

When Recorded Return To:
Desert Sol, LLC
7585 S. Union Park Ave, Ste 200
Salt Lake City, Utah 84047

Ent 550647 Bk 952 Pg 96 - 195
Date: 28-JUN-2023 11:59:07AM
Fee: \$100.00 Check Filed By: JAC
JOHN ALAN CORTES, Recorder
GRAND COUNTY CORPORATION
For: SANDSTONE COTTAGES LLC

Tax Parcel ID Nos.: See Exhibit A

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR DESERT SOL

This DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DESERT SOL (“**Declaration**”) is made by Desert Sol, LLC, a Utah limited liability company (“**Declarant**”), as of the date set forth on the signature page below.

RECITALS

A. The Declarant is the owner of certain real property located in Grand County, Utah (“**County**”), more particularly described on Exhibit A attached hereto (“**Property**”). Declarant is developing the Property as a residential community to be known as the Desert Sol (“**Project**”). The Project shall be subdivided into individual lots for detached single family and attached townhome residential units, streets and certain common areas and facilities

B. The Desert Sol Homeowners Association (“**Association**”) has been, or will be, incorporated as a Utah non-profit corporation to act as a homeowners association with the powers of managing and maintaining the Common Areas in the Project, administering and enforcing this Declaration, and assessing and collecting from Owners a share of the costs for maintaining and repairing any and all Common Areas within the Project and performing such other acts as are provided for in this Declaration, the Association’s Bylaws, statute, or which generally benefit the Property.

C. Declarant has adopted the covenants, conditions, restrictions, easements, servitudes, and limitations set forth in this Declaration (collectively, the “**Covenants**”) for the purpose of:

- i. Helping to ensure uniformity in the development of the Lots;
- ii. Establishing a common scheme and plan for the possession, use, enjoyment, repair, maintenance, and improvement of the Project.

iii. Protecting long-term property values and a desired quality of life in the Project;

iv. Facilitating the initial sale of Lots by the Declarant, its successors and assigns, and subsequent sale by the individual Owners of Lots in the Project;

v. Maintaining the Common Areas and Facilities located within the Project in accordance with the Covenants and with County standards; and

vi. Providing for mandatory dispute resolution procedures and requirements to avoid litigation, as set forth in Article 13 of this Declaration.

D. The Covenants shall be consistent with the HDHO District Development Standards set forth in LUC Section 4.7.5 and the enforcement provisions set forth in LUC Section 4.7.11. The Association hereby agrees to strictly comply with the provisions, duties, and obligations of LUC Section 4.7 and the HDHO Rules and Regulations on file with Grand County Recorder.

NOW, THEREFORE, the Declarant does hereby establish the Covenants set forth herein and does hereby declare that the Property, and all Lots within the Project, shall be held, sold, conveyed, leased, and rented subject to, and shall be encumbered by, the Covenants set forth below which shall be run with the Land and be binding on all persons or entities now or hereafter having or claiming any right, title, or interest in the Property, or any of the Lots within the Project.

ARTICLE 1

DEFINITIONS

The plural of any word defined in this Declaration shall have the same meaning as the singular and vice versa. The following words when used in this Declaration shall have the following meanings (other terms may be defined elsewhere in this Declaration):

1.1 "ACC" means the Architectural Control Committee, identified in Section 8.1 of this Declaration and its subparts, which the Declarant may establish during the Period of Declarant's Control.

1.2 "Act" means the Utah Community Association Act, Utah Code § 57-8a-101 *et seq.*, as amended from time to time.

1.3 "Assessment" means any of the fees, assessments, or payments required to be made by Owners of Lots within the Project, including the reinvestment fee, annual assessments,

supplemental assessments, and special assessments, as more particularly described in Article 4 of this Declaration.

1.4 “Association” means the Desert Sol Homeowners Association, a Utah non-profit corporation. There shall also be a Sub Association created by an additional declaration (the “Desert Sol Sub Owners Association Covenants, Conditions and Restrictions”), which additional declaration (i) shall be subject to the terms and conditions of this Declaration, (ii) may create a subordinate owners association to administer and enforce the additional declaration, and (iii) may contain additional restrictions, covenants, easements or provisions beyond this Declaration. In the case of any conflict, this Declaration shall control.

1.5 “Bylaws” means the *Bylaws of the Desert Sol Homeowners Association*. A copy of the Bylaws is attached hereto as **Exhibit C**.

1.6 “Board” means the Board of Directors of the Association.

1.7 “Common Areas” means the portions of the Project, including community improvements, which are intended for common use by all the Owners or which are held or maintained by the Association for the benefit of the Owners. Common Areas are not included within the Lots and are not dedicated or reserved for public use. The Common Areas are more particularly discussed in Section 5.1 of this Declaration.

1.8 “Common Facilities” means stormwater management drainage facilities located throughout the development which traverse common areas and private property alike.

1.9 “Common Expenses” means all sums lawfully assessed against the Lots or the Owners by the Association; all expenses of administration, maintenance, repair or replacement of the Common Areas or Common Facilities; all expenses of management of the Association; all expenses allocated by the Association among the Owners; all expenses agreed upon as common expenses by the Association; and all expenses declared common expenses by this Declaration.

1.10 “Common Wall(s)” means the walls in the detached garages that divide and are located between any two (2) adjoining garages.

1.11 “County” means Grand County, Utah.

1.12 “County Recorder’s Office” means the Grand County office which maintains an official record of deeds and real property records and accepts such documents for recordation pursuant to Utah Code § 17-21-1.

1.13 “Covenants” means every covenant, condition, restriction, easement, and limitation set forth in this Declaration.

1.14 “Declarant” means Desert Sol, LLC, a Utah limited liability company, and any assign or successor that acquires Declarant’s interest in the Property and takes a written assignment of Declarant’s rights. The term Declarant shall NOT mean a Commercial Builder, as defined in Section 4.8 of this Declaration, any person or entity who acquires one or more, but less than all, of the Lots from Declarant for the purposes of constructing Residences thereon, unless such person or entity also receives a written assignment of Declarant’s rights.

1.15 “Declaration” means this *Declaration of Covenants, Conditions and Restrictions for Desert Sol* as it may be amended from time to time.

1.16 “Design Guidelines” means the design standards and architectural guidelines which Declarant may adopt and which are applicable to the Project.

1.17 “First Mortgage” means a recorded Mortgage or consensual lien granted by the Owner which is not subject to any senior lien or encumbrance except liens for taxes or other liens which are given priority by statute.

1.18 “First Mortgagee” means any person or entity named as a Mortgagee under a First Mortgage and any successor-in-interest to such Mortgagee.

1.19 “Improvement” means every structure, feature or improvement of any kind placed or constructed in the Project, including but not limited to any Residence, building, garage, lighting, deck, porch, patio, sidewalk, foundation, awning, fence, retaining wall, driveway, irrigation or drainage feature, storage structure or other product of construction and also includes landscaping.

1.20 “Limited Common Areas” shall mean Common Areas for the exclusive use of one or more, but fewer than all, of the Residences. Association shall be responsible for the maintenance and repair of the Limited Common Areas.

1.21 “Lot” means a subdivided and individually numbered residential parcel within the Project as designated on the Plat Map recorded with the County Recorder’s Office. The term Lot includes any Residence or other Improvement constructed thereon.

1.22 “Member” means a person or entity who is a member of the Association.

1.23 "Mortgage" means any mortgage, deed of trust, or other document pledging any portion of a Lot or interest therein as security for the payment of a debt or obligation.

1.24 "Mortgagee" means the mortgage or beneficiary identified in a Mortgage.

1.25 "Owner" means the person or entity vested with legal, record fee simple title to any Lot. If there is more than one record holder of legal title to a Lot, each shall be an Owner.

1.26 "Period of Declarant's Control" means the period of time during which Declarant shall have administrative control of the Association and the other rights and privileges as set forth in this Declaration. Following the recording of this Declaration, the Period of Declarant's Control shall continue until such time as Declarant sees fit to, by written notice, transfer administrative control of the Association to the Owners, but in no event shall the Period of Declarant's Control extend beyond the date which is one hundred twenty (120) days after one hundred percent (100%) of the Lots in the Project have been conveyed to individual residential purchasers.

1.27 "Plat Map" means, collectively, the subdivision plat maps for the various phases of the Project filed with the County Recorder's Office or proposed to be filed with the County Recorder's Office, and any plat incorporating additional real estate into the Project. A copy of the Plat Map current as of the date of this Declaration is attached hereto as **Exhibit B**. Declarant reserves the right to modify the terms of, revise, or amend the Plat Map for the Project. Any such revisions or amendments recorded in the County Recorder's Office shall be deemed the Plat Map for purposes of this Declaration.

1.28 "Project" means the residential community to be developed by Declarant on the Property. The Project is a community of single family residential homes.

1.29 "Property" means the real property situated in Grand County, State of Utah, as more particularly described in **Exhibit A**, against which this Declaration is recorded and any real property which may be hereafter become subject to the Covenants set forth herein by virtue of a declaration of inclusion.

1.30 "Residence" means the residential dwelling structure on a Lot within the Project.

1.31 "Rules and Regulations" means the rules, regulations, and restrictions which are not inconsistent with the Act, this Declaration, or the Bylaws, duly adopted by the Board.

ARTICLE 2

PROPERTY SUBJECT TO THIS DECLARATION

2.1 Project. The Property comprising the Project, as identified in Exhibit A, together with any additional real property added to the Project, as provided herein, is, and henceforth shall be, held, occupied, transferred, sold, and conveyed subject to the Covenants set forth in this Declaration. The Project may comprise multiple phases. The Project is **NOT** a cooperative. Currently, **NO PORTION** of the Project is subject to the Condominium Ownership Act, Utah Code § 57-8-1, et seq. During the Period of Declarant's Control, no portion of the Project may become subject to the Condominium Ownership Act, without Declarant's express written consent which Declarant may give or withhold in its sole discretion. After the Period of Declarant's Control, no portion of the Project may become subject to the Condominium Ownership Act without the written consent of all affected Owners and the approval of the Board.

2.1.1 Covenants Run with the Land. This Declaration, and the Covenants herein, shall run with the land and shall be binding on all persons or entities holding or taking title to any interest in the Property or any Lot therein, and all Owners shall hold or take title subject to this Declaration.

2.1.2. Applicability of the Act. Declarant hereby confirms and acknowledges that the Project and the Association are subject to the provisions of the Act with respect to items not addressed in this Declaration but covered by the Act.

2.1.3 Local Laws and Ordinances Applicable. In addition to the Covenants set forth in this Declaration, the Property and any Lot therein is subject to the Act and the local laws and ordinances of the County, including applicable building codes and zoning ordinances, now or hereafter in effect.

2.2 Enforcement of Covenants.

2.2.1 By the Association: Legal action or Fines. The Association, through its Board, shall have the right to enforce compliance with the Covenants set forth in this Declaration, the terms of the Bylaws, and the Rules and Regulations adopted by the Board including, if the Board deems necessary, through legal action. Consistent with the terms of the Act, the Board may establish a schedule of reasonable fines to be imposed on non-complying Owners after appropriate notice has been provided to such Owners. The obligation to pay such fines imposed by the Association shall be a personal obligation of such Owner and shall also be secured by the Association's lien on such owner's Lot as provided in Section 4.6 of this Declaration. The Board may also suspend any services

provided to an Owner who fails to comply, or whose Lot does not comply, with the Covenants set forth in this Declaration. The Board may also suspend voting rights or privileges related to Common Areas for non-compliance. Any costs associated with the Association's enforcement of this Declaration may be assessed to the non-complying Owner as a special assessment.

2.2.3 By an Owner. Any Owner aggrieved by another Owner's non-compliance with the Covenants set forth in this Declaration, the terms of the Bylaws, or the Rules and Regulations adopted by the Board may commence an action seeking to enforce compliance with the same.

2.2.4 Injunction; Legal Fees. Under appropriate circumstances, the Association or an aggrieved Owner may seek a temporary restraining order or preliminary injunction to stop or prevent non-compliance with the Covenants set forth in this Declaration, the terms of the Bylaws, or the Rules and Regulations adopted by the Board. In any such legal action, the prevailing party shall be entitled to an award of reasonable costs and attorney fees. In addition, the Association shall have all enforcement rights and remedies set forth in the Act as the same may be amended from time to time.

ARTICLE 3

ASSOCIATION AND MEMBERSHIP THEREIN

3.1 Association Membership. Each Owner is a member of the Association. Such membership automatically becomes effective by an Owner's acceptance of a deed for a Lot, whether or not it shall be so expressed in such deed. By accepting a deed to a Lot, an Owner is deemed to have agreed to be bound by the Covenants, the Bylaws, and by such reasonable Rules and Regulations as may, from time to time, be established by the Association. Membership is mandatory for all Owners. When more than one person or entity is an Owner of a Lot, all such persons or entities shall be Members. Membership shall be appurtenant to and may not be separated from ownership of a Lot. The rights and obligations of an Owner and membership in the Association shall not be assigned, transferred, pledged, conveyed or alienated in any way, except upon transfer of ownership of such Lot, whether by conveyance, intestate succession, testamentary disposition, foreclosure of a Mortgage, or such other legal processes as are now in effect or as may be hereafter established pursuant to the laws of the State of Utah. The foregoing is not intended to include persons or entities holding an interest merely as security for the performance of an obligation.

3.2 Transfer. Upon the transfer or conveyance of any Lot, the transferee or grantee shall become a Member, and the transferor or grantor shall immediately cease being a Member. The Board shall maintain a list of all Members and shall note each transfer of ownership on such list. Upon the transfer or conveyance of any Lot, the selling or transferring Owner shall

promptly inform the Association of the name of the transferee or grantee. The Association, directly or through any Manager appointed pursuant to Section 3.7 of this Declaration, may charge a fee for providing payoff information requested in connection with financing, refinancing, or closing of an Owner's sale of such Owner's Lot, as provided for in Utah Code § 57-8a-106.

3.3 Voting Rights. The Owner or Owners of each Lot shall be entitled to one (1) vote for each Lot owned. The one (1) vote for such Lot shall be exercised as they, among themselves, determine. Where a Lot is owned by more than one Owner, the vote of any one of them shall be conclusively presumed to have been exercised as a result of an agreement among such Owners and in the event multiple Owners attempt to exercise a vote for such Lot on any question or issue, the Owners of such Lot will forfeit the right to vote on that question or issue. In no event shall more than one (1) vote be cast with respect to any Lot. With respect to any question or issue requiring a vote of the Association, vote of the Owners, or vote of the Members of the Association, the total number of votes cast shall not exceed the number of Lots in the Project. Unless otherwise required by this Declaration or the Bylaws, the number of affirmative votes required for approval of any matter submitted to vote of the Members shall be a majority of the votes cast with respect to such matter. All voting rights shall be subject to the restrictions and limitations provided herein and in the Bylaws.

3.4 Meetings. Unless otherwise provided by this Declaration or by the Bylaws, all matters requiring a vote of the Members of the Association shall be decided at a meeting of the Members held for that purpose. Except in the case of an emergency or other situation which requires shorter notice, written notice designating the time and place of such meeting shall be provided to each Member no less than ten (10) or more than sixty (60) days in advance of a meeting. Other provisions for giving notice of such meetings, determining a quorum, and tallying votes shall be included in the Bylaws, or shall be established by the Board. In lieu of attending a meeting held for the purpose of exercising voting rights, Members may exercise such voting rights in writing or through a proxy, if designated in writing before the time for such vote. By attending a meeting where a vote is held, by exercising a vote in writing, or by designating a proxy, an Owner shall be conclusively deemed to have received adequate notice of such meeting or such vote.

3.5 Declarant Approval Required. Notwithstanding any other provision of this Declaration, during the Period of Declarant's Control all matters for which the Declaration or the Bylaws call for a vote of the Members of the Association may be decided solely by the Declarant with or without a meeting and with or without a vote of the Members. Any matters which are submitted to a vote of the Members during the Period of Declarant's Control will be approved and implemented if, and only if, the Declarant also approves such matters. After

the Period of Declarant's Control, all such matters shall be submitted to a vote of the Members of the Association and shall be decided solely by the votes of the Members.

3.6 Board of Directors. The Board shall be the governing body of the Association. In addition to those set forth herein, the powers, rights, privileges, and duties of the Board shall be set forth in the Bylaws. During the Period of Declarant's Control, the Declarant shall appoint the members of the Board, which shall number no less than three (3) directors and not more than Seven (7) directors. After the Period of Declarant's Control, the members of the Board shall be chosen, removed, or replaced by the vote of the Members of the Association in accordance with the provisions of the Bylaws. Notwithstanding the foregoing, Declarant may, at Declarant's discretion, allow one (1) or more seats on the Board to be filled by an Owner chosen by the Members of the Association at any time during the Period of Declarant's Control. Such action shall not be deemed as a termination of the Period of Declarant's Control or a waiver of any of the rights of Declarant as provided herein.

3.7 Professional Management. The Association may carry out the functions required of it pursuant to this Declaration, the Bylaws, or the Rules and Regulations, to the extent such functions are properly delegable, by and through a professional manager ("Manager"). If a Manager is engaged, the Manager shall be an independent contractor and not an employee of the Association, shall be responsible for managing the Project for the benefit of the Association and the Owners, and shall, to the extent permitted by the Board, be authorized to perform any of the properly delegable functions or acts required or permitted or performed by the Association.

3.8 Bylaws. Nothing in the Association's Bylaws shall substantially alter, amend, or impair the rights and obligations of the Owners set forth in this Declaration.

3.9 Property. The Association may acquire and own real or personal property for the benefit of the Owners and may dispose of such property if allowed under this Declaration and the Bylaws. The maintenance, repair, and replacement of all property owned by the Association shall be a Common Expense.

3.10 Indemnification. To the fullest extent allowed by law, the Association shall indemnify and hold the following persons and entities harmless from and against any and all claims, costs, damages, expenses, injuries, liabilities or losses including, but not limited to, attorney fees, reasonably incurred by, or asserted against, such person or entity in connection with any action or proceeding of any sort in which such person is, or may be, a party or otherwise involved by reason of serving, or having served, in any capacity on behalf of the Association: (a) every director, officer, or member of the Board; (b) every member of the ACC; (c) every officer, director, employee, or agent of the Declarant; (d) every person serving as an

employee of the Association. The right of indemnification set forth herein will continue regardless of whether such person or entity is still actively serving in the capacity at the time such claims or expenses are incurred or asserted. However, the right of indemnification will not apply to such claims or expenses which are determined by a court of competent jurisdiction, or an arbitrator in the case of claims subject to Article 13 of this Declaration, to be the result of fraud, criminal action, or willful misconduct on the part of such person or entity

3.11 Sub-Associations. There shall also be a Sub Association created by an additional declaration (the "Desert Sol Sub Owners Association Covenants, Conditions and Restrictions"), which additional declaration (i) shall be subject to the terms and conditions of this Declaration, (ii) may create a subordinate owners association to administer and enforce the additional declaration, and (iii) may contain additional restrictions, covenants, easements or provisions beyond this Declaration. In the case of any conflict, this Declaration shall control.

ARTICLE 4

ASSOCIATION ASSESSMENTS

4.1 Covenant to Pay Assessments. The Owner of any Lot, excluding Declarant whose obligations regarding Assessments are set forth below, by accepting a Deed for said Lot, whether or not it shall be expressed in the deed, agrees and is deemed to have agreed to pay to the Association all fees, annual assessments, supplemental assessments, and special assessments as set forth in this Declaration.

4.2 Nature of Assessments.

4.2.1 Association Expenses. The Common Expenses and all obligations of the Association, as identified in the Act, this Declaration, and the Bylaws, shall be funded through fees, annual assessments, supplemental assessments, and special assessments levied against the Lots.

4.2.2 Allocation of Common Expenses. The Common Expenses will be apportioned equally among, and assessed equally to, all Owners.

4.3 Types of Fees and Assessments. The Association may impose the following fees and assessments:

4.3.1 Reinvestment Fee. After the initial purchase of a Lot from the Declarant, each subsequent Owner of a Lot, shall be obligated to pay the Association a Reinvestment Fee. If not paid at the closing of such Owner's purchase of a Lot, the Reinvestment Fee shall be due and payable to the Association within the first calendar month of ownership of a Lot. The Reinvestment Fee shall be dedicated to meeting the Association's obligations and benefiting the Property and the Project and may be used for any purpose allowed by law. The initial amount of the Reinvestment Fee is hereby set at \$150.00 by the Declarant and may be adjusted from time to time by the Declarant during the Period of Declarant's Control and thereafter by the Board.

