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#### **DECLARATION OF PROTECTIVE COVENANTS FOR RED MESA AT SUNRISE VALLEY PHASE 1**

THIS DECLARATION OF PROTECTIVE COVENANTS FOR RED MESA AT SUNRISE VALLEY PHASE 1 is made and executed this 13 day of May, 2022, by Red Mesa Holdings LLC, a Utah limited liability company, hereinafter referred to as Developer, regarding that real property located in Washington County, Utah, described in Exhibit A, attached hereto (the "Property").

Developer subjects all of the Property to the covenants, conditions, restrictions, Cerms, assessments, charges, servitudes, liens, reservations, and easements hereinafter set forth in this Declaration. Developer divides the Property into Lots as shown on said plat and dedicates the streets shown on said plat to the public. The easements shown on the plat are hereby perpetually reserved for public utilities and for any other uses as designated thereon or set forth herein, and no structures other than for such utility or other indicated purposes are to be erected within the lines of said easements. The Property is not a cooperative.

Developer further declares that all of the Property is held and shall be held, conveyed hypothecated or encumbered leased, rented, used, occupied, and improved subject to the following limitations, restrictions, covenants and conditions, all of which are declared and agreed to be in furtherance of a plan for the subdivision, improvement, and sale of the Property, and are established and agreed upon for the purposes of enhancing and protecting the value, desirability, and attractiveness of the Property and every Lot, part or portion thereof. The acceptance of any deed to or conveyance of any Lot, part, or portion of the Property by the grantees therein named or by their legal representatives, heirs, executors, administrators, successors, or assigns, shall constitute their covenant and agreement with the Developer and with each other to accept, hold, improve, use, and convey the Property described and conveyed in or by such deed or conveyance subject to said covenants, conditions, and restrictions. These covenants, conditions, and restrictions shall run with the land.

#### ARTICLE **DEFINITIONS AND CONCEPTS**

The following definitions and concepts shall control in this Declaration. Any terms used but not defined in this Declaration shall have their plain and ordinary meaning.

1.1 "Additional Property" means and refers to any real property that is adjacent or contiguous to, or otherwise within the vicinity of the Property, whether described herein or on the Plat. When Additional Property is annexed to this Declaration, it becomes part of the Property.

1.2 "Articles" means and refers to the Articles of Incorporation of Red Mesa at Sunrise Valley Owners Association. The Articles establish the Association as a nonprofit corporation under Utah law.

UNOFFICIAL "Association" means the Red Mesa at Sunrise Valley Queers Association, a Utah nonprofit corporation, its successors, and assigns.

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MORTO COT "Bylaws" means and refers to the Bylaws of the Association, a copy of which is 1.4 attached as Exhibit B. The Bylaws govern the Association's internal affairs, such as (for purposes of example but not limitation) voting, elections, and meetings.

> "Common Area" means and refers to all real property the luding the ക്ര improvements thereto and facilities thereon, which the Association owns, leases, or otherwise holds possessory or use rights in or is otherwise responsible for maintenance of at any given time, for the common use and enjoyment of the Owners, or to benefit the Property. Common Area may be designated on the Plat or otherwise established as provided for in this Declaration.

> "Common Expenses" means the actual and estimated expenses which the 1.6 Association incurs of anticipates incurring for the general benefit of the Owners, including any reasonable reserve, as the Board may find necessary and appropriate under the Governing Documents.

"Community Association Act" means the Utah Compunity Association Act, DN.7 Little 57, Chapter 8a of the Utah Code, and any amendments thereto.

1.8 "Developer" means Red Mesa Holdings Laca Utah limited liability company and its successors and assigns.

1.9 "Developer Control Period" means the period during which the Developer has special development rights as set forth in the Governing Documents. The Developer Control Period will continue until the earlier to occur of the following events: (i) the expiration of 20 years from the date of recording of this Declaration and (ii) by Developer's express termination of the Developer Control Period, which termination must be in a written instrument signed by Developer and recorded in the Office of the Washington County Recorder. Unless the instrument specifies a different date, the date of termination of the Developer Control Period in accordance with subpart (ii) shall be the date of recording of the instrument.

