Costs of Mediation. Each Bound Party shall bear its own costs of the mediation, including attorney fees, and each Party shall pay an equal share of the mediator's fees.*
- 4. Settlement. Any Claim settlement 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 initiate such proceedings as are necessary to enforce such agreement without the need to comply again with the procedures set forth in this Article. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorney fees and court costs.*

c. Initiation of Litigation by Association. The requirements of this Section are intended to be in addition to those requirements set forth in Section 57-8a-229 of the Act. After the Turnover Date, the Association may not bring a legal action against a Declarant, a Board of Directors, a Nominee, an employee, an independent contractor, an agent of the Declarant, or the previous Board of Directors related to the Period of Declarant Control unless:

(i) the Right to Cure period set forth in Section b(ii) above has expired;

(ii) the legal action is approved in advance at a meeting by Owners holding at least 51% of the total allocated voting interests of the Owners in the Association. Owners may be represented by a proxy specifically assigned for the purpose of voting to approve or deny the proposed legal action at the meeting. Any such proxy shall not be valid unless the proxy is notarized with each Owner certifying that they have received and reviewed the information required by Subsection d(i) and (ii) below;

(iii) the Association provides each Owner with the items described in Subsection d(i) and (ii), below;

(iv) the Association establishes a trust account, described in Subsection d(iii) below;
and

(v) the Association first goes through the procedures described in Section b above, giving notice and an opportunity to resolve the dispute that is the basis of the Claim and proposed legal action.

(vi) *The procedures and approval required in the preceding subsections (i) through (v) shall not be required for actions or proceedings:*

1. *initiated by Declarant during the Period of Declarant Control on behalf of the Association;*
2. *initiated to enforce the provisions of this Declaration, including collection of assessments and foreclosure of liens;*
3. *initiated to challenge ad valorem taxation or condemnation proceedings (including bringing an action for inverse condemnation);*
4. *initiated against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies; or*
5. *to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it.*

This Section shall not be amended without the written consent of the Declarant for a period of 10 years following the expiration of the Period of Declarant Control. Any such amendment shall also be approved by a vote of 67% of the total votes of the Association.

d. *Informed Vote. Before the Members of the Association may vote to approve the filing of a legal action for a Claim, the Association shall first provide each Member with:*

(i) *A written notice stating:*

1. *that the Association is contemplating legal action;*
2. *the percentage vote required for approval of the litigation;*
3. *the date, time, and location of any Member meeting that has been scheduled to discuss the litigation or to vote on the approval of the litigation;*
4. *a description of the claims that the Association desires to pursue in sufficient detail to permit each Member to reach an informed decision on the litigation matter; and*
5. *A written report from an attorney licensed to practice in Utah, which provides an assessment of:*
 - a. *the likelihood that the legal action will succeed;*
 - b. *the likely amount in controversy in the legal action;*
 - c. *the likely cost of resolving the legal action to the Association's satisfaction; and*
 - d. *the likely effect the stigma of a legal action will have on value or on an Owner's ability to market for sale, or a prospective Lot buyer's ability to obtain financing for a Lot due to a pending legal action.*
 - e. *In providing this report, the attorney shall obtain and rely on reports and assessments from experts in their field such as construction, real property, sales, or any other relevant factor in the contemplated litigation.*

(ii) *Before the Association commences any legal action as authorized above, the Association shall:*

1. *allocate an amount equal to 25% of the cost estimated to resolve the Claim not including attorney fees; and*
2. *place the 25% allocated funds in a trust account that the Association may only use to pay the costs to resolve the Claim.*

Sections c and d do not apply if the Association brings a legal action that has an amount in controversy of less than \$25,000.00.

e. Strict Compliance Required. Any post-turnover litigation involving the Bound Parties shall strictly comply with each of the provisions in this Article. The Bound Parties hereby covenant, stipulate, and agree that in the event the Bound Parties fail to satisfy the prerequisites set forth herein, the non-compliant party will indemnify, defend, hold harmless, and exculpate the other Bound Party to the fullest extent permissible by law, and the non-breaching Bound Party shall be entitled to recover any and all attorney fees and costs expended as a result of enforcing this Article, which fees and costs may include, without limitation, pre-litigation attorney fees, costs incurred in connection with investigation of potential claims, including expert and consultant fees, testing fees, contractor fees, and insurance deductibles. If any claims or actions falling within the scope of this Article are filed without satisfying all of the requirements set forth above, such claims or actions shall be dismissed without prejudice and shall not be re-filed unless and until all such requirements have been satisfied.

f. Other Warranties. The Declarant may provide certain warranties to the Owners related to a Lot purchased. The first Owner of a Lot to whom any warranty is issued, or with whom a legal warranty arises, and only that Owner, shall have the right to directly enforce and seek performance from the Declarant of any terms of the warranty, and only consistent with the warranty itself. The Association shall have no right to seek the performance of or take assignment of any rights in any warranties against the Declarant, and the Owner shall have no right to assign any rights of any kind to the Association related to pursuing litigation against the Declarant.

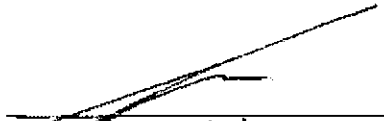
g. Unless specifically set forth in this Declaration, no action may be brought by the Association, its Board of Directors, or its Officers on behalf of an Owner, as its respective interest may appear, with respect to any cause of action against the Declarant relating to the Common Areas and facilities.

h. ALL PARTIES HEREBY AGREE TO RESOLVE ANY CLAIM ACCORDING TO THE PROVISIONS OF THIS ARTICLE AND SUCH PARTIES WAIVE THEIR RESPECTIVE RIGHTS TO PURSUE THE CLAIM IN ANY MANNER OTHER THAN AS PROVIDED IN THIS ARTICLE.

i. The dispute resolution restrictions contained in this Article shall not be amended, altered, or eliminated from the Declaration without the written consent of the Declarant for a period of 10 years after the Turnover Date.