4.3.2 Annual Assessment. Each Owner shall pay an annual assessment for each Lot owned by such Owner, and a prorated portion of such annual assessment shall be due upon each Owner taking title to such Lot. The annual assessment shall be the Lot's share of the total annual amount necessary for the Association to perform all of its obligations, whether imposed by the Act, this Declaration, or the Bylaws. Without limitation, the annual assessment shall include each Lot's share of the Common Expenses including the cost to maintain and preserve the Common Areas and Common Facilities, including insurance thereon, the amounts necessary to perform the Association's other maintenance obligations, the amounts necessary to fund the Association's reserve fund in a manner consistent with the Act, the Association's administrative expenses, and the amount any obligations imposed on the Association by any applicable law, ordinances, or regulations, all of which shall be identified in the Association's budget. The annual assessment shall be fixed, and from time to time adjusted, by the Declarant during the Period of Declarant's Control and thereafter by the Board in accordance with the provisions of the Act. At a minimum, the Board or the Declarant shall review the annual assessment on an annual basis and make such adjustments as are necessary. The Declarant or the Board may require that the annual assessment attributable to each Lot be divided in twelve equal shares and paid in the form of a "monthly membership assessment," to be due and payable each month on a date fixed by the Board. Subject to the exemption for the Declarant set forth below, the amount of the annual assessment shall be fixed at a uniform rate for each Lot assessed and shall be a portion of the Association's annual Common Expenses determined by dividing the total Common Expenses by the number of Lots to which assessments are imposed. As additional Lots are constructed or conveyed to purchasers, the Declarant or the Board shall adjust the amount of the annual assessment accordingly.

4.3.3 Supplemental Assessment. In the event the annual assessment is insufficient to meet the Association's regular recurring obligations in any given fiscal year, the Declarant during the Period of Declarant's Control or the Board thereafter may assess a supplemental assessment against each Lot for a share of any supplemental amount necessary to meet the Association's annual obligations. Each Lot's share of a supplemental assessment shall be determined in the manner for annual assessments as set forth in Section 4.3.2 of this Declaration.

4.3.4 Special Assessment. The Declarant may, during the Period of Declarant's Control, assess a special assessment to pay for special, non-recurring, or emergency expenses of the Association or the Project which exceed the Association's annual budget for the fiscal year during which such expenses arise, including but not limited to expenses related to damage to the Project, unanticipated repairs, and Common Area improvements. A special assessment may be payable over time in appropriate circumstances. After the Period of Declarant's Control, such a special assessment may be imposed by the Board, but only with the affirmative vote of fifty-one percent (51%) of the total number of Owners in the Association. Any special assessment shall represent the pro-rata share of such expenses attributable to the Lot or Lots benefited by such expenses, or to which such expenses apply. In the event such expenses apply to or benefit less than all the Lots in the Project, the Declarant or Board may impose a special assessment against less than all of the Lots in the Project. Without limiting the foregoing, if the Association elects to perform maintenance on any Residence as provided in Article 7 the costs incurred in performing such maintenance will be a special assessment attributable to the affected Owner.

4.3.5 Capital Improvements. Notwithstanding any other provision of this Declaration, after the Period of Declarant's Control, the Association shall not make any Capital Improvement, as defined below, without the authorization of fifty-one percent (51%) of the Owners voting at a meeting called for the purpose of proposing such Capital Improvement. For purposes of this Section, a "Capital Improvement" shall mean the installation of new Improvement located within a Common Area or other portion of the Project owned or managed by the Association, for which funds are not otherwise identified in the Association's budget. If approved as provided in this Section, the cost of a Capital Improvement may be assessed to the Lots as a special assessment.

4.4 Budget. The annual assessment shall be determined on the basis of a fiscal year beginning January 1 and ending December 31 of each year, provided that for the first fiscal year shall begin on the date of the conveyance of the first Lot by Declarant. On or before December 1 of

each year thereafter, the Board shall prepare and furnish to each Owner, or cause to be prepared and furnished to each Owner, an operating budget for the upcoming fiscal year. The budget shall itemize the estimated Common Expenses for such fiscal year, the anticipated receipts (if any), and any deficit or surplus from the prior operation period. The budget shall serve as the supporting document for the annual assessment for the upcoming fiscal year and as the major guideline under which the Project shall be operated during such annual period. On or before December 1 of each year, the Board shall also notify each Owner of the amount of the following fiscal year's annual assessment for each Lot owned by such Owner.

4.5 Reserve Account. The Association must comply with the terms and provisions of the Act relating to a reserve analysis and the funding of a reserve account for those Common Areas of the Project, if any, for which the Association is required to maintain a reserve account. Any reserve account will be funded by assessments imposed in accordance with the terms of this Article 4. The Board may require that all or a portion of each reinvestment fee collected be used to fund the Association's reserve account.

4.6 Lien and Personal Obligation. The fees and assessments identified above, together with any applicable late payment fees, interest, costs, and reasonable attorney fees, and any other financial obligations owed to the Association as permitted under this Declaration, shall be a charge and lien against the Lot against which such assessment is imposed. In addition, each Owner's obligation to satisfy such assessments and obligations is an independent and personal covenant of such Owner, with all amounts being due and payable without setoff or deduction when assessed. In the event of a failure to pay such assessments, or other default, the Association may pursue an action against the Owner to collect the assessment and enforce the lien against a Lot by foreclosure in the manner set forth below. The Association's lien shall be a continuing lien on each Lot and shall be subordinate to a First Mortgage, where the Mortgagee is a lender who loaned funds for the purchase of the Lot, and shall also be subordinate to a lien for property taxes or other public assessments, but the Association's lien shall be superior to all other liens, charges, or encumbrances of any sort which shall hereafter arise or be imposed on any Lot. The Association's lien shall not be affected by the sale or transfer of any Lot.

4.7 Statement and Evidence of Payment. Upon receipt of a written request by an Owner, or any other person or entity, the Board shall within a reasonable time issue to such Owner or other person or entity a written certificate stating, as applicable, (i) that all annual, special, and supplemental assessments (plus any applicable costs or fees) have been paid with respect to any specified Lot as of the date of the certificate, or (ii) if all assessments have not been paid, the amount of such outstanding annual, special, or supplemental assessments (plus any applicable costs or fees) due and payable as the date of the certificate. The Board may make a reasonable charge for issuing such certificates. Any such certificate, when issued as provided herein, shall be conclusive and binding with respect to any matter therein stated.

4.8 Exemption for Declarant and Commercial Builders. No assessment for a Lot owned by the Declarant shall be imposed until such Lot is conveyed to a subsequent purchaser. After the date a Lot is conveyed to a purchaser, the full amount of the assessment attributable to such Lot shall be imposed and collected from the new Owner in the manner set forth in this Declaration. Any Lot transferred to a builder or developer other than Declarant who holds two (2) or more Lots within the Project for the purpose of constructing homes for sale to residential customers (“**Commercial Builder**”) will be partially exempt from assessments according to the terms of this Section. Immediately upon transfer from the Declarant the Commercial Builder will be responsible to pay twenty-five percent (25%) of any assessment attributable to each Lot owned by such Commercial Builder. The Commercial Builder’s exemption will expire, and the full assessment attributable to such Lots will be come due and payable, upon the first to occur of twelve (12) months following the transfer of such Lot from Declarant or a certificate of occupancy for a Residence on the Property being issued. In the event that assessments collected from Owners are insufficient to meet the Association’s obligations, then notwithstanding the foregoing exemptions Declarant and any Commercial Builder will be obligated to contribute, pro-rata based on the number of Lots owned, in order to offset such shortfall; provided that the required contribution shall not exceed the entire amount that would have been payable by Declarant or a Commercial Builder had the exemption not applied.

4.9 Effect of Non-Payment and Remedies.

4.9.1 Late Fees and Interest. Any assessment not paid within ten (10) days from the due date thereof shall be subject to a late payment fee in an amount to be determined by the Board. In addition, all fees and assessments not paid when due shall bear interest at the rate of eighteen percent (18%) per annum, or at such lesser rate as may be set from time to time by the Board.

4.9.2 Legal Remedies. The Association may bring an action at law against the Owner personally obligated to pay the same, and may foreclose the lien against such Owner’s Lot in the manner provided by the laws of the State of Utah, and in the event a judgment is obtained, such judgment shall include interest on the assessment and reasonable attorney fees to be fixed by the court, together with the costs of the action. Foreclosure or attempted foreclosure by the Association of its lien shall not be deemed to estop or otherwise preclude the Association from thereafter again foreclosing or attempting to foreclose the Association’s lien for any subsequent assessments, charges, costs or fees, which are not fully paid when due. The Association shall have the power and right to bid on or purchase any Lot at foreclosure or other legal sale, and to acquire and hold, lease, mortgage, vote the membership votes appurtenant to ownership of such Lot, and to convey or otherwise deal with such Lot. In addition to the other rights and remedies set

forth herein, the Association shall have all of the rights and remedies pertaining to enforcement of assessment liens as set forth in, and to be exercised in accordance with, the provisions of the Act, including, without limitation, the provisions in Utah Code §§ 57-8a-302 and -303, as the same may be amended. To this end, the Declarant (and each Owner by acceptance of a deed to a Lot) hereby conveys and warrants pursuant to Utah Code §§ 57-1-20 and 57-8a-302 to Bartlett Title Insurance Agency, Inc., as trustee, with power of sale, each Lot and all Improvements to each Lot for the purpose of securing payment of assessments under the terms of this Declaration. The Association shall have the right to substitute said trustee and appoint a successor trustee as provided by statute. The lien of the Association shall be superior and prior to all other liens and encumbrances except liens and encumbrances recorded prior to the recordation of this Declaration, a First Mortgage on a Lot, and assessments, liens, and charges in favor of the State of Utah or a political subdivision thereof imposed for taxes or other governmental assessments or charges past due and unpaid. In any action brought by the Association (or counterclaim or cross-claim brought by the Association) to collect assessments or to foreclose a lien for unpaid assessments, the Association shall be entitled to have a receiver of the Owner appointed to collect all sums alleged to be due from the Owner prior to or during the pendency of the action. The court may order the receiver to pay any sums held by the receiver to the Association during the pendency of the action to the extent of the Association's assessments of any kind or nature permitted hereunder.

ARTICLE 5

COMMON AREAS/ COMMON FACILITIES/ LIMITED COMMON AREAS/ COMMON WALLS

5.1 Identification of Common Areas/ Limited Common Areas/Common Facilities.

5.1.1 The Project shall have Common Areas consisting of portions of the Project intended for the common use of the Owners, including areas designated as Common Areas on the Plat Map. The Common Areas shall also include any fencing surrounding the perimeter of the Project. During the Period of Declarant's Control, Declarant may, in Declarant's discretion, alter or amend the scope and extent of the Common Areas. The Declarant during the Period of Declarant's Control and the Association thereafter may install additional amenities on Common Areas which are deemed appropriate or beneficial to the Project.

5.1.2 The Project may have Limited Common Areas consisting of fencing that Declarant may, at its discretion, install along some or all of the Lot lines, except in no event shall fencing be installed within the Side Yard Use Easement.

If Declarant installs fencing along the front yard Lot line, such fencing shall be no greater than three (3) feet in height. Fencing may also be constructed and installed by Declarant along the Front Easement Line and the Rear Easement Line (as defined in Section 9.4.1 to this Declaration).

5.1.3 The Project may have Common Facilities consisting of stormwater management drainage facilities located throughout the development which traverse common areas and private property alike.

5.2 Use and Enjoyment. Except as provided herein, each Owner shall have a non-exclusive right to use and enjoy the Common Areas. The right of use and enjoyment shall include an access easement to and over all Common Areas. Each Owner shall have the right to use any Limited Common Areas designated for exclusive use by such Owner.

5.2.1 The right to use and enjoy the Common Areas and Limited Common Areas designated for exclusive use by such Owner, shall be appurtenant to such Owner's ownership of a Lot within the Project and shall immediately transfer upon any conveyance of the Lot.

5.3 Ownership and Dedication. The Common Areas and the Limited Common Areas shall be owned by the Association and Declarant hereby dedicates the Common Areas and the Limited Common Areas to the Association.

5.4 Rules to be Adopted by the Board. Notwithstanding the foregoing, the Rules and Regulations adopted by the Board may include reasonable restrictions on the time, manner, and character of use of the Common Areas by the Owners, their guests, or invitees, including the limitations on total number of persons permitted to use the Common Areas. The Board may enforce the Rules and Regulations as provided in Section 2.6 of this Declaration.

5.5 Maintenance. The Association, directly or through the Manger or other designated agents, shall improve, develop, supervise, manage, operate, examine, insure, inspect, care for, repair, replace and maintain the Common Areas, Common Facilities, and the Limited Common Areas. Maintenance of the Common Facilities shall be conducted in accordance with the approved Long-Term Stormwater Management Plan attached hereto as Exhibit D. The Association shall maintain all landscaping of the Common Areas. The Association shall pay all utility charges attributable to the Common Areas. No Owner, directly or indirectly, shall make any alterations to any Common Areas, Common Facilities, or Limited Common Areas without prior written consent of the Board.

5.6 No Obstruction. No person shall obstruct or permanently occupy any portion of a Common Area without prior written permission of the Board.

5.7 Limitations on Use. In addition to restrictions set forth in the Rules and Regulations, an Owner's right to use and enjoy the Common Areas may be temporarily or permanently restricted in the following circumstances consistent with, and to the extent allowed by, the Act:

5.7.1 Any period during which the Assessments imposed against such Owner's Lot remain unpaid.

5.7.2 Any period during which such Owner, such Owner's Lot, or any Improvement upon such Owner's Lot is or remains in a state of non-compliance with the Covenants set forth in this Declaration, the terms of the Bylaws, or the Rules and Regulations adopted by the Board, including, without limitation, the failure to maintain an Owner's Residence as provided in Article 7. Notwithstanding the foregoing, each Owner shall have fifteen (15) days after receiving written notice of such non-compliance to remedy the same and shall have the opportunity for a hearing before the Board, before any restriction shall be imposed under this Section 5.7.2.

5.8 Common Walls. To the extent that any detached garages are connected by, or share, a Common Wall, the following provisions shall govern the use, maintenance, repair and restoration thereof:

5.8.1 Each detached garage sharing a Common Wall shall provide such access as may be reasonably necessary to permit the Association and the Owner of the other garage sharing said Common Wall, and their respective agents and contractors, to maintain the integrity of the Common Wall, and to repair and restore it as necessary.

5.8.2 Should any Common Wall be damaged or destroyed by the negligence or other act or omission of an Owner of one of the detached garages sharing the same, or said Owner's agents, employees, invitees or guests, said Owner shall be liable, at its sole cost and expense, for all necessary repairs or restoration of said Common Wall, and related damage to any detached garage; provided, however, that any insurance proceeds received in connection with such damage or destruction from policies of insurance owned by the Owners of either detached garage sharing said Common Wall, or by the Association, shall first be applied toward the costs of repairing or restoring the Common Wall and related damages to the detached garages. All repairs or restorations to be completed pursuant to

this subparagraph shall be completed to the reasonable satisfaction of the affected Owners.

5.8.3 Should any Common Wall be damaged or destroyed by any cause other than the negligence, act or omission of the Owner of either detached garage sharing said Common Wall, or said Owner's agents, employees, invitees or guests, the Owners of the detached garages sharing said Common Wall shall be equally liable for all necessary repairs or restoration of said Common Wall, and related damage to either detached garage; provided, however, that any insurance proceeds received in connection with such damage or destruction from policies of insurance owned by the Owners of either detached garage sharing said Common Wall, or by the Association, shall first be applied toward the costs of repairing or restoring the Common Wall and related damages to the affected detached garages. All repairs or restorations to be completed pursuant to this subparagraph shall be completed to the reasonable satisfaction of the affected Owners.

5.8.4 Should any party fail or refuse to complete the repairs or restorations imposed upon it by these provisions, the Association, after giving written notice to said party of its intention to do so, may undertake said repairs or restorations, and be entitled to reimbursement for all costs incurred in connection therewith from said party. Such reimbursement shall be made within thirty (30) days after the Association has completed the work and presented said party with a statement and demand for payment setting forth all costs incurred. The Association shall have a lien against the Residence of the liable Owner to secure payment to the Association of all costs and expenses incurred in making the necessary repairs or restorations, and the Association shall be entitled to enforce said lien in the same manner as it is authorized to enforce assessment liens, including recovery of attorney fees, costs and interest.

5.8.5 In the event of a dispute or controversy between the Owners of detached garages sharing a Common Wall, as to any matter within or arising out of the provisions of this Article 5, or the respective use, maintenance, repair, or replacement of said Common Wall, such dispute or controversy shall be submitted to the Board of Directors of the Association for arbitration. The decision of the Board with respect to the issues presented shall be binding upon the parties involved.

ARTICLE 6

USE LIMITATIONS AND RESTRICTIONS

6.1 Residential Use and Occupancy. Each Lot, and all Improvements thereon, shall be used only for non-commercial, residential purposes. No Lot shall be used, occupied, or altered in violation of law, so as to jeopardize the support of any other Lot, so as to create a nuisance or interfere with the rights of any Owners, or in any way which would result in an increase in the cost of any insurance. The primary Improvement on each Lot shall be a Residence. Any other Improvements on the Lot shall be consistent with and shall not detract from the residential nature of the Project. Subject to the Declarant exemption, below, there shall be no temporary or prefabricated structures, mobile homes, trailer houses, or other non-permanent structures allowed in the Project.

6.2 No Further Subdivision. Except as may be allowed in writing by the Declarant, no Lot or Common Area shall be further subdivided or separated into smaller parcels. No conveyance of less than all of any Lot shall be permitted.

6.3 Prompt Repair. Each Residence and other Improvement on an Owner's Lot shall be kept in good repair. As applicable, the Owner or Association shall promptly repair damage to any Residence or Improvement on such Owner's Lot.

6.4 Nuisances and Offensive, Unsightly, and Unsafe Conditions. No Owner shall permit any noxious, offensive, unsightly, or unsafe activity, object, animal, or condition to exist on such Owner's Lot. Without limiting the generality of the foregoing, no unreasonable noise or disturbance shall be permitted on any Lot. Bicycles, trailers, mobile homes, trucks other than pickups, boats, tractors, vehicles other than automobiles, campers not on a truck, snowmobiles, snow removal equipment and garden or maintenance equipment shall be kept at all times, except when in actual use, behind approved fencing or otherwise enclosed or screened from view. Refuse, garbage and trash shall be kept at all times in a covered, noiseless container and any such container shall be kept within an enclosed structure or appropriately screened from view. Service areas, storage piles, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view. No lumber, grass, shrub or tree clippings or plant waste, metals, bulk materials or scrap or refuse or trash shall be kept, stored or allowed to accumulate on any Lot, except within an enclosed structure or when appropriately screened from view. No Owner shall dispose, or permit to be disposed, any oil, gas, toxic or hazardous material, or other unsafe substance within the Project. Landscaping shall remain well maintained, watered, and free of weeds and debris. Smoking is prohibited on or within all Common Areas and Limited Common Areas including, without limitation, patios, balconies, garages, private streets, walkways, and landscaped areas. Smoking includes carrying, burning, handling or controlling any lighted product containing tobacco or marijuana, including but not limited to cigarettes, cigars or pipes. The Board may adopt reasonable Rules and Regulations to further clarify the responsibilities of Owners under this Section.

6.5 Ingress and Egress. Each Owner shall have a right of ingress to and egress from such Owner's Lot, with such right of ingress and egress being perpetual and appurtenant to ownership of the Lot.

6.6 Encroachment. Subject to Section 9.2.1 of this Declaration, no Improvement on any Lot shall encroach on an adjoining Lot or Common Area and any such encroaching Improvements must immediately be removed at the expense of the Owner of the Lot from which the Improvement encroaches. If, however, encroachment occurs due to natural settling or shifting or for other reasons beyond the control of the Owner, the Owner shall be deemed to have an easement for the maintenance of such encroaching Improvement which shall exist, and shall run with the land, for so long as the encroaching Improvement exists.

6.7 View Impairment. Declarant makes no representation or guarantee that the view from, across, or over any Owner's Lot will remain the same as when purchased by such Owner. Construction of Residences or other Improvements within the Project may affect such Owner's view. In addition, landscaping and trees may also impact an Owner's view and the Declarant and Association will have no obligation to prune or trim any landscaping or trees except as may be set forth in any applicable County ordinances.