"Declaration" means this instrument and any amendments, restatements 1.10 supplements, or annexations thereto, which are recorded in the Office of the Washington County Recorder.

"Directors," "Board of Directors," or "Board" means the Association's 141 governing body.

"Electronic Transmission" or "Electronically Transmitted" means a process of 1.12 communication not directly involving the physical transfer of paper that is suitable for the receipt, retention, retrieval, and reproduction of information by the recipient, whether by email, texting, facsimile, or otherwise

"Entire Membership" means all Members of the Association. When a vote of 1.13 the Entire Membership is referenced, it means the votes for all Lots within the Property.

Mofficial CO "Governing Documents") means, collectively, this Declaration, the Articles, the Bylaws, and any amendments or supplements thereto, and includes any rules, regulations, and resolutions established under the authority of the Declaration, Articles, or Bylaws.

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Mothicial Colé 1.15 "Home" means a single-family dwelling constructed on a Lot.

> 1.16 "Limited Common Area" means and refers to those Common Areas designated herein as reserved for use of a certain Lot or Lots to the exclusion of other Lots, or an area that is A COR otherwise designated by the Association for a reserved use.

1.17 "Lot" means a separately numbered and individually described plot of land shown on the Plat designated as a Lot for private ownership, but specifically excludes the Common Area and Limited Common Area.

1.18 "Member" means and is synonymous with the term "Owner" and is used herein and in the Bylaws and Articles to identify the Owners as members of the Association.

1.19 "Mortgage" means a mortgage, a deed of trust, a deed to secure a debt, or any other form of security instrument affecting title to any Home.

1.20 "Mortgagee" means and refers to a lender holding a first Mortgage or deed of

"Owner" or "Lot Owner" means the person, group of persons, or entity owning 1.21 fee simple title to any that within the Property. No matter how many parties participating in ownership of each Lot, the group of those parties will be treated as one "Owner." The term "Owner" includes contract purchasers but does not include persons who hold an interest merely as security for the performance of an obligation unless and until title is acquired by foreclosure or similar proceedings. Membership is appurtenant to and may not be separated from Lot ownership.

"Plat" means and refers to the Plat made and prepared by a registered land 1.22 surveyor and recorded concurrently herewith, and any amontments or replacements thereof, or additions thereto. The term Plat also includes any recorded plat of Additional Property annexed into the Property.

1.23 "Property" or "Subdivision" means that certain real property described in Exhibit A attached hereto and such annexations and additions thereto as may hereafter be subjected to this Declaration, and, where the context requires, includes and improvements thereon

#### **ARTICLE 2** USE RESTRICTIONS

Land Use and Building Type. All Lots shall be used only for detached single-2.1family residential purposes. As used herein, the term, "family" is defined to mean persons related by blood or marriage, by legal adoption, or by operation of law. Home occupations conducted entirely within a dwelling and carried on only by persons primarily residing in the dwelling. which are incidental, and secondary to the use of the dwelling for single-family residential purposes are permitted so long as they comply with applicable laws and ordinances. Examples of these permitted uses include private plano lessons, private tutoring, a professional home office or library, remote working of a professional nature, a hairstyling studio, and similar incidental uses

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Mofficial Colé that do not change the character of the residential dwelling or permit more than a single person to enter on any Lot for services at any given time. Such uses must be properly licensed by Washington City. Except for these limited and incidental uses, any commercial, business, or use for remuneration is prohibited. This prohibition includes any activity in which a Lot Owner surrencers full-time occupancy or exclusive use of their dwelling to another. Examples of prohibited uses include rehabilitation or addiction treatment facilities, half-way homes, and nightly, short-term, or vacation rentals through or similar to services such as Airbnb, VRBO, and HomeAway.

> Lot Size Dot sizes as described on the Rat are considered minimum Lot sizes 2.2 and no person shall further subdivide any Lot other than as shown on the recorded Plat of said Property. Lots may not be combined for construction of a single home.