******* End of Amendment *******

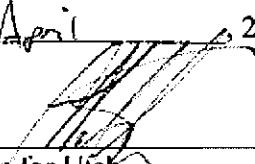
PECAN VALLEY HOLDINGS, LLC



By: *Chris Wyler*
Its: *Member*

STATE OF UTAH)
 :SS
County of *Washington*)

Subscribed and sworn before me this *2* day of *April*, 2024.



Notary Public for Utah

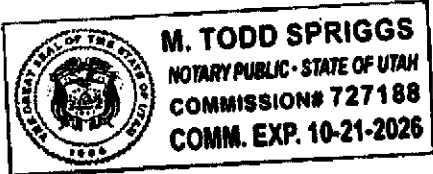


EXHIBIT A
PROPERTY DESCRIPTION

Pecan Valley Resort Phase 1 Amended:

WEST PORTION:

BEGINNING AT A POINT S 1°07'30" W 259.79 FEET ALONG THE EAST LINE OF SECTION 15, TOWNSHIP 42 SOUTH, RANGE 14 WEST, SALT LAKE BASE AND MERIDIAN, AND N 88°52'30" W 689.40 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 15, SAID POINT BEING ON THE WEST BOUNDARY LINE OF PECAN VALLEY PHASE 3 AMENDED, RECORDED AND ON FILE IN THE OFFICE OF THE RECORDER, WASHINGTON COUNTY, STATE OF UTAH, AND RUNNING THENCE ALONG SAID BOUNDARY THE FOLLOWING THREE (3) COURSES, (1) S 1°09'32" W 42.46 FEET, (2) THENCE S 1°05'47" W 1030.31 FEET, (3) THENCE S 88°34'06" E 26.00 FEET; THENCE S 1°05'47" W 96.00 FEET, THENCE N 88°34'06" W 183.00 FEET, TO A POINT ON THE EAST LINE OF A PARCEL MORE PARTICULARLY DESCRIBED IN DOCUMENT NO. 20140011173, RECORDED AND ON FILE IN THE OFFICE OF SAID RECORDER; THENCE N 1°05'47" E 1147.86 FEET ALONG SAID LINE AND THE EXTENSION THEREOF; THENCE S 88°54'31" E 137.05 FEET, TO THE POINT OF CURVATURE OF A 20.00 FOOT RADIUS CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE 31.39 FEET THROUGH A CENTRAL ANGLE OF 89°55'57", TO THE POINT OF BEGINNING.

CONTAINS 182,869 SQ FT OR 4.20 ACRES MORE OR LESS

EAST PORTION:

BEGINNING AT A POINT S 1°07'30" W 669.70 FEET ALONG THE EAST LINE OF SECTION 15, TOWNSHIP 42 SOUTH, RANGE 14 WEST, SALT LAKE BASE AND MERIDIAN, AND N 88°52'30" W 357.90 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 15, AND RUNNING THENCE S 1°09'43" W 284.62 FEET; THENCE N 88°34'11" W 279.02 FEET, TO A POINT BEING ON THE EAST BOUNDARY LINE OF PECAN VALLEY PHASE 3 AMENDED, RECORDED AND ON FILE IN THE OFFICE OF THE RECORDER, WASHINGTON COUNTY, STATE OF UTAH; THENCE N 1°05'47" E 285.40 FEET ALONG SAID LINE; THENCE S 88°24'35" E 279.35 FEET, TO THE POINT OF BEGINNING.

CONTAINS 79,568 SQ FT OR 1.83 ACRES MORE OR LESS

INCLUDING THE FOLLOWING PARCELS:

H-PEVR-1-101	H-PEVR-1-115	H-PEVR-1-129	H-PEVR-1-143
H-PEVR-1-102	H-PEVR-1-116	H-PEVR-1-130	H-PEVR-1-144
H-PEVR-1-103	H-PEVR-1-117	H-PEVR-1-131	H-PEVR-1-145
H-PEVR-1-104	H-PEVR-1-118	H-PEVR-1-132	H-PEVR-1-146
H-PEVR-1-105	H-PEVR-1-119	H-PEVR-1-133	H-PEVR-1-147
H-PEVR-1-106	H-PEVR-1-120	H-PEVR-1-134	H-PEVR-1-148
H-PEVR-1-107	H-PEVR-1-121	H-PEVR-1-135	H-PEVR-1-149
H-PEVR-1-108	H-PEVR-1-122	H-PEVR-1-136	H-PEVR-1-150
	H-PEVR-1-123	H-PEVR-1-137	H-PEVR-1-151

H-PEVR-1-109	H-PEVR-1-124	H-PEVR-1-138	H-PEVR-1-152
H-PEVR-1-110	H-PEVR-1-125	H-PEVR-1-139	H-PEVR-1-153
H-PEVR-1-111	H-PEVR-1-126	H-PEVR-1-140	H-PEVR-1-154
H-PEVR-1-112	H-PEVR-1-127	H-PEVR-1-141	H-PEVR-1-COMMON
H-PEVR-1-113	H-PEVR-1-128	H-PEVR-1-142	
H-PEVR-1-114			

Pecan Valley Phase 3:

All of Lots 38 – 60, Pecan Valley Phase 3 (H), a Residential Subdivision, according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah. TOGETHER WITH all improvements and appurtenances thereunto belonging, and SUBJECT TO easements, restrictions, reservations, and rights of way currently appearing of record and those enforceable in law and equity and property taxes for the year 2021 and subsequent years.

PARCEL ID Numbers:

H-PEV-3-38 through H-PEV-3-60