ARTICLE 7

MAINTENANCE

7.1 Maintenance of Residences by Owner. The Owner of each Residence shall maintain such Owner's Lot, and all permitted Improvements thereon including the Residence, in good repair and in a clean and tidy manner, and in accordance with all the Covenants, the Design Guidelines, and the Rules and Regulations and in a manner that does not detract from the overall appearance of the Project. Such maintenance will be performed at the Owner's expense without any setoff right. The Board may adopt reasonable Rules and Regulations governing the appearance and use of driveways, decks, patios, and balconies within the Project. Without limiting the generality of the foregoing, each Owner of a Residence has the following obligations: such Owner shall be responsible to maintain the roof, foundation, beams, exterior surfaces and siding, rain gutters and downspouts, doors, windows, driveways, concrete, patios, balconies, garage doors, and other exterior components of the Residence. Each Owner shall also be responsible for the maintenance of the interior of each Residence and to keep the same in good repair. The ACC or the Board may establish, by Design Guidelines or Rules and Regulations, applicable landscaping guidelines which Owners must follow. Each Owner of a Residence shall be responsible for the maintenance, repair, and replacement of all utility lines serving such Owner's Residence, provided that no Owner shall do any work or perform any act that will, or may, impair the ability of any utility lines or fixtures to serve other Residences within the Project.

7.2 Common Areas/ Limited Common Areas. The Association shall maintain the Common Areas, Common Facilities, and Limited Common Areas within the Project. The Association shall keep Common Areas, Limited Common Areas and other areas for which it is responsible clean, appropriately landscaped, functional, attractive, and generally in good condition and repair consistent with any applicable requirements of the County. Maintenance of the Common Facilities shall be conducted in accordance with the approved Long-Term Stormwater Management Plan attached hereto as Exhibit D. In the event that maintenance or repair to Common Areas, Common Facilities or Limited Common Areas is caused by the willful or negligent acts of any Owner or group of Owners, or by their guests or invitees, the cost of such maintenance may be assessed solely to the responsible Owner or Owners as a special assessment.

7.3 Roads and Streets. Roads and streets within the Project may be dedicated to the County for public use and will be maintained by the County or may be private for the use of some or all of the Owners, as designated on the Plat Map. If any roads or streets within the Project are private the cost of maintenance will be apportioned to the Owners as provided in Section 4.3.2

7.4 Utilities. The Owner of each Lot shall pay for all utility services provided to such Lot, except utility services which are not separately billed or metered. Any such common utilities shall be paid by the Association and an appropriate share shall be charged to each Lot as part of the annual assessment.

7.5 Remedies for an Owner's Failure to Maintain. The Association shall have the right to enforce the maintenance obligations set forth in this Article 7. Among other available remedies, the Association shall have the right to enter each Owner's Lot and perform maintenance otherwise required to be performed by an Owner and to recover the cost of such maintenance from such Owner as a special assessment against such Owner and such Owner's Lot if the Board determines that such Owner is unwilling or unable to timely perform such maintenance. Except in the case of an emergency, the Association may not exercise this remedy unless: (a) the Owner has been given written notice of the need to perform such maintenance and fifteen (15) days have elapsed since such notice was given without the required maintenance being performed by such Owner, and (b) the Owner is given the opportunity for a hearing before the Board.

ARTICLE 8

ARCHITECTURAL CONTROL

8.1 Architectural Control Committee. Declarant may, during the Period of Declarant's Control, establish an Architectural Control Committee ("ACC"). If an ACC is formed, all

Improvements within the Project will be subject to design review and prior approval by the ACC. The ACC shall be governed by the following provisions.

8.1.1 Composition and Selection. Declarant shall select, change, and remove from time to time the members of the ACC, which shall number no less than three (3) members. During the Period of Declarant's Control, Members of the ACC do not need to be Owners.

8.1.2 Design Guidelines. If the Declarant establishes the ACC, the ACC will adopt design and maintenance criteria for the Residences and all other Improvements permitted within the Project ("Design Guidelines"). The Design Guidelines shall be consistent with the building, land use, and other ordinances and regulations of the County. The ACC must make the Design Guidelines available to all Owners or prospective Owners and, if possible, shall publish the Design Guidelines in electronic format.

8.1.3. Compliance. If the Declarant establishes the ACC, all Residences, fences, and other Improvements must be constructed and maintained in accordance with the Design Guidelines. Prior to construction, alteration, modification, or replacement of any Improvements within the Project, an Owner shall submit plans for the same to the ACC. The ACC shall evaluate all such plans for compliance with the Design Guidelines.

8.1.4 Procedure. The ACC may establish a schedule of reasonable fees for review of plans for any proposed Improvements and collect such fees before any obligation to review plans under this Article 8. The ACC may employ architects, engineers, and other professionals to review plans submitted by an Owner. The Owner shall pay all expenses reasonably associated with the ACC's review of the plans. The ACC shall approve or deny such plans in writing within thirty (30) business days following receipt of the same. Failure to approve or deny such plans within the time period provided shall constitute disapproval of the same.

8.1.5 Enforcement. The ACC shall have the right, but not the duty, to enforce compliance with the Design Guidelines, including by means of fines levied by the Association or by legal action, in which case the ACC shall be entitled to recover the costs of enforcement, including reasonable attorney fees.

8.2 Specific Design Standards. In addition to the Design Guidelines established by the ACC pursuant to Section 8.1.2, all construction within the Project must meet the standards set forth in this Section 8.2 and its subparts.

8.2.1 All Improvements constructed within the Project shall be of good quality and workmanship.

8.2.2 The exteriors of all Residences must be of a material approved by the County.

8.2.3 Exterior colors of all Residences must match the colors required by the ACC.

8.3 Construction. Unless otherwise permitted by the Board, any builder must use its best efforts to complete construction of each Residence within twelve (12) months from the commencement of construction. This includes all exterior painting and finish work and the installation of all required landscaping. During the construction of any Improvement, the affected Lot must be kept reasonably clean and tidy and all construction debris must be controlled and regularly removed. All construction activities must comply with the Covenants set forth in this Declaration, the terms of the Bylaws, and the Rules and Regulations adopted by the Board and all local zoning ordinances, building codes, and other applicable laws.

8.4 Declarant Exemption. Nothing in this Article 8 shall prohibit or restrict the ability of the Declarant to use any Lots owned by Declarant, and the Common Areas during the Period of Declarant's Control, for any purposes consistent with or intended to facilitate the improvement and sale of Lots owned by Declarant. Declarant shall not be bound by the Design Guidelines and reserves the right to alter or modify the plans for any Improvement on any Lot at any time Declarant owns such Lot. Declarant shall not be bound by the time limitation for construction activities set forth in this Declaration. Declarant's sales and marketing activities are exempt from the Design Guidelines. Declarant may maintain and operate temporary structures for construction, sales, or business purposes. The exemption does not apply to Commercial Builders and each Commercial Builder will be subject to the Design Guidelines and the other provisions of this Article 8.

ARTICLE 9

EASEMENTS

9.1 Easements Shown on Plat Map. The Property and Lots are subject to the easements, rights of way, encroachments, and other encumbrances as shown on the Plat Map. Within such easements, no Improvement of any type shall be placed or permitted to remain which may damage or interfere with the intended purpose of such easement, except as otherwise specifically set forth herein.

9.2 Easements Reserved. In addition to easements shown on the Plat Map or otherwise provided for in this Declaration, the following easements are reserved for the benefit of the Owners and the Association:

9.2.1 Easement for Encroachment. If, because of an error in original construction, an error on the Plat Map, natural settling or shifting of the earth, or good faith mistakes during repair or reconstruction, any part of the Common Areas encroaches on an adjoining Lot, an easement for the encroachment and for maintenance of the Common Areas shall exist in favor of the Declarant during the Period of Declarant's Control and the Association thereafter.

9.2.2 Public Dedication. The Declarant reserves, for itself and its successors and assigns, the right to dedicate all roads, streets, alleys, open space, rights of way or easements shown on the Plat Map to public use. No road, street, avenue, alley, right of way or easement shall be laid out or constructed through or across any Lot or Lots in the Project except as set forth in this Declaration, or as shown on the Plat Map.

Current Utility Easements. The Association and public utility or public service providers shall have an easement for the installation, maintenance, and repair of such utilities and services as shown on the Plat Map or approved Civil Plans. Except for equipment or improvements for which the public utility or public service provider is responsible, each Owner shall maintain the portion of such Owner's Lot burdened by a utility easement.

Future Utility Easements. Declarant reserves, for itself and its successors and assigns, an easement, and the right to grant easements to any person, individual, corporate body, or municipality, across, over, under, upon, and through any Lot, Common Area, road, street, open space, or other portion of the Project, for the installation, construction, maintenance, reconstruction and repair of public, quasi-public, or private utilities and related facilities to serve the Project and the Lots therein, including but not limited to the mains, conduits, pipelines, laterals, underground or above-ground lines and cables, transmission facilities, meters and other facilities and appurtenances necessary or useful for the provision of water, storm sewer, sanitary sewer, gas, electricity, telephone, cable television, internet and data and other public, quasi-public or private services or utilities deemed by Declarant necessary or advisable to provide any service to the Project or any Lot, Common Area, or other portion thereof.

Grading and Drainage. Declarant reserves, for itself and its successors and assigns, the right at or after the time of grading of any street or any part thereof for any purpose, to enter upon any abutting Lot and grade a portion of such Lot adjacent to such street, provided such grading does not materially interfere with the use or occupancy of any

Residence built on such Lot, but Declarant shall not be under any obligation or duty to do such grading or to maintain any slope. In addition, if Declarant establishes a drainage system within the Project, each Owner must maintain such drainage system and not modify or interfere with the same.

Right of Entry onto Lots. The Declarant during the Period of Declarant's Control and the Association thereafter shall have the right, through authorized agents, to enter onto any Lot after reasonable notice to the Owner thereof for the purpose of performing maintenance or determining whether the Lot, or any Improvements thereon, complies with this Declaration, the Bylaws, and the Rules and Regulations. Except in the event of an emergency, entry made pursuant to this Section shall be during normal business hours, at a time convenient for the Owner, after reasonable notice.

Right of Entry onto Common Areas. Declarant during the Period of Declarant's Control and the Association thereafter shall have the right, through authorized agents, to enter upon the Common Areas for maintenance, repair, replacement, and such other purposes as Declarant deems necessary, including the right to make openings and excavations thereon, which openings and excavations shall be restored in a reasonable period of time, and the right to make such alterations of the contour of the land as may be necessary or desirable to affect such purposes.

Maintenance of Drainage Facilities. Declarant during the Period of Declarant's Control and the Association thereafter shall have the right, through authorized agents, to enter onto any Lot for the purpose of conducting maintenance on the Common Facilities as described in the Maintenance Plan attached hereto as Exhibit D.

9.3 **Easement for Entry Monuments.** Declarant reserves the right to place, at Declarant's discretion and at any time during the Period of Declarant's Control, one or more entry monuments on one or more Lots within the Project, provided that any such monuments shall not unreasonably interfere with the residential use of such Lot. If the Declarant elects to install one or more entry monument, the Association shall thereafter have an easement on the affected Lot or Lots for the purpose of maintenance of such monument and such maintenance shall be a Common Expense.

9.4 **Side Yard Use Easements.** Each Lot (the "Grantor Lot") which shares a common side yard Lot line with an adjacent Lot on the southwest side of the Grantor Lot (the "Grantee Lot") shall be subject to an easement for the purpose of allowing a side yard for the benefit of the Grantee Lot, as shown on the Plat Map (the "Side Yard Use Easement").

Description of Side Yard Use Easement. The Side Yard Use Easement shall extend from: (a) One (1) foot from the side yard foundation of the Residence to be located on the Grantor Lot to the common side yard Lot line, (b) One (1) foot behind the farthest set back front corner foundation of the Residence to be located upon either the Grantor Lot or the Grantee Lot (the “**Front Easement Line**”), and (c) One (1) foot in front of the rear corner foundation of the Residence to be located on the Grantor Lot (the “**Rear Easement Line**”).

Binding on Successors in Interest. The Side Yard Use Easement shall be binding on each and every Grantor Lot for the benefit of the Grantee Lot and shall run with the land in perpetuity.

Side Yard Use Easement Restrictions. The Owner of the Grantee Lot (“**Easement Grantee**”) shall have full access and enjoyment of the Side Yard Use Easement benefiting such Grantee Lot, including construction of improvements (not to include fencing), use and maintenance of the Side Yard Use Easement. Improvements including, but not limited to, decks, patios, walls, landscaping, furniture and other similar elements are permitted within the Side Yard Use Easement. Decks and patios in excess of thirty (30) inches in height (as measured from finished grade) are not permitted in Side Yard Use Easements. Only landscaping, hardscape, and irrigation improvements are permitted within the front and rear setbacks.

9.4.1 The Board may develop such rules and regulations as may be necessary to manage the Side Yard Use Easements.

9.4.2. All Grantee improvements located within the Side Yard Use Easement shall be maintained by the Easement Grantee.

9.4.3 The Side Yard Use Easement is subject to Easement Grantor’s right to obtain access for the maintenance and repair of the Resident located upon the Grantor’s Lot and for no other purpose.

9.4.4 Grantee shall not be permitted to alter the finished grade and/or drainage patterns on the Side Yard Use Easement without the advance written approval of the ACC.

ARTICLE 10

DECLARANT RIGHTS AND CONTROL

10.1 Declarant's Administrative Control. During the Period of Declarant's Control, neither the Board nor the Association shall take any action without Declarant's prior written approval.

10.2 Construction Activities. So long as Declarant owns at least one (1) Lot within the Project, Declarant shall have the right to conduct construction activities on or related to such Lot and shall not be bound by any limitations related to construction activities set forth in this Declaration. During the Period of Declarant's Control, Declarant shall have a non-exclusive easement and right-of-way in, through, under, over and across the Common Area for the purpose of the storage of building supplies and materials, and for all other purposes reasonably related to the completion of construction and development of the Project and the provision of utility services and other services or facilities to the Project. Notwithstanding any other provision of this Declaration to the contrary, Declarant, in its absolute discretion, shall have the right to construct and install any and all Improvements within the Project which Declarant desires, so long as they comply with the applicable ordinances of the County, but this provision shall not be construed to impose any obligations on Declarant to construct any such Improvements.

10.3 Sales Activities. Notwithstanding any other provision of this Declaration, so long as Declarant owns at least one (1) Lot within the Project, Declarant shall have the right to conduct reasonable sales activities including, but not limited to maintaining one or more sales office or model home on Lots owned by the Declarant and using the same for business purposes and maintaining a reasonable number of "for sale" signs or other similar marketing materials in the Project, including Common Areas.

10.4 Declarant's Rights Assignable. Declarant may assign the rights of Declarant set forth under this Declaration, or those rights in any way relating to the Property, to a purchaser or successor in interest. Upon assignment, such assignee shall be deemed the Declarant for all purposes under this Declaration.

ARTICLE 11

INSURANCE

11.1 Insurance Held by Owner. Each Owner shall obtain and maintain insurance covering the personal contents of the Residence or other Improvements on such Owner's Lot. Each Owner shall also maintain a policy of homeowner's insurance on the Residence on such Owner's Lot, protecting such Residence against casualty and loss, in an amount not less than one hundred percent (100%) of the current replacement value of such Residence.

11.2 Insurance Held by Association. The Association shall obtain and maintain all insurance policies required by Part 4 of the Act consistent with the terms and conditions of the Act. The coverage amounts, limits, terms, and conditions of the Association's policies shall be

comparable to similarly situated homeowners associations in the Wasatch Front area. All premiums for insurance policies held by the Association shall be funded by Assessments. Without limiting the foregoing, the Association shall obtain and maintain:

11.2.1 Property and liability insurance for all Common Areas.

11.2.2 Fidelity insurance (e.g., directors' and officers' coverage).

11.2.3 Such other insurance policies for casualty or liability as the Board deems necessary or desirable.

11.3 Deductible. If permitted by the Act, the deductible on any claim made under a policy maintained by the Association shall be allocated among all Owners if the loss affects the Common Areas or all the Lots in the Project or, if the loss affects or impacts less than all the Lots in the Project, the deductible shall be allocated among the Owners of affected Lots.

ARTICLE 12

DURATION AND AMENDMENT

12.1 Duration. This Declaration shall be effective, and the Covenants set forth herein shall encumber the Property, from the date the Declaration is recorded in the County Recorder's Office and, as amended from time to time, this Declaration shall continue in full force and effect against the Property and the Covenants shall run with the land in perpetuity, for as long as the law allows unless amended or terminated as provided herein.

12.2 Amendment. These covenants may not be amended if such amendment would affect the Common Facilities, unless approved by Grand County. During the Period of Declarant's Control, the Declarant shall have the right to amend this Declaration without the consent of any other Owner. The foregoing sentence does not preclude other amendments proposed by Members of the Association, provide that any such amendment proposed during the Period of Declarant's Control must be approved by sixty-seven percent (67%) of the Members of the Association and must also be approved by the Declarant in writing before it can be effective. After the Period of Declarant's Control, this Declaration may be amended by the affirmative vote of not less than sixty-seven percent (67%) of the Members of the Association and such amendment must contain a statement from the Board certifying that the required vote has taken place. No amendment to this Declaration shall be effective until it is recorded in the County Recorder's Office.

12.3 Termination. An agreement to terminate this Declaration and the Covenants set forth herein, shall require same approval required for an amendment as set forth in Section 12.2 of this Declaration. In addition, after the Period of Declarant's Control any agreement to

terminate must be approved, or deemed approved, by at least sixty-seven percent (67%) of the Eligible Mortgagees as provided in Section 14.3 of this Declaration.

ARTICLE 13

MANDATORY DISPUTE RESOLUTION REQUIREMENTS

13.1 **Statement of Intent.** Prior to purchasing a Lot, every Owner is capable of obtaining an inspection and is permitted to perform, or pay someone else to perform, an inspection on any Lot that Owner is purchasing or any other aspect of the Project, including, without limitation, the Common Areas. Moreover, if any written warranty has been provided, it identifies the only items that are warranted by the Declarant. Having had the ability to inspect prior to purchasing a Lot, having received a written warranty if any warranty is provided, and having paid market price for a Lot in the condition it and the Lots and Common Areas are in at the time of purchase, it is acknowledged that it is unfair and improper to later seek to have the Declarant and/or any subcontractor performing work in the Project to change, upgrade, or add additional work to the Project outside of any express warranty obligation. Moreover, the Owners (by purchasing a Lot) and the Declarant acknowledge and agree that litigation is an undesirable method of resolving disputes and conflicts in that it can be slow, expensive, uncertain, and can often negatively impact the sale value and ability to obtain financing for the purchase of Lots for years, unfairly prejudicing those Owners who must or want to sell their Lot during any period when litigation is pending. For this reason, the Owners, by purchasing a Lot, and the Declarant covenant and agree that claims and disputes shall not be pursued through court action, but shall be asserted and resolved only through the specific alternative dispute resolution mechanisms described below and only after full disclosure, satisfaction of the right to cure periods, and knowing approval of the Owners, as set forth in the provisions of this Article 13. In addition, the Association and the Owners agree that they take ownership and possession of the Lots and Common Areas AS IS, with no warranties of any kind except as maybe provided in writing or as otherwise required as a matter of law. Unless otherwise provided in writing (and then only except to the extent of such writing), the Declarant specifically disclaims any and all warranties of merchantability, fitness for a particular use, or of habitability, to the full extent allowed by law.