2.3 Care and Maintenance of Lots. Each Owner is responsible to maintain the fenced in back-yard area of their Lot, including keeping their Lot free from rubbish, litter, and noxious weeds and must maintain all structures, landscaping, and improvements in good condition and repair at all times. If an Owner fails to perform this maintenance in a manner so as not to detract from the appearance of the Property, or affect adversely the value or use of any other Lot, the Association has the right to perform maintenance on the Lot and assess the cost of that maintenance to the Owner as a specific assessment.

Alteration of Certain Maintenance Duties by Rule. The duty of maintenance for 2.4 the area of a Lot outside the walls of the Lot, and the Limited Common Area adjacent and appurtenant thereto may be altered by rule of the Association.

Care and Maintenance Common Area and Limited Common Area. The Association is responsible for care and maintenance of the Common Area and any Limited Sommon Area outside a fenced in back-yard area of a Lot, and improvements thereon. Any damage caused to the Common or Limited Common Areas or Improvements by any Owner or their agents, guests or invitees must be repaired by the Owner as soon as possible after such damage is discovered and if the Owner fails to make such repairs, the Association may make such repairs and the expense of such repair shall be borne by the Lot Owner.

2.6 Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the Plats. No structure, planting, or other material shall be placed or permitted to remain within these easements which may damage or interfere with the installation, maintenance or replacement of utilities; or which may change the direction or flow of drainage channels in the easements; or which may obstruct of retard the flow of water through drainage channels in the easements. Except for those improvements for which the Association, a public authority, or a utility company are responsible, the easement area of each Lot, and all improvements in it, shall be maintained continuously by the Lot Owner. Lot Owners may from time-to-time grant rights over, across, on, under, and upon these easements for such additional uses and services as may be provided from time to time by a public authority or private utility company.

Hazardous Activities, So activities may be conducted on the Property, and no improvements shall be constructed on the Property, that are or might be unsafe or hazardous to STG\_1055570 4

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MOMICIAI COR any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon the Property and no open fires shall be lighted or permitted on the Property except in conformity with governmental permitting, in a contained barbecue or fire pit unit while attended and in use for cooking purposes, or within a safe and well-designed interior fireplace.

> Motorbikes. All motoreveles, trail bikes, three-wheel powered devices, automobiles, and two or four-wheel drive recreational type vehicles are to be operated in compliance with the law and only on established streets and parking areas and are specificall prohibited from all other portions of the Property, and are to be used on said streets only for ingress, egress, and access purposes and not for recreational purposes anywhere within the Property.

> 2.9 Weed Control. Each Lot Owner shall, to the extent reasonably feasible, control the growth and proliferation of noxious weeds and flammable materials in the fenced in. backyard area of their Lot to minimize weeds, fire, and other hazards to surrounding Lots, homes Common Area, and surrounding properties, and shall otherwise comply with any applicable ordinances, laws, rules, or regulations pertaining to the removal and control of poxious weeds. The term "noxious weeds" means and refers to hose plants that are injurious to crops, animals, land, or the public health.

> Pest Control. Lot Owner shall not permit anything or condition to exist upon their 2.10 Lot that would induce, breed, or harbor infectious plant diseases or noxious insects. To that end, each Lot Owner shall perform regular pest control activities on their Lot as may be necessary to prevent insects, rodents, and other pests from being present on his Lot.

> Nuisances. No noxious or offensive activity shall be carried on upon any Lot, part or portion of the Property, not shall anything be done thereon which may be or may become an annoyance to the Subdivision. Clothes drying or storage of any articles which are visible from any public street is not permitted.

> Safe Condition. Without limiting any other provision of these covenants, and 2.12 within reason, each Owner shall always maintain and keep their Lot in a safe, sound and sanitary condition and repair and correct any condition or otherwise refrain from any activity that might endanger the health of or interfere with the safety or reasonable enjoyment of other Lot Owners<sub>s</sub>

> Oil and Mining Operations. No oil drilling, oil development operations, oil 2.13refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, part or portion of the Property nor shall any oil well, gas well, tank, tunnel, mineral excavation of shaft be permitted upon or in any Lot or portion of the Property.

2.14Animals, Livestock, Poultry, and Agriculture. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, part, or portion of the Property, except that dogs, cats, or other domesticated household pets, two or less in total number may be kept in a Home constructed on a Lot, provided that they are not kept, bred, or maintained for any commercial purpose. Such animals as are permitted shall be strictly controlled and kept pursuant to all applicable laws and ordinances, and shall be on a leash or inside a fence when outside the UNOFFICIAL

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MOSAICIAI COR Owner's Home. Notwithstanding the above, the Association may, by rule, amend or augment this provision, including establishing a rule to permit Lot Owners to keep and raise poultry for non-commercial purposes.

> 2213 Garbage and Refuse Disposal. No Lot, part, or portion of the Property shall be used or maintained as a dumping ground for rubbish, rubble, trash, garbage, or other waste. Such trash, rubbish, rubble, garbage, or other waste as produced within the Property shall be kept in sanitary containers inside a structure except when placed for collection. No rubbish, trash papers, junk, or debris shall be burned upon the Property except that trash may be burned and accordance with applicable laws and ordinances inside homes that are properly equipped with inside incinerator units.

2.16 Water Supply. Each Home must be connected to and use the municipal culinary water supply.

Sewage Disposal. Each Home shall be connected to and use the municipal sewage disposal system. No individual sewage disposal system shall be permitted on any Lot, part, or portion of the Property.

2.18 RVs, Boats, and Vehicles.

Parking. No boats, trailers, buses, motor homes, campers, recreational vehicles, or other such vehicles, shall be parked or stored upon any Lot except within an enclosed garage or on a cement pad behind the required front Lot line setback area. No such vehicles shall be parked overnight on any street located within the Property. Trailers, motor homes and trucks over 9,000 pounds GVW are not allowed to be stored upon any vacant lot or street or road area adjacent to the Property.

Inoperable Vehicles. Motor vehicles that are inoperable shall not be (b) permitted to remain upon any Lot or street areas adjacent thereto. If an inoperable motor vehicle remains upon any Lot or street area for over 30 days, the Association may remove the moperable motor vehicle after all 0-day written notice. The cost of such removal shall attach to the associated Lot as a lien in favor of the Association. For the purpose of this section, "inoperable motor vehicle" means any motor vehicle that is unable to operate in a normal manner upon the streets under its own power, or is unlicensed or unregistered for a period of not less than six weeks

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2.19 Rules and Regulations. The Board has the authority to promulgate rules and regulations for the governance of the Property and persons within the Property. Upon adopting these rules, the Board shall compile and distribute them to all Lot Owners, and will maintain copies for inspection and copying by Owners at a reasonable cost.

Development Rights. The Developer may delegate, transfer, or assign (in whole 2.20or in part) any and all rights and powers of the Developer contained in this Declaration and other UNOFFICIALCOR Governing Documents. To be effective, any such delegation, transfer, or assignment must be in writing signed by the Developer, indicate the extent and nature of such assignment, and be recorded in the Office of the Washington County Recorder. The assignment may limit the

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MOMICIAI COR assignee Developer's rights to particular matters and reserve rights to the assigning Developer, as set forth in the instrument of assignment.

#### **ARTICLE 3** ARCHITECTURAL CONTROL

Architectural Control Committee. Before the commencement of any excavation, 3.1construction, or remodeling of any structure or of any addition to any structure, or modification of the natural topography of any Lot, or installation of fences or landscaping elements, approval of the Architectural Control Committee is required.