13.2 **Binding Arbitration for All Disputes.** To the fullest extent permitted by law, all claims and disputes of any kind that any Owner, group of Owners, or the Association may have involving the Declarant, or any agent, employee, executing officer, manager, affiliate or owner of the Declarant, or any engineer or contractor involved in the design or construction of the Project, which arise from or are in any way related to the design, use, construction, or maintenance of any Residence or other Improvement on a Lot, the Common Areas, or any other Improvement on, or component of, the Project (each, a "Dispute"), shall be submitted to final and binding arbitration in lieu of litigation. Binding arbitration shall be the sole remedy for resolving claims and disputes between or involving the Declarant and any Owner or between or involving the Declarant and the Association. Each Owner recognizes that this Section 13.2 amounts to a **WAIVER OF THE**

RIGHT TO A JURY TRIAL WITH RESPECT TO ANY DISPUTES and, by taking title to a Lot, knowingly agrees to that waiver. Notwithstanding the foregoing, arbitration proceedings shall not be commenced unless all of the Pre-Arbitration Requirements set forth in Section 13.3 have been satisfied in full. Without in any way limiting the foregoing, Disputes subject to binding arbitration shall include the following:

13.2.1 Any allegation that a condition in any of the Residences on the Lots, the Common Areas, or other Improvements in the Project is or involves a construction defect;

13.2.2 Any disagreement as to whether an alleged construction defect has been corrected;

Any disagreement about whether any warranties, including implied warranties, are applicable to the subject matter of any Dispute;

Any disagreement as to the enforceability of any warranties alleged to be applicable to the subject matter of any Dispute;

Any disagreement about whether any warranty alleged to be applicable to the subject matter of any Dispute has been breached;

Any alleged violations of consumer protection, unfair trade practice, or other statutes or laws;

Any allegation of negligence, strict liability, fraud, and/or breach of duty of good faith, and all other claims arising in equity or from common law;

Any allegation that any condition existing in the Project or created by the Declarant (or any of its contractors), including construction-related noise, dust, and traffic, is a nuisance, a defect, or a breach of any implied warranties of habitability or other implied warranties;

Any disagreement concerning the scope of issues or claims that should be submitted to binding arbitration;

Any disagreement concerning the timeliness of performance of any act to be performed by Declarant or any of its contractors;

Any disagreement as to the payment or reimbursement of any fees associated with binding arbitration;

Any disagreement or dispute regarding management of the Association, or regarding reserve studies or funding of Association expenses; and

Any other claim or disagreement arising out of or relating to the sale, design, or construction of any of Improvement on the Lots, Common Areas, off-site improvements, the formation, operation, governance, and/or management of the Association, or other claims regarding the Project.

13.3 Pre-Arbitration Requirements.

Generally. An Owner or the Association may only pursue a claim against the Declarant in arbitration after ALL of the following efforts of dispute resolution have been completed: (a) the claimant (e.g. the affected Owner or the Association) shall provide to the Declarant a written Notice of Claim (defined below) and permit the Declarant one hundred eighty (180) days to cure or resolve the claim or defect or to try to get the applicable builder or the appropriate subcontractor to cure or resolve the claim or defect, prior to initiating any formal arbitration proceedings; and (b) if the Dispute is not resolved within the 180-day Right to Cure period, the parties shall participate in formal mediation with a mutually-acceptable third-party mediator in an effort to resolve the Dispute prior to taking further action or commencing arbitration. If additional, different, or modified claims, damages, calculations, supporting information, or descriptions are added, provided to, or asserted against the Declarant that were not included in any previously submitted Notice of Claim, the Right to Cure period provided for in this Section shall immediately apply again and any pending action or proceedings, including any mediation or arbitration, shall be stayed during the 180-day period.

Notice of Claim. For purposes of this Article 13, "Notice of Claim" shall mean and include ALL of the following information: (a) an explanation of the nature of the claim, (b) a specific breakdown and calculation of any alleged damages, (c) a specific description of the claim along with any supporting opinions, information, or factual evidence upon which the claim is based, (d) photographs of any alleged defective condition, if applicable, (e) samples of any alleged defective conditions or materials, if reasonably available, (f) an explanation of the efforts taken to avoid, mitigate, or minimize the claim or any alleged damages arising therefrom, and (g) the names, phone numbers, and address of each person providing factual information, legal or factual analysis, or legal or factual opinions related to the claim.

13.4 Member Approval: Legal Opinion: Arbitration. If a claim or dispute has not been resolved after satisfying and complying with the above-described “Pre-Arbitration Requirements,” then the claimant (Owner or Association) shall have the right to proceed with binding arbitration; however, the Association shall not pursue or commence binding arbitration unless such action is first approved by a majority of the total votes of the Association after the Association has obtained a written opinion from legal counsel advising the Association of the likelihood of success on the merits of the claims, the anticipated costs and legal fees, the anticipated expert witness fees, and the likelihood of recovery if the Association prevails. The written opinion from legal counsel, addressing these topics, must be provided to all Owners before the formal vote on whether to proceed with binding arbitration. The binding arbitration shall be conducted by a mutually-acceptable arbitrator (preferably a former judge), or, if an arbitrator cannot be mutually selected, then by a member of the Panel of Construction Arbitrators appointed by the American Arbitration Association (“AAA”). The binding arbitration shall be conducted according to the rules and procedures set forth in the Construction Industry Arbitration Rules promulgated by the AAA. The award of the arbitrator shall be final and may be entered as a judgment by any court of competent jurisdiction.

13.5 Fees and Costs of Arbitration. Each party shall bear its own attorney fees and costs (including expert witness costs) for the arbitration. The arbitration filing fee and other arbitration fees shall be divided and paid equally as between the parties. The arbitrator **SHALL NOT** award attorney fees, expert witness fees, or arbitration costs, to the prevailing party.

13.6 No Waiver of Arbitration Right. If any Owner, the Association, or the Declarant files a proceeding in any court to resolve any Dispute, such action shall not constitute a waiver of the right of such party, or a bar to the right of any other party, to seek arbitration or to insist on compliance with the requirements set forth in this Article 13. If any such court action is filed, then the court in such action shall, upon motion of any party to the proceeding, stay the proceeding before it and direct that such Dispute be arbitrated in accordance with the terms set forth herein, including, without limitation, compliance with the pre-arbitration requirements set forth above.

13.7 Waiver of Subrogation. The Association and each Owner waives any and all rights to subrogation against the Declarant and any builder, contractor, and engineer in the Project. This waiver shall be broadly construed and applied to waive, among other things, any attempt by any insurer of any Owner or of the Association from pursuing or exercising any subrogation rights, whether arising by contract, common law, or otherwise, against the Declarant, the Project engineer, and builder, contractors of the Declarant and the builder, and their officers, employees, owners, and representatives. To the full extent permitted by law, the Association and Owners hereby release Declarant, the Project engineer, and builder, and their respective officers, employees, owners, contractors, insurers, and representatives from any and all liability to the

Association and all Owners, and anyone claiming through or under them by way of subrogation or otherwise, for any loss, injury, or damage to property, caused by fire or any other casualty or event, even if such fire or other casualty shall have been caused by the fault or negligence of Declarant or builder, their officers, employees, owners, and representatives. The Association and each Owner agrees that all policies of insurance shall contain a clause or endorsement to the effect that this release and waiver of subrogation shall not adversely affect or impair such policies or prejudice the right of the Association or any Owner to recover thereunder. The Association and all Owners shall indemnify and defend the Declarant, the builder, and any of their officers, employees, owners, contractors, or representatives from any claims barred or released by this provision, including but not limited to any claim brought under any right of subrogation

13.8 Enforcement of Covenants. Notwithstanding the foregoing, any legal action taken by Declarant to enforce the Covenants shall be subject to the terms of Article 2.2 of this Declaration, not this Article 13.

ARTICLE 14

MISCELLANEOUS PROVISIONS

14.1 Damage or Destruction.

14.1.1 Attorney in Fact. Each Owner irrevocably appoints the Association as such Owner's true and lawful attorney-in-fact in such Owner's name, place and stead for the purpose of dealing with the Project in the event of damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from the Declarant or from any Owner shall constitute an appointment by said grantee of the Association as his or her attorney-in-fact as herein provided. As attorney-in-fact, the Association shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or other instrument with respect to the interest of an Owner which may be necessary or appropriate to exercise the powers herein granted. All insurance proceeds shall be payable to the Association, except as otherwise provided in this Declaration.

14.1.2 Definition of Repair and Reconstruction. Repair and reconstruction of the Improvements as used herein means restoring the Project to substantially the same condition in which it existed prior to the damage or destruction, with each Lot and the Common Areas having substantially the same vertical and horizontal boundaries as before.

14.1.3 Procedure. In the event all or any part of the Project is damaged or destroyed, the Association shall proceed as follows. The Association shall give timely

written notice to any First Mortgagee on a Lot or who requests such notice in writing in the event of substantial damage to or destruction of any part of the Common Areas or a Lot subject to the Mortgage held by such First Mortgagee. As soon as practicable after an event causing damage to or destruction of any part of the Project, the Association shall obtain complete and reliable estimates of the costs to repair and reconstruct the part of the Project damaged or destroyed. In no event shall an Owner of a Lot or any other party have priority over the First Mortgagee on such Lot with respect to the distribution to such Lot of any insurance proceeds.

Repair or Reconstruction. If the damage or destruction is to be repaired or reconstructed as provided above, the Association shall, as soon as practicable after receiving the said estimate of costs, commence and diligently pursue to completion the repair and reconstruction of that part of the Project damaged or destroyed. The Association may take all necessary or appropriate action to effect repair and reconstruction, as attorney-in-fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith, except as otherwise expressly provided herein.

Disbursement of Funds for Repair and Reconstruction. If repair or reconstruction is to occur, the insurance proceeds held by the Association, and any amounts received from assessments made shall constitute a fund for the payment of costs of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for costs of repair and reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair and reconstruction, such balance shall be distributed to the Owners equally.

14.2 **Condemnation.**

In General. If at any time, or from time to time, all or any part of the Project shall be taken or condemned by any public authority under power of eminent domain, the provisions of this Section shall apply. A voluntary sale or conveyance of all or any part of the Project in lieu of condemnation, but under threat of condemnation, shall be deemed to be a taking by power of eminent domain. If any Lot or portion thereof, or the Common Areas or any portion thereof, are made the subject matter of any condemnation or eminent domain proceeding, or are otherwise sought to be acquired by a condemning authority, the Board shall give prompt written notice of any such proceeding or proposed acquisition to each Owner in the Project and to any First Mortgagee who has requested in writing notice thereof. The Association shall represent the Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Areas, or any part thereof, and each Owner

hereby appoints the Association as such Owner's attorney-in-fact for the purposes of such representation.

Proceeds. All compensation, damages and other proceeds from any such taking by power of eminent domain (hereinafter "**Condemnation Award**") shall be made payable to the Association and shall be distributed by the Board, on behalf of the Association as herein provided.

Complete Taking. In the event the entire Project is taken by power of eminent domain, ownership pursuant hereto shall terminate and the Condemnation Award shall be allocated among and distributed to the Owners and the Owners shall divide the Condemnation Award based upon the relative values of the Lots immediately prior to the condemnation. Such distribution shall be made by check payable jointly to the respective Owners and their respective Mortgagees, as appropriate.

Partial Taking. In the event that less than the entire Project is taken by power of eminent domain, the following shall occur:

14.2.1 **Allocation of Condemnation Award.** As soon as practicable, the Board shall, on behalf of the Association, reasonably and in good faith, apportion the Condemnation Award between compensation, severance damages or other proceeds and shall allocate such apportioned amount and pay the same to the Owners as follows: (a) The total amount apportioned to taking of or injury to the Common Areas shall be allocated among and distributed to all Owners (including Owners whose entire Lots have been taken); (b) The total amount apportioned to severance damages shall be allocated among and distributed equally to the Owners of those Lots that have not been taken; (c) The respective amounts apportioned to the taking of or injury to a particular Lot shall be allocated and distributed to the Owner of such Lot; (d) The total amount apportioned to consequential damages and any other taking or injuries shall be allocated and distributed as the Association determines to be equitable under the circumstances; (e) If apportionment or allocation is already established by negotiation, judicial decree, statute or otherwise, the Association shall employ such apportionment and allocation to the extent it is relevant and applicable; (f) Distribution of allocated proceeds shall be made by check payable jointly to individual Owners and their respective Mortgagees, as their interests may appear; and (g) No provision of this Section, or any other provision of this Declaration, the Association's Articles of Incorporation or the Bylaws shall entitle the Owner of a Lot, or other party, to priority over any First Mortgagee of such Lot with

respect to the distribution to such Lot of the proceeds of any award, settlement or proceeds from any eminent domain or condemnation proceedings.

14.2.2 Continuation and Reorganization. If less than the entire Project is taken by power of eminent domain, ownership pursuant hereto shall not terminate but shall continue. In such event the Project shall be reorganized as follows: (a) If any partial taking results in the taking of an entire Lot, then the Owner thereof shall cease to be a Member of the Association and all voting rights shall terminate; (b) If any partial taking results in the taking of a portion of a Lot, the voting rights appertaining to such Lot shall continue; (c) If any partial taking results in the taking of a portion of a Lot and if there is a determination made by the Board, after duly considering any recommendations, proposals, or other input from the Owners, that such taking makes it impractical to use the remaining portion of such Lot, then all voting rights shall terminate and the remaining portion of such Lot shall thenceforth be part of the Common Areas; (d) The Board, after duly considering any recommendations, proposals or other input from the Owners, shall have the duty and authority to make all determinations and to take all actions necessary or appropriate to effectuate reorganization of the Project under the provisions of this Section (including a possible reallocation of voting rights); provided, however, that if any such determination shall have been or such action is taken by judicial decree, the Board shall defer thereto and proceed in accordance therewith.

14.2.3 Repair and Reconstruction. Any repair and reconstruction necessitated by condemnation shall be governed by the provisions specified in Section 14.1 of this Declaration for cases of Damage or Destruction, as applicable.

14.3 Mortgagee Provisions.

Owner's Right to Separate Mortgages. Each Owner shall have the right to separately mortgage or otherwise encumber such Owner's Lot. No mortgage by any Owner shall encumber any other Owner's Lot or any portion thereof.

Notice of Action. Upon written request made to the Association by a First Mortgagee, or an insurer or governmental guarantor of a First Mortgage (any one of which is an "Eligible Mortgagee"), which written request shall identify the name and mailing address of such First Mortgagee, insurer, or governmental guarantor and the Lot number or physical address of the Residence, any such First Mortgage, insurer or governmental guarantor shall be entitled to timely written notice of: (a) Any condemnation, loss or any

casualty loss which affects a material portion of the Project, or any Lot on which there is a First Mortgage held, insured or guaranteed by such First Mortgagee, insurer or governmental guarantor; (b) Any delinquency in the payment of assessments or charges owed by an Owner, whose Lot is subject to a First Mortgage held, insured or guaranteed by such First Mortgagee, insurer or governmental guarantor, which default remains uncured for a period of sixty (60) days; (c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and (d) Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees as specified in Section 14.3.2 or elsewhere herein.

Matters Requiring Mortgagee Approval. After the Period of Declarant's Control, and except as otherwise provided in this Declaration, the prior written consent of Owners entitled to vote at least sixty-seven percent (67%) of the votes of the Lots in the Association, and Eligible Mortgagees holding First Mortgages on Lots having at least fifty-one percent (51%) of the votes of the Lots subject to First Mortgages held by Eligible Mortgagees shall be required to: (a) Abandon or terminate the legal status of the Project after substantial destruction or condemnation occurs; (b) Add or amend any material provision of the Declaration, Articles of Incorporation, Bylaws or Plat Map, which establishes, provides for, governs or regulates any of the following (an addition or amendment to such documents shall not be considered material if it is for the purpose of correcting technical errors or for clarification only): the conversion of Lots into Common Areas or vice versa, a material change to hazard or fidelity insurance requirements, the imposition of any restrictions on Owner's right to sell or transfer his Lot, the establishment of self-management by the Association if professional management had been required previously by the Declaration or by an Eligible Mortgagee, or a change to or deletion of any provision that expressly benefits Mortgagees, insurers, or guarantors.

Response. Any Eligible Mortgagee who receives a written request from the Association to approve additions or amendments to the constituent documents and who fails to deliver or post to the Association a negative response within sixty (60) days shall be deemed to have approved such request, provided the written request was delivered by certified or registered mail, with a "return receipt" requested.

Availability of Project Documents and Financial Statements. The Association shall maintain and have current copies of the Declaration, Articles of Incorporation, Bylaws, and Rules and Regulations as well as its own books, records, and financial statements available for inspection by Owners or by holders, insurers, and guarantors of First Mortgages that are secured by Lots in the Project. Generally, these documents shall be available during normal business hours. The Association shall make an any audited financial statement which the Association obtains available to the holder, insurer, or

guarantor of any First Mortgage on submission of a written request, and at such requestor's expense.

Subordination of Lien. The lien or claim against a Lot for unpaid assessments or charges levied by the Association pursuant to this Declaration shall be subordinate to the First Mortgage affecting such Lot if the First Mortgage was recorded before the delinquent assessment was due, and the First Mortgagee thereunder which comes into possession of or which obtains title to the Lot shall take the same free of such lien or claim for unpaid assessment or charges, but only to the extent of assessments or charges which accrue prior to foreclosure of the First Mortgage, exercise of a power of sale available thereunder, or taking of a deed or assignment in lieu of foreclosure. No assessment, charge, lien, or claim which is described in the preceding sentence as being subordinate to a First Mortgage, or as not to burden a First Mortgagee which comes into possession or which obtain title, shall be collected or enforced by the Association from or against a First Mortgagee or the Lot affected or previously affected by the First Mortgage concerned.

Payment of Taxes. In the event any taxes or other charges which may or have become a lien on the Common Areas are not timely paid, or in the event the required hazard insurance described in this Declaration lapses, is not maintained, or the premiums therefore are not paid when due, any Mortgagee or any combination of Mortgagees may jointly or singly, pay such taxes or premiums or secure such insurance. Any Mortgagee which expends funds for any of such purposes shall be entitled to immediate reimbursement therefore from the Association.

Priority. No provision of this Declaration gives or may give an Owner or any other party priority over any rights of Mortgagees pursuant to their respective Mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for loss to or taking of all or any part of the Lots or the Common Areas.

14.4 **Notices.** The Association shall keep a list of contact information for Owners of all Lots within the Project and all Eligible Mortgagees. Each Owner, upon becoming an Owner, shall provide the Association with appropriate contact information including mailing address, telephone number, and email address. Each Owner or Eligible Mortgagee shall update the Association with any changes to contact information. Where written notice to an Owner is required under this Declaration, the Bylaws, or the Rules and Regulations, such notice will be deemed sufficient if it is sent to the mailing address or email address on file with the Association.

14.5 **Interpretation.** The captions and section headings set forth in this Declaration are for convenience and the meaning of the provisions set forth in the sections hereof shall be

governed by the body of the text. The use of any plural shall, where the context requires, include the singular thereof, and vice-versa.

14.6 Governing Law. This Declaration shall be governed by, and interpreted in accordance with, the laws of the State of Utah.


14.7 Severability. If any section, term, or provision of this Declaration is determined to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the remaining sections, terms, and provisions of this Declaration, which shall all remain in full force and effect.

14.8 Waiver. The failure by the Declarant, the Association, or any Owner to enforce any term or provision of this Declaration shall not be deemed as a waiver of the right to thereafter enforce such term or provision.

[Signature Page Follows.]

IN WITNESS WHEREOF, Declarant has executed this Declaration on this 27 day of June, 2023

DECLARANT
Desert Sol, LLC., a Utah limited liability company

By: 

Name: STEVE BROADBENT

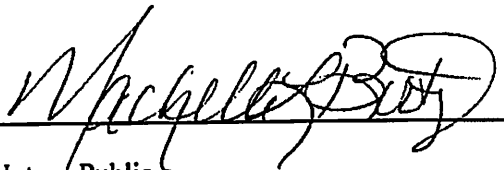
Title: MANAGER

STATE OF UTAH)

ss.

COUNTY OF Utah)

The foregoing instrument was acknowledged before me this 27 day of June, 2023 by Steve Broadbent as the Manager of Desert Sol, LLC.