(a) Appointment and Membership. The Architectural Control Committee shall consist of at least three persons appointed by the Board. If the Board does not appoint Architectural Control Committee members, the Board itself shall act as the Architectural Control Committee

Submission of Plans. To commence the process, two complete sets of (b) building plans and specifications shall be filed with the Architectural Control Committee, together with a site or plot plan showing grading, landscaping, and all lighting, indicating the exact part of the building site which the improvements will cover, with such a fee as the Architectural Control Committee may determine from time to time, and an application and such supporting material, such as samples of building materials, as the Architectural Control Committee deems necessary. No work may commence unless and until the Architectural Control Committee endorses on one set of such plans its written approval that the plans comply with the covenants and standards set forth in this Declaration or hereafter established by the Architectural Control Committee under the authority of this Declaration." The second set of such plans shall be filed as a permanent record with the Architectural Control Committee.

Rights of Approval. The Architectura Control Committee has the right to (c)refuse or approve any plans and specifications and has the right, in so doing, to take into consideration the suitability of the proposed building, the materials, the site upon which it is proposed to be erected, the harmony thereof with the surroundings, and the effect of the building or other structure so planned on the outlook from adjacent or neighboring property.

(d) Architectural Standards. The Architectural Control Committee shall promalgate and maintain a list of standards for guidance in approving or disapproving plans and specifications pursuant to this Article?

Time Frame for Action. If the Architectural Control Committee fails to (e) approve or disapprove in writing any such plans within 48 days after the submission, then such plans are deemed approved.

Non-Liability. The Architectural Control Committee shall not be held (f)liable for damages because of any action, inaction, approval, or disapproval with respect to any UNOFFICIALCOR request made pursuant to this Article. Any errors or omissions in the design of any building, other improvement, or landscaping and any violation of any governmental ordinance are the sole responsibility of the Lot Owner and the Lot Owner's designer, architect, or contractor. The

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Mothicial Col Architectural Control Committee's review of plans is in no way concerned with structural or mechanical integrity or soundness.

> (g) Waiver. The approval of the Architectural Control Committee of any plans and specifications for any work done or proposed shall not constitute a waiver of any right of the Architectural Control Committee's right to disapprove any similar plans and specifications subsequently submitted to it for review and approval.

Rules and Regulations. The Architectural Control Committee shall adopt (h) reasonable rules and regulations for the conduct of its proceedings and to carry out its duties. It may fix the time and place for its regular meetings and such extraordinary meetings as may be necessary, and shall keep written minutes of its meetings, which shall be open for review and inspection upon request. The Architectural Control Committee shall, by majority vote, elect one of its members as chair and one of its members as secretary. The duties of each office will be such as usually appertain to such offices. Notice of meetings shall be given to Owners who have made application to the Architectural Control Committee for approval of plans as well as Owners of adjacent and surrounding Lots that may be affected by the application.

Compensation. Unless authorized by resolution of the Board, the (i) members of the Architectural Control Committee shall not receive any compensation for services rendered. Members shall be entitled to reimbursement for reasonable expenses incurred by them in connection with the performance of any Committee function or duty. Professional consultants retained by the Architectural Control Committee shall be paid such compensation as the Architectural Control Committee determines. Hall Colé

Developer Exemption. The Developer is exemption the provisions, (i) restrictions, and requirements of this Article, as the same exists or as it may be amended, supplemented, or replaced in accordance with other provisions of the Declaration.

3.2 Governmental Permit Required. No Home, accessory or addition to a Home, other structure or building shall be constructed or maintained, and no grading or removal of natural vegetation or change in natural or approved drainage patterns or installation of fencing or landscaping elements shall occur on a Lot until any required permit or required approval therefor is obtained from the appropriate governmental entity following submission to the appropriate governmental entity of such information as it may require. Governmental approval or permitting with respect to any matter does not affect the Architectural Control-Committee's power of the to refuse to approve any such matter in accordance with this Article.