Notary Public

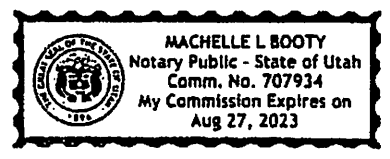


EXHIBIT A

(Property Description and Parcel Numbers)

Parcel 1:

Beginning 381.9 feet South and 247 feet East of the West Quarter Corner Section 22, T26S, R22E, SLM, thence North 51 °02' East 693.2 feet; thence South 38 °58' East 254.1 feet; thence South 51 °02' West 539. 8 feet; thence North 38 °58' West 116. 9 feet; thence South 51 °02' West 118.4 feet; thence North 53 °23' West 141. 5 feet to the point of beginning. (Parcel No. 02-0022-0049)

Parcel 2:

Beginning at a point which bears South 556.84 feet and East 482.35 feet from the West 114 Corner Section 22, T26S, R22E, SLM, running thence North 53°23' West 31 feet; thence North 51 °02' East 627. 9 feet; thence South 38°58' East 30 feet; thence South 51 °02' West 620.2 feet to the point of beginning. (Parcel No. 02-0022-0049)

Parcel 3:

Beginning 466. 3 feet South and 360. 6 feet East of the West 1/4 corner, Section 22, Township 26 South, Range 22 East, SLM, thence North 51 ° 02' East 118.4 feet; thence South 38 ° 58' East 116.9 feet; thence South 51 ° 02' West 88.1 feet; thence North 53 ° 23' West 120. 7 feet to the point of beginning. (Parcel No. 02-0022-0050)

SECTION 22 T26S R22E

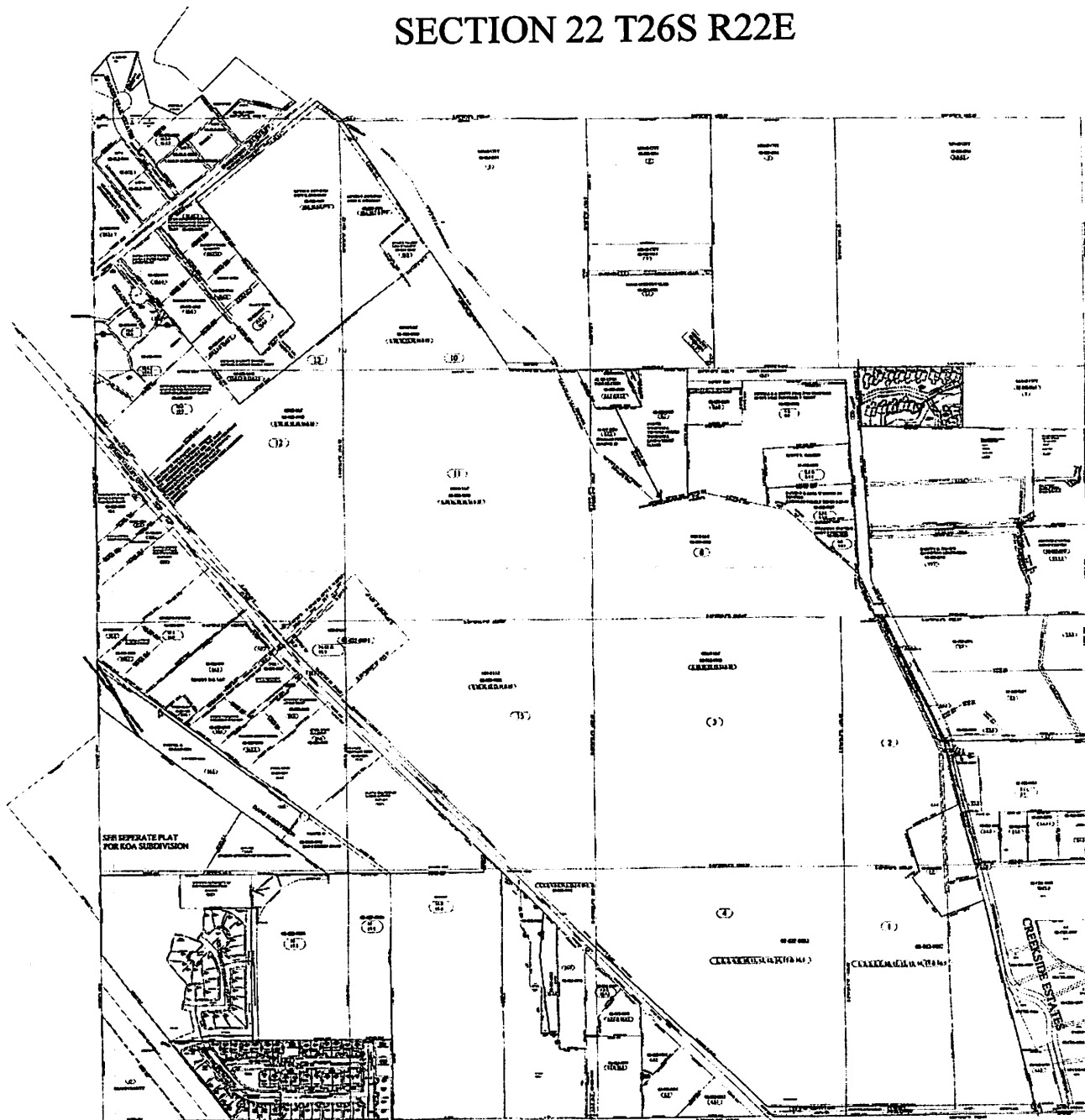


EXHIBIT C

(Association Bylaws)

**BYLAWS OF THE
DESERT SOL HOMEOWNERS ASSOCIATION**

ARTICLE I

1.1 **Name and Location.** The name of the corporation is Desert Sol Homeowners Association, hereinafter referred to as the "Association." The principal office of the Association shall be located at 7585 S. Union Park Ave., Ste 200, Salt Lake City, Utah 84047 (or at such other location as the Board may designate), but meetings of Owners and Board Members may be held at such other places within or without the State of Utah as may be designated by the Board.

**ARTICLE II
DEFINITIONS**

2.1 "Association" means the Desert Sol Homeowners Association, a non-profit corporation and its successors and assigns.

2.2 "Association Act" means the Community Association Act, Utah Code § 57-8a-101, *et seq.*

2.3 "Board" means the Board of Directors of the Association, with all powers as stated in the Declaration, the Articles of Incorporation of the Association, and these Bylaws.

2.4 "Bylaws" means these *Bylaws of the Desert Sol Homeowners Association*, as the same may be amended from time to time in accordance with their terms and provisions.

2.5 "Declarant" means the Declarant identified in the Declaration and any successor to whom the rights, privileges, and obligations of the Declarant are assigned.

2.6 "Declaration" means the *Declaration of Covenants, Conditions, and Restrictions for Desert Sol*, filed of record in the Grand County Recorder's Office in the State of Utah, as the Declaration may be amended from time to time in accordance with its terms and provisions. These Bylaws shall be recorded against the same property encumbered by the Declaration.

2.7 "Director" means an individual who is a member of the Board.

2.8 "Lot" means the individually subdivided and numbered residential parcels identified on the Plat Map identified in the Declaration, and any amendments thereto.

2.9 "Nonprofit Act" means the Utah Revised Nonprofit Act, Utah Code § 16-6a-101, *et seq.*, as amended.

2.10 "Period of Declarant's Control" means the time during which the Declarant retains the right to exercise administrative control of the Association and shall have the other rights and privileges as set forth in the Declaration. The Period of Declarant's Control shall continue until such time as Declarant sees fit to, by written notice, transfer administrative control of the Association to the Owners, but in no event shall the Period of Declarant's Control extend beyond the time which is one hundred twenty (120) days after one hundred percent (100%) of the Lots in the Project have been conveyed to individual residential purchasers.

2.11 "Project" means the Desert Sol which Declarant will develop on the Property.

2.12 "Property" means the real property located in Grand County, State of Utah, which is encumbered and burdened by the Declaration and these Bylaws as identified in the Declaration.

2.14 All other capitalized terms used herein have the meanings stated elsewhere in these Bylaws or in the Declaration.

ARTICLE III MEMBERSHIP IN ASSOCIATION: VOTING: MEETING OF OWNERS

3.1 Membership in Association. Declarant, so long as Declarant owns a Lot, and every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to ownership of any Lot. Each Lot in the Project shall be entitled to one (1) vote. Membership will begin immediately and automatically upon becoming an Owner and shall terminate immediately and automatically upon ceasing to be an Owner. If a Lot is owned by more than one person, the membership appurtenant to that Lot shall be shared by all such persons in the same proportionate interest and by the same type of tenancy in which title to the Lot is held. Ownership of a Lot within the Project cannot be separated from the Association membership appurtenant thereto, and any devise, conveyance or other disposition of a Lot shall constitute a devise, conveyance or other disposition, respectively, of such Owner's membership in the Association and the rights appurtenant thereto. The foregoing is not intended to include conveyances made solely for the purpose of securing performance of an obligation.

3.2 Voting. Unless otherwise provided for herein, or required by the Declaration, all matters submitted to a vote shall be by a majority vote of all votes cast. Notwithstanding the foregoing, during the Period of Declarant's Control, Declarant may act in all Association matters with or without a vote of the Owners. To the extent any matters are submitted to a vote of the Owners during the Period of Declarant's Control shall be approved and implemented if, and only if, the Declarant also approves such matters. After the Period of Declarant's Control, all matters submitted to a vote of the Association shall be decided by the votes of the Owners. A change in the ownership of a Lot shall be effective for voting purposes from the time the deed or other instrument effecting such change is recorded. Thereafter, the new Owner shall give the Board written notice of such change of ownership and provide satisfactory evidence thereof. The vote for each Lot must be cast as one vote, and fractional votes shall not be allowed. In the event that

a Lot is owned by more than one (1) Owner the vote for the Lot shall be cast as such Owners decide among themselves. In the event such Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner casts a vote representing a certain Lot, it will thereafter be conclusively presumed for all purposes that such Owner was acting with the authority and consent of all other Owners of the same Lot unless objection thereto is made at the time the vote is cast. In the event more than one Owner attempts to cast the vote for a particular Lot, the vote for that Lot shall be deemed void and shall not be counted.

3.3 Annual Meeting. During the Period of Declarant's Control, the annual meeting shall be held at a place and time determined by the Declarant. Thereafter, the annual meeting of the Association shall be held at a place and time determined by the Board. The Board may change the date of the annual meeting provided it gives reasonable advance notice to all Owners.

3.4 Special Meetings. During the Period of Declarant's Control, the Declarant shall have the sole right to call a special meeting. Thereafter, special meetings of the Association may be called at any time by the Board, or upon written request of the Owners who are entitled to vote thirty-three percent (33%) of all of the total votes of the Association.

3.5 Notice of Meetings. Written notice of each meeting of the Association shall be given by, or at the direction of, the Secretary / Treasurer or person authorized by the Board to call the meeting, by mailing a copy of such notice, postage prepaid, or by email, text or other mode of electronic or digital communication, to the extent not prohibited by law, at least ten (10) days, and no more than sixty (60) days, before such meeting to each Owner entitled to vote, addressed to the Owner's address, email address, number for text, or other mode of electronic or digital communication last appearing on the books of the Association, or supplied by such Owner to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, the purpose of the meeting. The President of the Association will chair meetings of the Owners. The presence of an Owner at a meeting shall be deemed to waive any objection such Owner has to the form and scope of the notice unless such Owner objects at the outset of the meeting.

3.6 Quorum. Except for meetings addressing an amendment of these Bylaws, an amendment of the Declaration, or other matters for which the affirmative votes of a certain percentage of Owners is required for approval, the Owners present in person or by proxy at a meeting of the Association shall constitute a quorum. Where a certain percentage of affirmative votes of Owners is required to approve an action and such action is to be discussed at the meeting, a quorum shall consist of not less than the number of affirmative votes required to approve such action.

3.7 Proxies. At all meetings of the Association, each Owner may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary / Treasurer or any professional manager the Association chooses to retain. Every proxy shall be revocable and shall automatically cease upon conveyance by the Owner of his or her Lot.

ARTICLE IV

BOARD: SELECTION; TERM OF OFFICE

4.1 **Number, Selection and Tenure.** The Association will have not less than three (3) and not more than seven (7) Directors. Initially, the Board will have three (3) Directors who will be selected by the Declarant. The Declarant shall decide who serves on the Board during the Period of Declarant's Control and may increase the number of Directors. After the Period of Declarant's Control, the Board will consist of seven (7) Directors. Within ninety (90) days after the end of the Period of Declarant's Control, the Association shall hold an election at which the Owners shall be entitled to elect all seven (7) Directors. Upon such election, the terms of the Directors will be staggered as follows: the two (2) Directors receiving the highest number of votes in such election shall serve for an initial term of three (3) years; the three (3) Directors receiving the next highest number of votes shall serve for an initial term of two (2) years; and the two (2) Directors receiving the next highest number of votes shall serve for an initial term of one (1) year. After the expiration of the initial terms, all Directors shall serve terms of two (2) years. After the Period of Declarant's Control, the Board may change the number of Directors on the Board by the vote of a majority of Directors. In addition, after the Period of Declarant's control the Owners may change the number of Directors by the vote of a majority of Owners. Notwithstanding the foregoing, there shall always be an odd number of Director slots and the terms of the Directors shall be staggered. Notwithstanding the foregoing, Declarant may, at Declarant's discretion, allow one (1) or more seats on the Board to be filled by an Owner chosen by the Members of the Association at any time during the Period of Declarant's Control. Such action shall not be deemed as a termination of the Period of Declarant's Control or a waiver of any of the rights of Declarant as provided herein.

4.2 **Removal and Replacement.** After the Period of Declarant's Control, a Director may be removed with or without cause by a majority vote of the other Directors or by a majority vote of the Owners at a meeting of the Owners called for the purpose of voting on removal. If a Director is removed, the remaining Directors (provided there are at least two (2) Directors serving) shall determine a replacement Director to fill the remainder of the term of the removed Director. If the Board cannot determine a replacement, or if there are not two (2) directors then serving, the Owners shall fill vacancies on the Board at a meeting called for the purpose of filling vacancies.

4.3 **Indemnification.** In the event that any legal claim or action is asserted or commenced against a Director or Officer for actions undertaken in his role as a member of the Board or as an Officer of the Association, whether or not such Director or Officer is still acting in their official capacity, the Association shall indemnify such Director or Officer for losses or claims, and undertake all costs of defense, until and unless it a court of competent jurisdiction determines that such Director or Officer acted with willful or wanton misfeasance or with gross negligence. After such determination, the Association is no longer liable for the cost of defense and may recover costs already expended from the Director or Officer who so acted.

ARTICLE V
MEETINGS OF THE BOARD OF DIRECTORS

5.1 **Regular Meetings.** Meetings of the Board shall be held as frequently as the Board

deems appropriate, but at least annually, at such place and hour as may be fixed from time to time by resolution of the Board. Should such meeting fall upon a weekend or legal holiday, then that meeting shall be held at the same time on the next day which is not a weekend or legal holiday.

5.2 Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two (2) Directors, after not less than five (5) days written notice to each Director.

5.3 Open Meetings. After the Period of Declarant's Control, meetings of the Board shall be open to the Owners or Owners' agents except in cases where the Nonprofit Act permits private meetings. After the Period of Declarant's Control, any Owner may request notice of all meetings of the Board, in which case the Board shall provide notice of all meetings to such Owner not less than 48 hours prior to such meeting.

5.3 Quorum and Voting. A majority of the number of Directors shall constitute a quorum for the transaction of business. During the Period of Declarant's Control, all matters requiring a vote of the Directors or otherwise submitted to a vote of the Directors shall be approved and implemented if, and only if, the Declarant also approves such matters. After the Period of Declarant's Control, all matters submitted to a vote of the Directors shall be decided by the votes of the Directors. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board and of the Association.

ARTICLE VI POWERS AND DUTIES OF THE BOARD; APPLICABILITY OF THE ACTS

6.1 Powers. The Board shall have power to:

6.1.1 Adopt and publish Rules and Regulations governing the use of the common areas within the Neighborhood or as shown on the Plat Map or identified in the Declaration ("Common Areas"), and the personal conduct of the Owners and their guests thereon, and to establish penalties for the infraction thereof;

6.1.2 Adopt and publish other Rules and Regulations for the management of the Association as are not in conflict with the Association Act, the Declaration, or these Bylaws.

6.1.3 As the Board deems necessary, employ a professional manager, or other independent contractors or employees, to carry out the functions of the Association and exercise the powers of the Board which are properly the subject of delegation; and

6.1.4 Exercise for the Association all powers, duties and authority vested in or delegated to the Association by the Association Act, the Declaration, or the Articles of Incorporation.

6.2 Duties. It shall be the duty of the Board to:

6.2.1 Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Owners at the annual meeting of the Association, or at any special meeting when such statement is requested in writing by the Owners who are entitled to vote thirty-three percent (33%) of the total votes;

6.2.2 Supervise any professional manager and all Officers, agents and employees of this Association, and to see that their duties are properly performed;

6.2.3 After the Period of Declarant's Control, do each of the following in the manner set forth in the Declaration:

6.2.3.1 Prepare the budget for the Association as provided in the Declaration and Section 10.1 of these Bylaws;

6.2.3.2 Fix the amount of the annual assessment assessed against each Lot and fix the amount of any supplemental assessments or special assessments applicable to any Lots;

6.2.4 Send written notice of each annual assessment to every Owner subject thereto at least fifteen (15) and no more than sixty (60) days in advance of each annual assessment period and similar notice for imposition of each supplemental assessment or special assessment; and

6.2.5 Foreclose the lien (at the option of the Board) against any Lot for which assessments are not paid in the manner provided for in the Association Act and the Declaration or to bring an action at law (at the option of the Board) against the Owner personally obligated to pay the same;

6.2.6 Issue, or to cause an appropriate Officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid and to charge a reasonable fee for the issuance of these certificates;

6.2.7 Procure and maintain insurance as required by the Declaration and the provisions of the Association Act relating to insurance;

6.2.8 Establish a reserve fund and conduct a reserve fund analysis in accordance with the provisions of the Association Act relating to reserve funds;

6.2.9 Cause all Officers or employees having fiscal responsibilities to be bonded, as the Board may deem appropriate; and

6.2.10 Cause the Common Areas to be properly maintained and managed.

6.3 Legal Action Involving Declarant. Neither the Board nor any other person or entity

acting, or purporting to act, on behalf of the Association shall file, commence, or maintain any lawsuits or legal proceedings of any nature against Declarant, the individual managers, owners, members, or officers of Declarant, Declarant's contractors, or any other person or entity involved in the construction of the Units or Units thereon unless and until all of the "MANDATORY DISPUTE RESOLUTION REQUIREMENTS" set forth in the Declaration have been satisfied.

6.4 Applicability of the Association Act. The provisions of the Association Act shall apply and govern the Association's rights with respect to levying of assessments, collection of assessments, and remedies that apply in the event of non-payment of assessments.

6.5 Applicability of the Nonprofit Act. The provisions of the Nonprofit Act shall apply and govern the operations and dealings of the Association to the extent not otherwise provided in these Bylaws, the Declaration, or the Articles of Incorporation.

ARTICLE VII OFFICERS AND THEIR DUTIES

7.1 Enumeration of Officers. The following positions shall constitute the officers of this Association ("Officers"): a President, a Vice-President, a Secretary / Treasurer, and such other Officers as the Board may from time to time by resolution create.

7.2 Selection of Officers. The Declarant shall select the three (3) initial Officers, and the Declarant shall decide who serves as Officers during the Period of Declarant's Control. After the Period of Declarant's Control, the Board shall annually, at the next meeting of the Board after the Association's annual meeting, select the Officers. After the Period of Declarant's Control, all Officers shall be members of the Board.

7.3 Term. After the Period of Declarant's Control, the Officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless they shall sooner resign, or shall be removed, or are otherwise disqualified to serve.

7.4 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.

7.5 Resignation and Removal. After the Period of Declarant's control, any Officer may be removed from office with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary / Treasurer. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

7.6 Vacancies. After the Period of Declarant's Control, a vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he or she replaces.

7.7 Multiple Offices. Members of the Board may be Officers in the Association. No person shall simultaneously hold more than one (1) of any of the offices identified above, except in the case of special Officers created pursuant to Section 7.4, above.

7.8 Duties of Officers. The duties of the Officers are as follows:

7.8.1 President. The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; and shall sign all written contracts or agreements of the Association. The President shall execute any amendments to the Declaration and deliver the same to the Secretary / Treasurer for certification and recordation, provided approval for such amendment has been obtained as provided in the Declaration.

7.8.2 Vice-President. The Vice-President shall act in the place and stead of the President in the-event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board.

7.8.3 Secretary / Treasurer. The Secretary / Treasurer shall record the votes and keep the minutes of all things and proceedings of the Board and of the Owners; serve notice of meetings of the Board and of the Owners; keep appropriate current records showing the Owners of the Association together with their addresses; certify that any amendments to the Declaration have received the required approval and have been executed by the President and shall record the same; and shall perform such other duties as required by the Board. The Secretary / Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the Board; shall sign all checks and promissory notes of the Association; keep the Associations book and accounts; and shall assist the Board with the preparation of the annual budget to be presented to the Owners as provided herein.

ARTICLE VIII COMMITTEES

8.1 Committees Authorized. The Board may appoint Committees as it deems appropriate for carrying out the purposes of the Association.

ARTICLE IX BOOKS AND RECORDS

9.1 Open Records. Notwithstanding Section 6.2.1, above, the books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Owner. The Declaration, the Articles of Incorporation, the Bylaws, and any Rules and Regulations promulgated by the Board shall be available for inspection by any Owner at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE X
BUDGET AND ASSESSMENTS

10.1 Budget. The Board shall prepare an annual budget showing the estimated expenses of the Association and the anticipated annual assessment for the following year attributable to each Lot. The budget shall be completed and distributed to the Owners on or before December 1 of each year.

10.2 Fiscal Year. The fiscal year of the Association shall begin on January 1 and end on December 31 of every year, except that the first fiscal year shall begin on the date of incorporation.

10.3 Payment of Assessments. As more fully set forth in the Declaration, and subject to the exemptions set forth in the Declaration, each Owner is obligated to pay to the Association all assessments, and the Owner's obligation to pay such assessments is secured by a continuing lien upon the Owner's Lot. Any assessment which is not paid when due is delinquent. If the assessment is not paid on time, then the Board has the authority to establish late fees and collect the same from the delinquent Owner. The Board, in the name of the Association, may bring an action at law against the Owner personally obligated to pay the assessments and late fees or foreclose the lien against the Lot in the manner provided by the Association Act, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments and late fees provided for herein or provided in the Declaration by nonuse of the Common Areas or abandonment of his or her Lot.

10.4 Set-up Fee. In addition to the assessments identified in the Declaration, the Association may charge an administrative set-up fee whenever a new Owner takes title to a Lot. The amount of any set-up fee will be determined by the Board in accordance with these Bylaws and may be adjusted by the Board from time to time. The set-up fee will be used to offset the administrative, data entry, and recordkeeping costs associated with the change of ownership from one Owner to another.

ARTICLE XI
AMENDMENTS

11.1 Amendment. During the Period of Declarant's control, the Declarant shall have the right to amend these Bylaws without the consent of any other Owner. Any other amendment proposed during the Period of Declarant's Control must be approved by sixty-seven (67%) of the members of the Association and must also be approved by the Declarant in writing before it can be effective. After the Period of Declarant's Control, these Bylaws may be amended, at a regular or special meeting of the Association, by a vote, in person or by proxy, of the Owners entitled to cast at least sixty-seven percent (67%) of the total votes of the Association; provided, however, that no amendment to the Bylaws shall be adopted that is inconsistent with or contradicts any provisions of the Declaration unless and until the Declaration is also amended (in accordance with the amendment requirements of the Declaration) to resolve such inconsistency or

contradiction.

11.2 Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XII
MISCELLANEOUS

12.1 Governing Law. These Bylaws shall be governed by, and interpreted in accordance with, the laws of the State of Utah.

12.2 Severability. If any section, term, or provision of these Bylaws is determined to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the remaining sections, terms, and provisions of this Declaration which shall all remain in full force and effect.

12.3 No Waiver. The failure by the Declarant or the Association to enforce any term or provision of these Bylaws shall not be deemed as a waiver of the right to thereafter enforce such term or provision.

BYLAWS FOR THE DESERT SOL OWNERS SUB-ASSOCIATION

_____, 2023

ARTICLE 1	BYLAW APPLICABILITY/DEFINITIONS	27
1.1	Purpose of Bylaws	27
1.2	Definitions	27
1.3	Bylaw Applicability	27
ARTICLE 2	SUB-ASSOCIATION	27
2.1	Composition	27
2.2	Annual Meeting	27
2.3	Special Meeting	28
2.4	Place of Meeting	28
2.5	Conduct of Meeting	28
2.6	Quorum	28
2.7	Voting	28
2.8	Good Standing	29
2.9	Proxies	29
2.10	Mail-in Ballots	29
2.11	Written Consent in Lieu of Vote	29
2.12	Record Date	29
ARTICLE 3	SUB-ASSOCIATION BOARD OF DIRECTORS	29
3.1	Number and Qualification of Directors	29
3.2	Selection and Term of Directors	29
3.3	Vacancies	30
3.4	Removal of Directors	30
3.5	Organization Meeting	30
3.6	Regular Meetings	30
3.7	Special Meetings	30
3.8	Conduct of Meetings	30
3.9	Quorum	30
3.10	Notice and Waiver of Meeting Notice	30
3.11	Action without Meeting	31
3.12	Powers and Duties	31
3.13	Manager	32
3.14	Compensation	32
3.15	Limitation of Liability	32

ARTICLE 4	OFFICERS	32
4.1	Election and Term of Officers	32
4.2	Removal of Officers	32
4.3	Offices	32
4.3.1	President	33
4.3.2	Vice President	33
4.3.3	Secretary	33
4.3.4	Treasurer	33
4.4	Delegation of Duties	33
4.5	Compensation	33
ARTICLE 5	NOTICE	33
5.1	Manner of Notice	33
5.2	Waiver of Notice	34
ARTICLE 6	FINANCES	34
6.1	Fiscal Year	34
6.2	Checks, Agreements, Contracts	34
6.3	Availability of Records	34
ARTICLE 7	AMENDMENT TO BYLAWS	34
7.1	Amendments	34
7.2	Recording	34
ARTICLE 8	MISCELLANEOUS	34
8.1	Office	35
8.2	Conflicts	35
8.3	Severability	35
8.4	Waiver	35
8.5	Captions	35
8.6	Gender, etc.	35

BYLAWS OF THE DESERT SOL OWNERS SUB-ASSOCIATION

ARTICLE 1

BYLAW APPLICABILITY/DEFINITIONS

1.1 **Purpose of Bylaws.** These Bylaws are adopted for the regulation and management of the affairs of the Desert Sol Owners Sub-Association, a Utah nonprofit corporation (the “**Sub-Association**”), organized to be a sub-association to which reference is made in the Declaration of Covenants, Conditions, and Restrictions for Discovery Sub-Association, as amended or supplemented from time to time (the “**Sub-Association Declaration**”), to govern the administration of the attached Townhome Units within the Desert Sol Owners Subdivision (the “**Development**”), as provided in the Sub- Association Declaration and to further the interests of “**Townhome Owner(s)**” of “**Townhome Lots**” within the Development.

1.2 **Subject to Master Association Declaration.** The Sub-Association is also subject to that certain Declaration of Covenants, Conditions, and Restrictions for the Desert Sol Master Owners Association recorded in the Office of the Grand County Recorder on _____ as _____ (the “**Master Declaration**”), as amended.

1.3 **Definitions.** The capitalized terms used in the Bylaws shall have the same meaning given to them in the Sub-Association Declaration, and in the absence of a defined term in the Sub-Association Declaration, the capitalized terms shall have the same meaning given to them in the Master Declaration, unless otherwise specifically stated.

1.4 **Bylaw Applicability.** The provisions of these Bylaws are binding upon the Sub-Association and the Townhome Owners. All present and future Townhome Owners shall be subject to these Bylaws, as amended from time to time. Acquisition of any Townhome Lot constitutes an acknowledgment that the Townhome Owner has agreed to and ratified these Bylaws and will comply with them.

ARTICLE 2

SUB-ASSOCIATION

2.1 **Composition.** All of the Townhome Owners acting as a group in accordance with the Governing Documents shall constitute the Sub-Association. Except for matters specifically reserved for a vote of the Townhome Owners, the Sub-Association Board, on behalf of the Townhome Owners, shall administer the Sub-Association’s affairs.

2.2 **Annual Meeting.** Annual meetings shall be held once a year after the Turn Over Meeting. The Sub-Association Board shall determine the date, time, and place of the annual meeting. The Sub-Association shall send notice of annual meetings at least 10 days but not more than 60 days in advance of the meeting. At the annual meeting the Sub-Association shall conduct the following business in any order the Sub-Association Board sees fit:

2.2.1 Roll call and verification of quorum;

- 2.2.2 Approval of minutes from preceding annual meeting;
- 2.2.3 Reports of officers, if any;
- 2.2.4 Special committee reports, if any;
- 2.2.5 Election of Directors;
- 2.2.6 Review of reserve analysis;
- 2.2.7 Unfinished business from preceding annual meeting, if any; and
- 2.2.8 New business, if any.

2.3 **Special Meeting of Townhome Owners.** Special meetings may be held at any time for any purpose. A special meeting may be called by a majority of the Directors or upon petition of at least 20% of the Townhome Owners in good standing. The Sub-Association shall schedule and send notice of a special meeting within 30 days of request. The notice of a special meeting shall state the date, time, place, and purpose of the meeting. The Sub-Association shall send notice of a special meeting at least 10 days in advance of the meeting. No business may be transacted at a special meeting except as stated in the notice.

2.4 **Place of Meeting.** Meetings shall be held at a place designated by the Sub-Association Board and stated in the notice of meeting. Meetings shall be held in Summit County, State of Utah.

2.5 **Conduct of Meeting.** The President shall preside over all meeting of the Sub-Association, unless the President delegates this function to someone else. The Secretary shall keep the minutes of the meeting and take record of all resolutions adopted at the meeting, unless delegated to someone else.

2.6 **Quorum.** A quorum shall be the Townhome Owners present in person or by proxy at a meeting.

2.7 **Voting.** The Sub-Association shall initially have the following two classes of votes:

2.7.1 **Class A.** Class A Members shall be all Townhome Owners other than the Declarant until the Class B membership ceases. Class A Members shall be entitled to one vote for each Townhome Lot in which the interest required for membership in the Sub-Association is held. In no event, however, shall more than one Class A vote exist with respect to any Townhome Lot.

2.7.2 **Class B.** The Class B Member shall be the Declarant and any successor of Declarant who takes title for the purpose of development and sale of Townhome Lots and who is designated as such in a recorded instrument executed by Declarant. The Class B Member shall originally be entitled to three (3) votes per Townhome Lot owned. The Class B membership shall terminate, and Class B membership shall convert to Class A Membership

upon the happening of the earlier of the following (herein referred to as the “Event” or “Events”):

(a) Four (4) months after one hundred percent (100%) of the Townhome Lots have been sold; or

(b) Ten (10) years after the recording of this Sub-Association Declaration in the Office of the Recorder of Summit County, Utah; or

(c) When, in its sole discretion, Declarant so determines. If and when Declarant elects to relinquish control of the Sub-Association, Declarant shall send written notice of such relinquishment to the Sub-Association. The notice shall state the effective date of the relinquishment, which date shall be the effective date of the Event.

From and after the happening of the first to occur of the Events, (i) the Class B Member shall be deemed to be a Class A Member entitled to one vote for each Townhome Lot owned, (ii) the Sub-Association Board of Directors shall call an annual or special meeting, as applicable, in the manner described in the Bylaws to (A) advise the Townhome Owners of the termination of the Class B Member status, and (B) elect a new Sub-Association Board of Directors in accordance with Section 3.2.

2.7.3 If a Townhome Lot is owned by more than one Person and multiple Townhome Owners are present at a meeting, the vote appertaining to that Townhome Lot shall be cast by agreement of a majority of the Townhome Owners of such Townhome Lot. If a Townhome Lot is owned by more than one Person and a single Townhome Owner is present at a meeting, the vote appertaining to that Townhome Lot shall be cast by the Townhome Owner present. The Sub-Association may conclusively presume the consent of all a Townhome Lot’s Townhome Owners when a vote is cast by a Townhome Lot with multiple Townhome Owners.

2.7.4 Except where a greater number is required by the Governing Documents or the Nonprofit Act and elections of Directors, any decision requiring Townhome Owner consent shall be passed by majority vote of a quorum.

2.8 Good Standing. A Townhome Owner shall be in good standing if he has paid assessments levied against his Townhome Lot, including late fees, interest, fines, collection costs, and attorney fees and does not have any outstanding violations of the governing documents for which the Townhome Owner has been sent notice. A Townhome Owner must have paid in full at least three days prior to the meeting or action.

2.9 Proxies. A Townhome Owner in good standing may vote or otherwise act by proxy. A Townhome Owner may appoint a proxy by signing a proxy appointment form. The proxy appointment form may be submitted to the Sub-Association in person, by mail, or electronically. The proxy appointment form must name a proxy, be dated, and signed by the Townhome Owner. Any proxy appointment form that does not contain a proxies name, date, or signature shall be void. A proxy appointment form is valid until revoked by the Townhome Owner’s attendance at a meeting, a signed and dated revocation delivered to the

Sub-Association, a subsequent proxy appointment, notice of death or incapacity of the Townhome Owner, or the passage of 11 months.

2.10 Mail-in Ballots. Any action requiring a vote of the Townhome Owners, except election of Directors, may be taken by mail-in ballots. Action by mail-in ballot shall comply with the procedures set forth in Nonprofit Act Section 16-6a-709, as amended from time to time. A combination of mail-in ballots, ballots collected electronically, and ballots cast in person may be used.

2.11 Written Consent in Lieu of Vote. Any action requiring a vote of the Townhome Owners, except election of Directors, may be taken by written consent. Action by written consent shall comply with the procedures set forth in Nonprofit Act Section 16-6a-707, as amended from time to time. Written consents may be collected electronically.

2.12 Record Date. The record date for determining which people are entitled to vote shall be the date notice of the meeting or action is sent. The Sub-Association Board may change the record date prior to sending notice of the action. The Townhome Owners shown on the records of the Sub-Association on the record date shall be the people entitled to vote on an action.

ARTICLE 3

SUB-ASSOCIATION BOARD OF DIRECTORS

3.1 Number and Qualification of Directors. There shall be no less than three (3) and no more than five (5) Directors and there must be an odd number of Directors. Except for Directors appointed by Declarant, Directors must be Members in good standing. A majority of the Directors must not be Members of a sub-association formed pursuant to the Sub-Association Declaration.

3.2 Selection and Term of Directors. Prior to the Turnover Meeting, Directors shall be appointed by the Declarant. After the Turnover Meeting, Directors shall be elected by the Townhome Owners. Directors shall serve for a term of two years and shall serve until their successors have been elected. There is no limit on the number of terms a Townhome Owner may serve as a Director. Directors terms shall be staggered as follows: (i) two Directors shall be elected in years ending with an even number; and (ii) three Director shall be elected in years ending with an odd number. At the initial election of the Directors, the newly elected Directors shall determine their terms, but must do so such that this same staggering occurs.

3.3 Vacancies. After the Turnover Meeting, Director vacancies for any reason other than removal by vote of the Sub-Association shall be filled by vote of a majority of the remaining Directors. The Sub-Association Board shall conduct a board meeting for the purpose of filling the vacancy. The meeting shall be valid even if a quorum is not present. Each replacement Director shall serve until the next annual Townhome Owners' meeting, then the vacancy shall be filled by vote of the Townhome Owners. The replacement Director elected by the Townhome Owners shall serve the remaining term of the replaced Director.

3.4 **Removal of Directors.** After the Turnover Meeting, a Director may be removed at a Special Meeting with or without cause by vote of a majority of all Townhome Owners. If the Townhome Owners propose to remove a Director, the Sub-Association shall give the Director and Townhome Owners at least 15 day written notice of the meeting and the purpose of the meeting. The Director shall be given an opportunity to be heard at the meeting prior to the vote to remove him. At any meeting where a Director is removed by the Townhome Owners, the Townhome Owners must vote to replace the Director. The replacement will serve the remaining term of the removed Director.

After the Turnover Meeting, any Director who allows his Assessments to become more than 90 days past due may be removed and replaced by vote of a majority of the Sub-Association Board. The Sub-Association Board shall give the Director 10 day written notice to cure the default prior to voting to remove the Director.

After the Turnover Meeting, any Director who fails to attend three successive Sub-Association Board Meetings may be removed and replaced by a vote of a majority of the Sub-Association Board. However, if any Director fails to attend three successive Sub-Association Board Meetings, but then attends a Sub-Association Board Meeting before a majority of the Sub-Association Board takes action to remove and replace that Director, the opportunity for removal based on those three successive absences terminates.

3.5 **Organization Meeting.** The Directors shall hold a meeting following the annual Townhome Owners meeting for the purpose of electing officers. Notice of the organization meeting shall be given verbally at the annual meeting. The organization meeting shall be conducted at the next regular meeting of the Sub-Association Board or may be conducted at a special meeting.

3.6 **Regular Meetings.** The Sub-Association Board shall hold regular meetings. The Sub-Association Board shall determine frequency, times, and locations of regular meetings. However, the Sub-Association Board shall conduct at least two regular meetings per year. Notice of regular meetings shall be given to each Director at least three days prior to the meeting.

3.7 **Special Meetings of the Sub-Association Board.** A Director may call a special meeting of the Sub-Association Board. Notice shall be given at least three days prior to the meeting. Notice shall state the time, place, and purpose of the meeting.

3.8 **Conduct of Meetings.** The President shall preside over all meetings of the Sub-Association Board, unless otherwise delegated. The Secretary shall take minutes of the Sub-Association Board meetings and shall make record of all resolutions, unless otherwise delegated.

3.9 **Quorum.** A majority of the Sub-Association Board shall constitute a quorum. A quorum shall be required to conduct business at a meeting. If less than a quorum is present at a meeting, the majority of those present may adjourn the meeting until such time as a quorum is present. Once established, a quorum will be present even if Directors leave. Directors may attend a meeting telephonically.

3.10 Notice and Waiver of Meeting Notice. Notice to Directors may be personally delivered, mailed, or delivered by any available electronic mean, including, without limitation: text, email, fax, or posting on the website. Directors may waive notice of meetings in writing. A waiver shall be deemed equivalent to notice. Attendance of a Director at a meeting will be considered a waiver of notice, unless the Director attends to dispute notice. If all Directors are present at a meeting, notice of the meeting is waived and any business may be conducted.

3.11 Action without Meeting. Any action by the Sub-Association Board may be taken without a meeting if all the Directors submit a written vote either for, against, or abstaining from the action. Written votes may be given in person, by mail, or electronically. The Sub-Association shall file the written votes with its record of minutes.

3.12 Powers and Duties. The Sub-Association Board shall manage the affairs and business of the Sub-Association. The Sub-Association Board is vested with all power and authority necessary to administer the affairs of the Sub-Association in accordance with the Governing Documents. The Sub-Association Board may do any act required or allowed by the Governing Documents, the Community Association Act, the Nonprofit Act, or any other rule of law. Subject to the limitations contained in the Sub-Association Declaration, Bylaws, or Community Association Act, the Sub-Association Board shall have the following authority:

3.12.1 Prepare an annual budget and establish what constitutes a Common Expense;

3.12.2 Adopt and amend rules, regulations, policies, and procedures governing the Townhome Common Areas, administration of the Sub-Association, and to enforce and interpret the Governing Documents;

3.12.3 Delegate authority to a managing agent to act on behalf of the Sub-Association;

3.12.4 Provide for the maintenance, repair, and replacement of the Townhome Common Areas;

3.12.5 Hire, contract for, and terminate personnel or contractors necessary for the maintenance, repair and replacement of the Townhome Common Areas, and administration of Sub-Association business. Provide for the compensation of personnel. Purchase supplies, equipment, and materials for use in the Sub-Association;

3.12.6 Open and maintain bank accounts on behalf of the Sub-Association. Designate authorized signers for the bank accounts;

3.12.7 File lawsuits or initiate other legal proceedings on behalf of the Sub-Association;

3.12.8 Defend lawsuits, administrative actions, and other legal proceedings against the Sub-Association;

3.12.9 Enter into contracts on behalf of the Sub-Association;

3.12.10 Pay costs of any services rendered to the Project or multiple Townhome Owners, but not billed to the Townhome Owners individually;

3.12.11 Keep books with detailed accounts of the receipts and expenditures of the Sub-Association. Make the books available to the Townhome Owners as required by the Community Association Act and Nonprofit Act. The books shall be kept in accordance with generally accepted accounting practices. Upon resolution by the Sub-Association Board, retain an independent auditor to audit the books;

3.12.12 Grant easements, licenses, or permission over, under, and through the Townhome Common Areas;

3.12.13 Upon approval by 75% of the Members, to convey Townhome Common Areas;

3.12.14 Create committees;

3.12.15 Any other act allowed or required by the Governing Documents, the Community Association Act, or the Nonprofit Act;

3.12.16 Any act allowed or required to be done in the name of the Sub-Association.

3.13 Manager. The Sub-Association Board shall employ a manager to perform such duties and services as the Sub-Association Board shall authorize. The Sub-Association Board may delegate to the manager all powers granted to the Sub-Association Board and officers by the Governing Documents.

3.14 Compensation. Directors shall not be compensated for their work. However, Directors may seek reimbursement for actual costs and mileage incurred during their service.

3.15 Limitation of Liability. The Directors shall not be liable to the Townhome Owners for any mistake of judgment, negligence, or other errors, unless it was by willful misconduct or criminal conduct. The Sub-Association shall indemnify and hold the Directors harmless against liability to third parties for actions taken on behalf of the Sub-Association, while acting in their capacity as Director, unless the action constitutes willful misconduct or gross negligence.

ARTICLE 4

OFFICERS

4.1 Election and Term of Officers. The Sub-Association Board shall elect the officers of the Sub-Association. Officers shall be elected from the Directors. Officers shall serve one-year terms and shall serve until their successor is elected.

4.2 **Removal of Officers.** The Sub-Association Board may remove any officer with or without cause by affirmative vote of a majority of a quorum of the Sub-Association Board. If an officer is removed, the Sub-Association Board shall replace them.

4.3 **Offices.** The Sub-Association officers shall be President, Vice President, Secretary, and Treasurer. The Sub-Association Board may appoint assistant officers, who need not be Directors, as it may deem necessary. Except for the President, the same person may hold two offices.

4.3.1 **President.** The President shall be the chief executive officer. The President shall preside at meetings of the Sub-Association and the Sub-Association Board. The President shall be an unofficial member of all committees. The President shall have general and active management of Sub-Association business. The President shall see that all resolutions and policies of the Sub-Association are executed.

4.3.2 **Vice President.** The Vice President shall perform the duties and exercise the powers of the President in the absence or disability of the President. If the President and Vice President are unable to act, the Sub-Association Board shall appoint a Director to fulfill the duties on an interim basis.

4.3.3 **Secretary.** The Secretary shall attend all meetings and take minutes thereof, unless otherwise delegated. The Secretary shall also make record of all resolutions, rule, policies, and procedures. The Secretary shall give or cause to be given notice of all meetings. The Secretary shall compile or cause to be compiled a complete list of the owners and their contact information.

4.3.4 **Treasurer.** The Treasurer shall oversee the finances of the Sub-Association. The Treasurer shall be responsible to ensure that the Sub-Association has full and accurate records of income and expenses. The Treasurer shall give financial reports at regular Sub-Association Board meetings and the annual Townhome Owners' meeting.

4.4 **Delegation of Duties.** The Sub-Association officers may delegate any of their duties to a manager or to committee. However, the officers shall be responsible to oversee and ensure that the duties so delegated are being properly discharged.

4.5 **Compensation.** Officers shall not be compensated for their work. However, officers may seek reimbursement for actual costs and mileage incurred during their service.

ARTICLE 5

NOTICE

5.1 **Manner of Notice.** All notices and other communications required under the Governing Documents shall be in writing.

5.1.1 Notices to Townhome Owners may be delivered using the following methods:

(a) By professional courier service or first-class U.S. mail, postage prepaid, to the address of the Townhome Lot or to any other address designated by the Townhome Owner in writing to the Sub-Association;

(b) By hand to the address of the Townhome Lot or to any other address designated by the Townhome Owner in writing to the Sub-Association;

(c) By posting on the Sub-Association website; or

(d) By facsimile, electronic mail, or any other electronic means to a Townhome Owner's number or address as designated by the Townhome Owner in writing to the Sub-Association.

5.1.2 Notice to the Sub-Association may be delivered using the following methods:

(a) By professional courier service or first-class U.S. mail, postage prepaid, to the principal office of the Sub-Association as designated in writing to the Townhome Owners; or

(b) By facsimile, electronic mail, or any other electronic means to the Sub-Associations official electronic contact as designated in writing to the Townhome Owners.

(c) Notices sent via courier or mail shall be deemed received 3 days after being sent. Notices hand delivered or sent via electronic means, including, but not limited to the Sub-Association website and shall be deemed received upon delivery or being sent.

5.2 Waiver of Notice. Whenever any notice is required under the Governing Documents, the Community Association Act, or the Nonprofit Act, an owner may waive notice in writing. The waiver may be signed before or after the time for notice. A waiver of notice shall be equivalent to notice.

ARTICLE 6

FINANCES

6.1 Fiscal Year. The fiscal year of the Sub-Association shall be the calendar year.

6.2 Checks, Agreements, Contracts. All checks, contracts, deeds, leases, and other instruments used for expenditures or obligations may be executed by any person authorized by the Sub-Association Board.

6.3 Availability of Records. Sub-Association financial records shall be available as provided by the Community Association Act and Nonprofit Act.

ARTICLE 7

AMENDMENT TO BYLAWS

7.1 Amendments. These Bylaws may be amended by the Sub-Association Board, unless it would result in changing 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. These Bylaws may also be amended at a Special Meeting by a majority vote of all Townhome Owners. Prior to the Turnover Meeting, the Declarant shall have the right to unilaterally amend these Bylaws, notwithstanding any other provision to the contrary.

7.2 Recording. Any amendment to these Bylaws shall become effective on the date it is signed by the President or Vice President.

ARTICLE 8

MISCELLANEOUS

8.1 Office. The principal office of the Sub-Association shall be located at any place within the State of Utah which may be designated from time to time by the Sub-Association Board.

8.2 Conflicts. The Bylaws are subordinate to any conflicting provisions in the Community Association Act, the Nonprofit Act, the Articles of Incorporation, the Plat Map, or the Sub-Association Declaration. The Bylaws are superior to the rules, regulations, and policies of the Sub-Association.

8.3 Severability. If any provision of these Bylaws is held by a court of law to be invalid, the validity of the remainder of these Bylaws shall not be affected.

8.4 Waiver. No provision of these Bylaws shall be deemed to be waived because of a failure to enforce the provision.

8.5 Captions. The captions contained in these Bylaws are for convenience only. The captions shall not be used to interpret, limit, or enlarge the provisions of these Bylaws.

8.6 Gender, etc. Whenever the context so requires, the singular shall include the plural and vice versa. The use of any gender shall include all genders.

EXHIBIT D

(Long Term Stormwater Management Plan)

EXHIBIT A

Parcel #: 02-0022-0049

Legal Description:

BEG 381.9 FT S & 247 FT E OF W1/4 COR SEC 22 T26S R22E; N 51°02'E 693.2 FT;
S 38°58'E 254.1 FT; S 51°02'W 539.8 FT; N 38°53'W 116.9 FT; S 51°02'W 118.4 FT; N
53°23'W 141.5 FT TO BEG: *** ALSO: BEG AT POINT WHICH BEARS S 556.84 FT
& E 482.35 FT FROM W1/4 COR SEC 22 T26S R22E RNG TH N 53°23'W 31 FT; N
51°02'E 627.9 FT; S 38°58'E 30 FT; S 51°02'W 620.2 FT TO POB 4.07 AC

EXHIBIT B

Long-Term Stormwater Management Plan

Site:

Desert Sol
3060 Spanish Valley Dr
Moab UT 84532

APPROVED FOR CONSTRUCTION
GRAND COUNTY ENGINEERING
06/19/2023

Owner:

Connor Johnson
Thrive Corp
7858 S Union Park Ave
Sandy UT 84047

Maintenance Contact:

Connor Johnson
801-856-9105
Connor@thrivecorp.com

Prepared By:

Erosion Control Services
3381 West Mayflower Ave Ste 125,
Lehi, Utah 84065
801-302-3021

PURPOSE AND RESPONSIBILITY

As required by the Clean Water Act and resultant local regulations, including Moab City Municipal Separate Storm Sewer Systems (MS4) Permit, those who develop land are required to build and maintain systems to minimize litter and contaminants in stormwater runoff that pollutes waters of the state.

This Long-Term Stormwater Management Plan (LTSWMP) describes the systems, operations, and the minimum standard operating procedures (SOPs) necessary to manage pollutants originating from or generated on this property. Any activities or site operations at this property that contaminate water entering the City's stormwater system, groundwater, and generate loose litter must be prohibited.

The Pack Creek is currently impaired with Selenium, TDS, and E. coli. The LTSWMP is aimed at protecting these waters and preventing the discharge of pollutants that contribute to impairment in addition to all other pollutants that can be generated by this property.

CONTENTS

- SECTION 1: SITE DESCRIPTION, USE, AND IMPACT**
- SECTION 2: TRAINING**
- SECTION 3: RECORDKEEPING**
- SECTION 4: APPENDICES**

SECTION 1: SITE DESCRIPTION, USE, AND IMPACT

The site infrastructure is limited to controlling and containing pollutants from operations, which, if managed improperly, can contaminate the receiving waters. This LTSWMP includes standard operating procedures (SOPs) that are intended to minimize and eliminate pollutants associated with the operations of the site infrastructure, to direct the maintenance operations, and to responsibly manage site grounds. SOPs are filed in appendix B.

Parking, Sidewalk and Flatwork

Any sediment, leaves, debris, spilled fluids or other waste that collects on the parking areas and sidewalks will be carried by runoff to the Pack Creek System. These solids will fill in the Pack Creek requiring future cleaning. Any liquids and dissolved solids can also contaminate groundwater. The site is approximately 77 % impervious surface. Impervious areas will principally consist of concrete sidewalks and asphalt parking lots. Maintenance of inlets and catch basins is critical to the proper drainage of water from the site.

Landscaping

Landscape operations can result in grass clippings, sticks, branches, dirt, mulch, fertilizers, pesticides, and other pollutants to fall or be left on the paved areas. Buildup of these materials in the catch basins of the storm drain inlets hinders the ability of the drainage system to remove pollutants and to reduce the discharging of sediment-laden water flows. Buildup of this kind would result in polluting the Pack Creek. A primary pollutant impairing Pack Creek is organic material so it is vital that landscape debris and pollutants are contained. If not prevented from accumulating, these solids will fill in the retention Ponds/Storm Tech infiltration system requiring future dredging and cleaning.

Flood and Water Quality Control System

The flood and water quality control system includes directing runoff to the storm drain system onsite. The infiltration system is designed to drain the first 80th percentile of runoff into the ground required by the UPDES Permit requirement. Infiltrating runoff helps keep streams and rivers clean, but, if maintenance operations are not performed, this can contaminate stormwater runoff. Anything placed or left on impervious surfaces will eventually be carried to the infiltration system, filling it with sediment and debris, increasing maintenance costs, and lowering the flood control function. Dissolved and liquid pollutants can increase the risk for contaminating groundwater as well. In addition, very intense storm events can scour debris from the catch basins and deposit in the retention Ponds/Storm Tech Vault. It is important that the flood control volume and water quality system is adequately maintained to function properly.

Waste Management

Good waste management systems can become the source of the exact pollution they were intended to prevent, if managed improperly. The lids of the dumpster and trash receptacles are intended to prevent lightweight trash from being carried off by wind and precipitation exposure. Maintaining the integrity of waste containers and careful use of haul trucks will work to minimize liquids that can leak to the pavement.

Utility System

The rooftop utility system is exposed to the roof drains which drain to the pavement. These heating and air conditioner units contain oils and other chemicals, which, if not maintained, can harm groundwater and Pack Creek if allowed to drain off site.

Snow and Ice Removal Management

Salt, while a pollutant, is often used to create safer parking and pedestrian walkways. Salt and other ice management chemicals unnecessarily increase the salt impact on vegetation and local water resources. If used, salt application is best kept to a minimum. Much of the salt runoff drains to the retention Ponds and Storm Tech Vault. Minimizing salt application decreases the volume of salt discharge to groundwater.

Storm Drain System

Storm drain inlets onsite are equipped with catch basins that serve as sumps to sequester dry weather pollutants from the storm drainpipe. However, these catch basins can also introduce material, which, when deposited into the retention Ponds and Storm Tech Vault, have a connection to groundwater. Unmaintained catch basins will accumulate material from the activities listed above and risk discharge during storm events.

Vehicle Storage

As a site for residential parking, pollutants from vehicles are a primary concern. The cleaning of vehicles, leaks, spills, and metals from car brakes can all introduce pollutants into the area. When carried by runoff, these can enter the Retention Ponds and Storm Tech Vault. Vehicle waste which accumulates on the pavement is best removed with methods that do not introduce additional contaminants. The use of detergents is discouraged for this reason.

Storm Tech Vault

Storm Tech Vault A storm tech vault lid is a heavy-duty access cover used to secure underground stormwater management systems. Made of durable materials such as reinforced concrete or fiberglass, these lids are designed to withstand extreme weather conditions and heavy traffic loads. The lids typically feature a non-slip surface and are available in various sizes and shapes to fit different stormwater management structures. Some storm tech vault lids also come with locking mechanisms for added security. If not maintained, the vault could become clogged with debris, causing water to back up and potentially flood or become less effective at filtering pollutants.

Retention Pond

Retention Pond The primary function of the retention pond is infiltration. These basins can also lead to flooding which can cause pollutants to enter the city storm drain systems. Preventing these features from filling with debris will help keep down cost of maintenance for the property. Failure of a retention pond can cause oil, heavy metals, and debris to build up causing a need for dredging of the pond. This can also lead to stagnant water which is a breeding ground for mosquito larvae which can lead to unforeseen costs.

SECTION 2: TRAINING

Ensure that all employees and maintenance contractors know and understand the SOPs specifically written to manage and maintain the property. Maintenance contractors must use the more specific of their Company and the LTSWMP SOPs. File all training records in Appendix C.

SECTION 3: RECORDKEEPING

Maintain records of operation and maintenance activities in accordance with SOPs. Mail a copy of the record to Moab City Stormwater Division annually.

SECTION 4: APPENDICES

Appendix A - Site Drawings and Details

Appendix B - SOPs






Appendix C - Plan Recordkeeping Documents

Appendix D - Spec Sheets

APPENDIX A – SITE DRAWINGS AND DETAILS

LEGEND

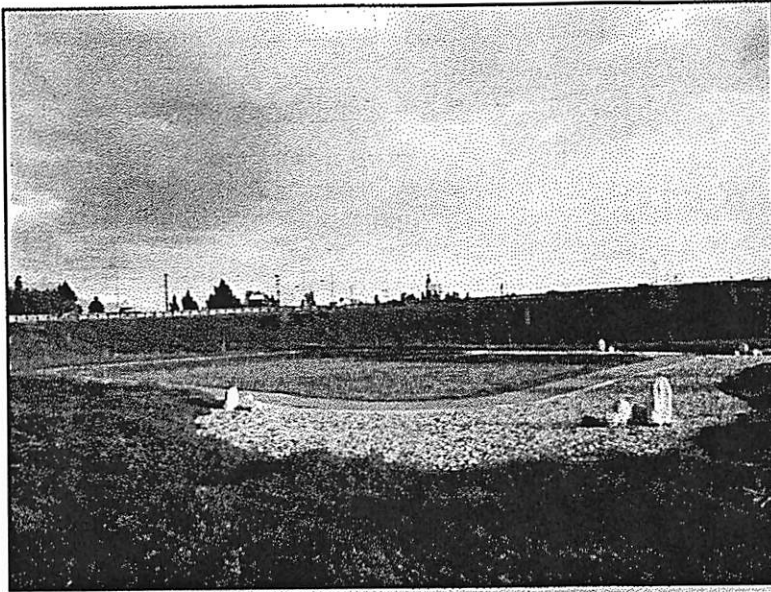


-
-  Pond A (1)
 -  Storm Tech Vault (1)
 -  Pond B (1)
 -  15" Storm Drain (1)
 -  Inlet (21)



Infiltration Basin

ID-1



Pollutant Removal Effectiveness

Pollutant	Effectiveness
Sediment	High
Nutrients	High
Metals	High
Bacteria	High
Oil/Grease	High

Infiltration basins are shallow depressions that use existing soils to retain and provide treatment for storm water runoff. Infiltration basins function by capturing and infiltrating runoff over a specified drawdown time.

The primary functions of infiltration basins are bioretention, volume retention, and filtration. The existing soils remove pollutants through physical, chemical, and biological processes before the storm water reaches the groundwater. Filtration occurs as runoff interacts with grass and other vegetation within the basin and as runoff infiltrates through the soil.

Infiltration basins are typically designed for larger drainage areas where it may be impractical for a BMP such as a bioretention area that requires more maintenance of specialized vegetation over a larger area.

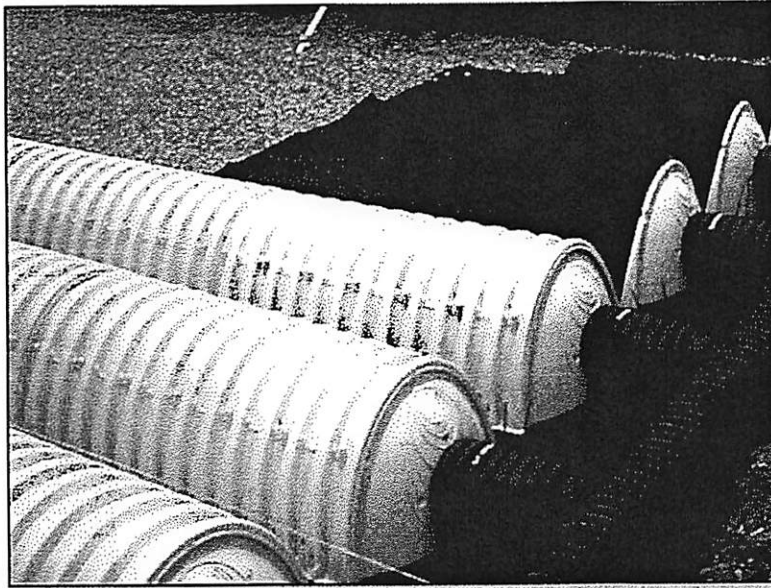
Pretreatment of runoff may take place in a forebay that will allow for particulate settling. Forebays are typically sized for a percentage of the water quality volume; typically ranging from 10% to 25%.

Primary Functions	
Bioretention	Yes
Volume Retention	Yes
Biofiltration	Yes



Underground Infiltration Galleries

ID-4



Source: StormTech

Pollutant Removal Effectiveness

Pollutant	Effectiveness
Sediment	High
Nutrients	High
Metals	High
Bacteria	High
Oil/Grease	High

Underground storage devices are proprietary alternatives to above ground storage when space at the project site is limited. They may be sized for the 80th percentile volume similar to how they are sized for flood control volumes. When underground storage is used for water quality, its primary functions are bioretention as runoff infiltrates into the underlying soil and volume retention. They are constrained by subsurface conditions such as depth to the historical high groundwater, soil infiltration rates, and other site-specific constraints that prevent infiltration. Designing underground storage devices is done with the assistance of the device manufacturer.

Pretreatment for underground systems will vary. Pretreatment removes sediment that will potentially clog elements of the underground system such as geotextile fabrics or bedding layers. If the manufacturer does not include a pretreatment system as part of the device, it may be necessary to design a separate pretreatment system such as a settling basin upstream before entering the underground system.

Underground systems are typically modular and allow for configurations that range from large areas such as would be needed underneath a parking lot to linear installations like within a park strip or underneath a bioswale.

Primary Functions	
Bioretention	Yes
Volume Retention	Yes
Biofiltration	No

Design Criteria

APPENDIX B – SOPs

Pavement Sweeping

General:

These SOPs are not expected to cover all necessary procedure actions. Operators are allowed to adapt SOPs to unique site conditions in good judgment when it is necessary for safety and the proper, effective containment of pollutants. However, any changes of routine operations must be amended in these SOPs.

1. Purpose:

- a) One of the primary contaminants in the Pack Creek is organic material.
- b) Any sediment, leaves, debris, spilled fluids or other waste that collects on the parking areas and sidewalks will fill in the retention Ponds and Storm Tech Vault, increasing maintenance costs.

2. Regular Procedure:

- a) Remain aware of minor sediment/debris and hand sweep or remove material by other means as needed. Significant deposits will likely collect in autumn with leaf fall and early spring after winter thaw. Usually sweeping machinery is the best tool for this application.
- b) Regularly manage outside activities that spread debris onto the pavement. This involves outside functions including but not limited to: yard sales, yard storage, fundraisers, etc.
- c) Do not allow car wash fundraisers or other related activities. Detergents will damage water resources and washed pollutants will fill the storm drain system, draining into the ground for which we are responsible.

4. Disposal Procedure:

- a) Dispose of hand collected material in the dumpster.
- b) Use licensed facilities when haul off is necessary.

5. Training:

- a) Annually and at hire
- b) Inform staff and service contractors when incorrect SOP implementation is observed.

Landscape Maintenance

General:

This SOP is not expected to cover all necessary procedure actions. Operators are allowed to adapt SOPs to unique site conditions in good judgment when it is necessary for safety and the proper, effective containment of pollutants. However, any changes of routine operations must be amended in this SOP.

1. Purpose:

- a) One of the primary contaminants in the Pack Creek is organic material.
- b) Grass clippings, sticks, branches, dirt, mulch, fertilizers, pesticides and other pollutants will fill the retention Ponds and Storm Tech Vault requiring future dredging and cleaning, increasing the maintenance cost. Removing these debris after they have washed to the flood and water quality system will be very expensive.

2. Maintenance Procedure:

- a) Maintain healthy vegetation root systems. Healthy root systems will help improve permeable soils, maintaining more desirable infiltration rates of the landscape areas which receive pavement runoff.
- b) Grooming
 - Lawn Mowing – Immediately following operation sweep or blow clippings onto vegetated ground.
 - Fertilizer Operation – Prevent overspray. Sweep or blow granular fertilizer onto vegetated ground immediately following operation.
 - Herbicide Operation – Prevent overspray. Sweep or blow granular herbicide onto vegetated ground immediately following operation.
- c) Remove or contain all erodible or loose material before forecasted wind and precipitation events, before any non-stormwater will pass through the property, and at the end of the work period. Lightweight debris and landscape materials can require immediate attention when wind or rain is expected.
- d) Landscape project materials and waste can usually be contained or controlled by operational best management practices.
 - Operational; including but not limited to:
 - Strategic staging of materials eliminating exposure, such as not staging on pavement
 - Avoiding multiple day staging of landscaping backfill and spoil on pavements
 - Haul off spoil daily and as generated

➤ Scheduling work when weather forecasts are clear

e) Cleanup:

- Use dry cleanup methods, e.g. square-nose shovel and broom. Conditions are usually sufficient when no more material can be swept onto the square-nose shovel.
- Power blowing tools

3. Waste Disposal:

- a) Dispose of waste according to General Waste Management SOP, unless superseded by specific SOPs for the operation.

4. Equipment:

- a) Tools sufficient for proper containment of pollutants and removal.

5. Training:

- a) Annually and at hire
- b) Inform staff and service contractors when incorrect SOP implementation is observed.
- c) Landscape Service Contractors must use equal or better SOPs.

Waste Management

General:

This SOP is not expected to cover all necessary procedure actions. Operators are allowed to adapt SOPs to unique site conditions in good judgment when it is necessary for safety, and the proper, and effective containment of pollutants. However, any changes of routine operations must be amended in this SOP.

1. Purpose:

- a) Trash can easily blow out of the dumpster and trash receptacles.
- b) Liquids can leak from the dumpster, polluting waterways, subsurface soils, staining the pavement and causing unwanted smells.

2. Procedure:

- a) Remain aware of the lids and keep them closed.
- b) Remain aware of leaking and fix. Minimize allowing disposal of liquids in receptacles and dumpsters. Also liquids can leak from the waste haul trucks.
- c) Beware of dumpster capacity. Solve capacity issues. Leaving bags outside of the dumpster is not acceptable.

3. Waste Disposal Restrictions for all waste Scheduled for the Moab Landfill (435) 259-3867:

- a) Generally most waste generated at this property, and waste from spill and clean up operations can be disposed of in the dumpsters under the conditions listed in this SOP. Unless specific disposal requirements are identified by the product SDS or otherwise specified in other SOPs.

Generally the waste prohibited by the Moab Landfill are:

- Paint
- Pesticides/Fertilizers
- Oil
- Antifreeze
- Batteries

4. Training:

- a) Annually and at hire
- b) Inform staff and service contractors when incorrect SOP implementation is observed.

Flood and Water Quality System

General:

These SOPs are not expected to cover all necessary procedure actions. Operators are allowed to adapt SOPs to unique site conditions in good judgment when it is necessary for safety and the proper, effective containment of pollutants. However, any changes of routine operations must be amended in these SOPs.

1. Purpose:

- a) The storm drain system will collect anything we leave in the way of runoff which will fill the retention ponds and Storm Tech Vault, increasing maintenance costs.
- b) Any liquids or dissolved pollutants can increase the risk for contaminating groundwater for which we are responsible.
- c) During very intense storm events pollutants in excess runoff can bypass the system increasing risk of contaminating groundwater and Pack Creek.

2. Inspections:

- a) Inspect the retention ponds and Storm Tech Vault. Remove any floating trash at each inspection interval with a rake or other means. Remove sediment accumulations when 2" and more. Removed oil accumulations with the heavy sediment unless oil amounts are excessive. Oil can also be removed with absorbent materials, but sediments will require vacuum-operated machinery.
- b) Inspect the retention ponds for mosquito larvae. Contact the Moab Mosquito Abatement District (435) 259-7161 when necessary.
- c) Inspect the retention ponds. Water should not remain for more than 48 hours. Contact an engineer or equal industry with adequate knowledge when water is not draining.
- d) Inspect the retention ponds for water for sediment accumulations. Remove sediment and debris accumulation when volume capacities drop below 90%. Removal will require hydro-vacuum machinery.
- e) Inspect for sediment accumulations in aboveground detention and retention infrastructure. Remove sediment and debris accumulation when volume capacities drop below 90%.
- f) Inspect low impact flood control swale and landscape area infrastructure for sediment accumulation. Remove sediment accumulation when volume capacities drop below 90%.
- g) Inspect low impact flood control swale and landscape area for adequate drainage and vegetation coverage. Poor drainage can be improved by maintaining healthy plant root systems.

- h) Regularly remove trash and debris from the retention ponds and Storm Tech Vault for water and landscape infrastructure. Remove accumulations with regular grooming operations.

2. Disposal Procedure:

- a) Remove and dispose of sediment and debris at licensed facilities. Also dry waste can be disposed of in your dumpster as permitted by the Moab Landfill.
- b) Disposal of hazardous waste
 - 1. Dispose of hazardous waste at regulated disposal facilities. Follow SDS Sheets. Also see Waste Management and Spill Control SOP

3. Training:

- a) Annually and at hire
- b) Inform staff and service contractors when incorrect SOP implementation is observed.

Pavement Washing

General:

These SOPs are not expected to cover all necessary procedure actions. Operators are allowed to adapt SOPs to unique site conditions in good judgment when it is necessary for safety, and the proper, and effective containment of pollutants. However, any changes of routine operations must be amended in these SOPs.

1. Purpose:

- a) Pavement washing involving detergents can potentially contaminate groundwater with phosphates and with whatever we are washing.
- b) Pavement washing can fill the catch basins, retention ponds and Storm Tech Vault for water, including sediment and debris increasing maintenance costs.

2. Procedure:

- a) Prevent waste fluids and any detergents, if used, from entering the storm drain system. The following methods are acceptable for this operation:
 - Dam the inlet using a boom material that seals itself to the pavement and picks up the wastewater with shop-vacuum or absorbent materials.
 - Collect wastewater with a shop-vacuum simultaneously with the washing operation.
 - Collect wastewater with a vacuum truck or trailer simultaneously with the washing operation.
- b) This procedure must not be used to clean the initial spills. First apply the Spill Containment and cleanup SOP followed by pavement washing when desired or necessary.

3. Disposal Procedure:

- a) Small volumes of diluted washing waste can usually be drained to the local sanitary sewer. Contact Moab City Public Works (435) 259-7485
- b) Large volumes must be disposed of at regulated facilities.

4. Pavement Cleaning Frequency:

- a) There is no regular pavement washing regimen. The routine for pavement washing is determined by conditions that warrant it, including but not limited to: prevention of slick or other hazardous conditions or restoring acceptable appearance to the pavement.

5. Training:

- a) Annually and at hire
- b) Inform staff/service contractors when incorrect SOP implementation is observed.

c) Snow and Ice Removal Management

General:

This SOP is not expected to cover all necessary procedure actions. Operators are allowed to adapt SOPs to unique site conditions in good judgment when it is necessary for safety, and the proper, and effective containment of pollutants. However, any changes of routine operations must be amended in this SOP.

1. Purpose:

- a) Salt and other ice management chemicals, if improperly managed or used to excess, will needlessly increase the salt impact to vegetation and local water resources.
- b) We need to maintain healthy root systems to help maintain optimum infiltration rates.

2. De-Icing Procedure:

- a) Do not store or allow salt or equivalent to be stored on outside paved surfaces.
- b) Minimize salt use by varying salt amounts relative to hazard potential.
- c) Sweep excessive piles left by the spreader.
- d) Watch forecasts and adjust salt amounts when warm ups are expected the same day.

3. Training:

- a) Annually and at hire.
- b) Require snow and ice service contractors to follow the more specific SOP and their company SOPs.

General Construction Maintenance

General:

This SOP is not expected to cover all necessary procedure actions. Operators are allowed to adapt SOPs to unique site conditions in good judgment when it is necessary for safety, and the proper, and effective containment of pollutants. However, any changes of routine operations must be amended in this SOP.

1. Purpose:

- a) Any sediment, debris, or construction waste will fill in the retention ponds and Storm Tech Vault for water increasing maintenance costs.

2. Construction Procedure:

- a) Remove or contain all erodible or loose material prior forecast wind and precipitation events or before non-stormwater will pass through the project site. For light weight debris maintenance can require immediate attention for wind and runoff events. Many times daily maintenance is necessary or as needed per random, precipitation or non-stormwater events.
- b) Project materials and waste can be contained or controlled by operational or structural best management practices.
 - Operational; including but not limited to:
 - Strategic staging of materials eliminating exposure, such as not staging on pavement
 - Avoiding multiple day staging of backfill and spoil
 - Haul off spoil as generated or daily
 - Schedule work during clear forecast
 - Structural; including but not limited to:
 - Inlet protection, e.g. wattles, filter fabric, drop inlet bags, boards, planks
 - Gutter dams, e.g. wattles, sandbags, dirt dams
 - Boundary containment, e.g. wattles, silt fence
 - Dust control, e.g. water hose,
 - Waste control, e.g. construction solid or liquid waste containment, dumpster, receptacles
- c) Inspect often to ensure the structural best management practices are in good operating condition and do so at least prior to the workday's end. Promptly repair damaged best management practices achieving effective containment.
- d) Cleanup:
 - Use dry cleanup methods, e.g. square-nose shovel and broom.

- Wet methods are allowed if wastewater is prevented from entering the stormwater system, e.g. wet/dry vacuum, disposal to the landscaped areas.
- e) Cleanup Standard:
 - When a broom and a square-nose shovel cannot pick any appreciable amount of material.

3. Waste Disposal:

- a) Dispose of waste according to General Waste Management SOP, unless superseded by specific SOPs for the operation.
- b) Never discharge waste material to storm drains.

4. Equipment:

- a) Tools sufficient for proper containment of pollutants and cleanup.
- b) Push broom and square-blade shovel should be a minimum.

5. Training:

- c) Annually and at hire.
- d) Require snow and ice service contractors to follow the more specific SOP and their company SOPs.

Spill Control

General:

This SOP is not expected to cover all necessary procedure actions. Operators are allowed to adapt SOPs to unique site conditions in good judgment when it is necessary for safety, and the proper, and effective containment of pollutants. However, any changes of routine operations must be amended in this SOP.

1. Purpose:

- a) Spilled liquids and solids will reach the retention ponds and Storm Tech Vault for water potentially contaminating groundwater for which we are responsible.
- b) It is vital we contain all spills on the surface. Spills reaching the underground flood control storage system can result in expensive spill mitigation, including potential tear out and replacement.

2. Containment Procedure:

- a) Priority is to dam and contain flowing spills.
- b) Use spill kits booms if available or any material available to stop flowing liquids; including but not limited to, nearby sand, dirt, landscaping materials, etc.
- c) Hazardous or unknown waste material spills
 1. Critical Emergency constitutes large quantities of flowing uncontained liquid that people at risk or reach storm drain systems. Generally burst or tipped tanks and containment is still critical. Call HAZMAT, DWQ, INSERT COUNTY HEALTH DEPARTMENT.
Also report spills to DWQ of quantities of 25 gallons and more and when the spill of lesser quantity causes a sheen on downstream water bodies
 2. Minor Emergency constitutes a spill that is no longer flowing but has reached a storm drain and adequate cleanup is still critical. Call Moab City.
 3. Spills that are contained on the surface typically do not meet the criteria for Critical and Minor Emergencies and may be managed by the responsible implementation of this SOP.
 4. Contact Numbers:
INSERT HAZMAT - 911
INSERT DWQ – (801) 536-4123
Southeast UT Health – (435) 381-2252
City – Moab City (435) 259-2683

3. Cleanup Procedure:

- a) NEVER WASH SPILLS TO THE STORM DRAIN SYSTEMS.
- b) Clean per SDS requirements but generally most spills can be cleaned up according to the following:

- Absorb liquid spills with spill kit absorbent material, sand or dirt until liquid is sufficiently converted to solid material.
- Remove immediately using dry cleanup methods, e.g. broom and shovel, or vacuum operations.
- Cleanup with water and detergents may also be necessary depending on the spilled material. However, the waste from this operation must be vacuumed or effectively picked up by dry methods or vacuum machinery. See Pavement Washing SOP.
- Repeat this process when residue material remains.

4. DISPOSAL:

- a) Follow SDS requirements but usually most spills can be disposed per the following b. & c.
- b) Generally most spills absorbed into solid forms can be disposed of to the dumpster and receptacles. Follow Waste Management SOP.
- c) Generally liquid waste from surface cleansing processes may be disposed to the sanitary sewer system after the following conditions have been met:
 - Dry cleanup methods have been used to remove the bulk of the spill and disposed per the Waste Management SOP.
 - The liquid waste amounts are small and diluted with water. This is intended for spill cleanup waste only and never for the disposal of unused or spent liquids.

5. Documentation:

- a) Document all spills in Appendix C.

6. SDS sheets:

- a) SDS Manual is filed on-site.

7. Materials:

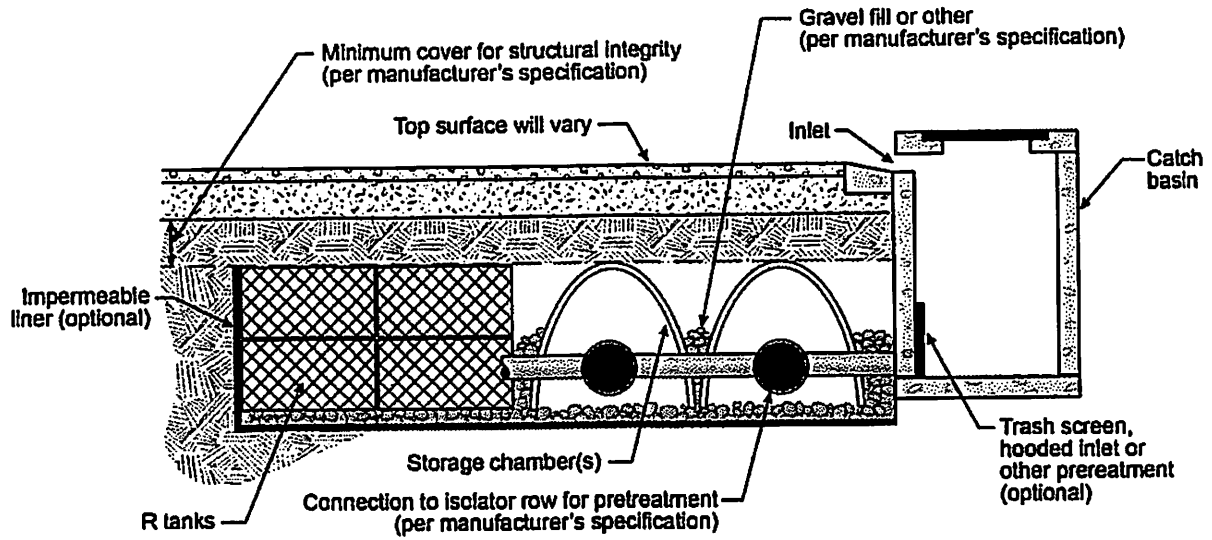
- a) Generally sand or dirt will work for most cleanup operations and for containment. However, it is the responsibility of the owner to select the absorbent materials and cleanup methods required by the SDS Manuals for chemicals used by the company.

8. Training:

- a) Annually and at hire.
- b) Require snow and ice service contractors to follow the more specific SOP and their company SOPs.

APPENDIX C – PLAN RECORDKEEPING DOCUMENTS

APPENDIX D – SPEC SHEETS



Notes:

- *Configurations will vary*
- *Impermeable liner around underground system if groundwater concerns exist*
- *If impermeable liner is used, provide outlet to prevent standing water*

Underground Infiltration Gallery

Not to scale

PROJECT INFORMATION
NO. 1000
DATE
SCALE

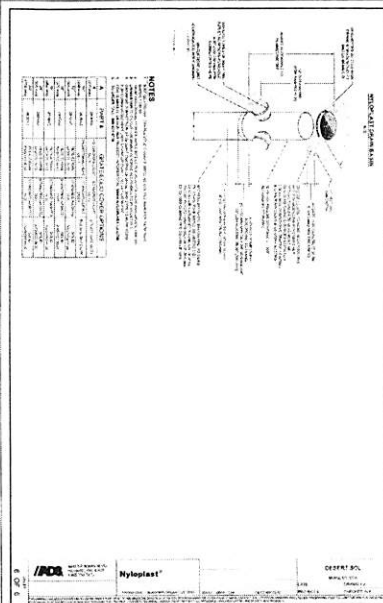
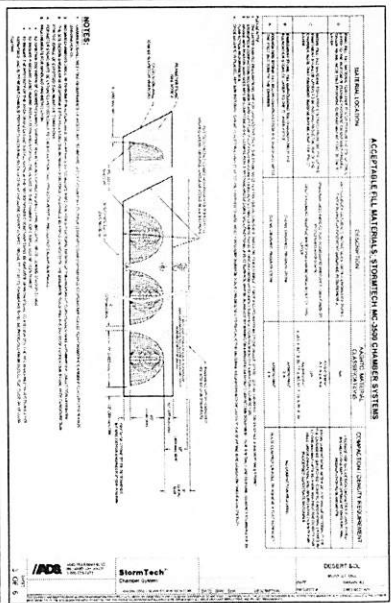
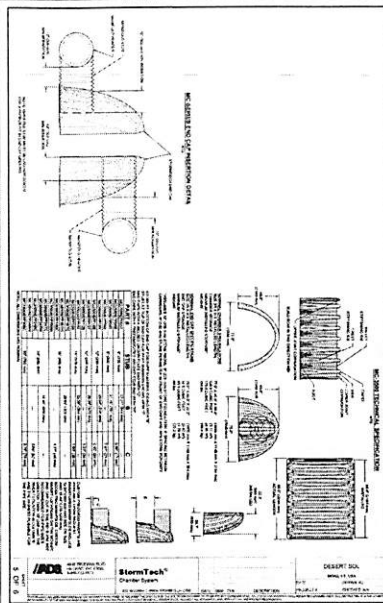
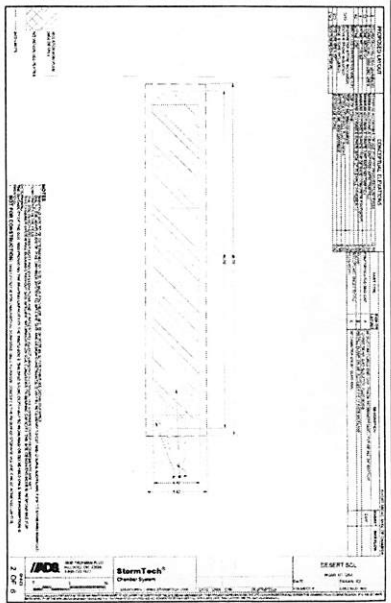
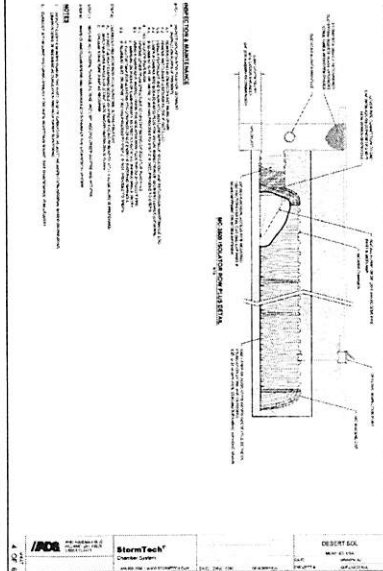


DESERT SOL
MOAB, UTAH

DESERT SOL
MOAB, UTAH

DESERT SOL
MOAB, UTAH

DESERT SOL
MOAB, UTH



REVISION BLOCK	
#	DESCRIPTION
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

DESERT SOL TOWNHOMES

3058 SPANISH VALLEY DRIVE MOAB, UTAH

STORMTECH DETAILS



FOCUS
ENGINEERING AND SURVEYING, LLC

6949 S. HIGH TECH DRIVE SUITE 200
MIDVALE, UTAH 84047 PH: (801) 852-0075
www.focusutah.com