3.3 Design Restrictions. To promote a harmonious community development and protect the character of the Subdivision, the following guidelines-together with any guidelines the Architectural Control Committee hereafter establishes-are applicable to the Property:

Purpose and Intent. The intent of these architectural guidelines is to (a) encourage a blending of styles within the Property with the natural surroundings and prevailing architecture of the created environment of the Property. These standards allow design latitude and flexibility, while ensuring that the value of the Property will be enhanced through the control UNOMICIAL of site planning, architecture, and landscape elements. The architectural guidelines serve as an

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Mofficial COR evaluative aid to Owners, builders, project developers, design professionals, City staff, the Planning Commission, City Council, and the Architectural Control Committee in the design review of individual, private and public developments within Red Mesa at Sunrise Valley. The Washington City Zoning Regulations will apply for any area of design not addressed in these guidelines

> Architectural Control Committee Enforcement. The Architectural Control (b) Committee may levy a fine or penalty of up to \$50.00 against any Owner who violates Article & and any rule or regulation established by the Architectural Control Committee pursuant to Article 3. That \$50.00 me may be levied for each day of a continuing violation, provided prior notice is given pursuant to the Governing Documents and Community Association Act. All attorney fees and costs incurred in any such action, all expenses incurred, and any fines levied, shall constitute a lien on the offending Owner's Lot, and shall also be a personal obligation of that Owner, enforceable at law, until such payment therefore is made. Enforcement under this provision shall be in addition to any mechanism of enforcement provided in this Declaration or by applicable law.

> Permitted and Required Structures. Except as otherwise set forth herem (c) the only building or structure permitted to be erected, placed or permitted to be located on any Lot within the Property shall be a detached single-family Nome. Each Home must include a minimum three (3) car, private, enclosed and attached garage. Notwithstanding the foregoing, in its sole and absolute discretion, the Architectural Control Committee may also permit the construction of accessory buildings on a Lot, subject to such conditions as the Architectural Control Committee shall deem appropriate. All construction shall be of new materials. All structures shall be constructed in accordance with the zoning and building ordinances of Washington City, Utah, in effect from time to time.

> (d) Minimum Area. The minimum total square footage of living area on the ground floor located within the building envelope and foundation for any single-story residential Home constructed on any Lot within the Property shall be not less than 1,500 square feet exclusive of porches, Galconies, patios and garages. Novo-story homes shall have a minimum of 1,000 square feet on the main level, with a total square footage of not less than 2,500 square feet, exclusive of porches, balconies, patios and garages.

> Setbacks. No building shall be located on any Lot nearer to the front, side, (e) and rear yard lot lines than the minimum building setback distances required by Washington City)

> Building Height. Maximum building height shall be 35 feet for a two-(f)story home and 25 feet for a one-story home. Height is measured from a base line parallel to the existing Lot grade to a parallel line intersecting the highest point of any roof element, Chimneys, flagpoles and similar structures not used for human occupancy are excluded for purposes of calculating the height of a structure. If Washington City ordinances are more restrictive, then they shall govern.

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UMORACOP. Home Elevations Relevations should be consistent with the intended (g) architectural style of the Home and carried around all four elevations of the structure.

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Moffletal Colé Facades. Facades shall be stuged, masonry, brick, or stone, with accents of (h) brick, stone, or such other material as approved by the Architectural Control Committee.

> Roof Materials. Roof material is limited to slate, clay, or concrete tiles or (i) such other materials as may be allowed by the Architectural Control Committee. Colors shall be subdued earth tones or such other colors as the Architectural Control Committee may allow which are compatible with other structures in the Subdivision.

Reflective Exterior Surfaces or Materials. No reflective exterior surfaces (j) or materials shall be used. Sheet metal, flashing, vents and pipes must be colored or painted to match the material to which they are attached or from which they project.

Colors. Base building colors shall be in earth tones. Pastels or high gloss (k) finishes are prohibited. Complementary accent colors may be used on facia, window trim, shutters, and doors.

Prohibited Structures. Dome structures, log homes, pre-manufactured (l)homes, re-located homes, and Earth or Berm homes of any type are prohibited.

(m) Temporary or Other Structures. No structure of a temporary nature, and no trailer, bus, basement, outhouse, tent, shack, garage, or other outbuilding shall be used at any time as a home either temporarily or permanently, nor shall any such structures be erected or placed on the Property at any time. No old or second-hand structures shall be moved onto any Lot. It is the Developer's intention that all Homes and other buildings to be erected within the Property be new construction, of good quality, workmanship, and materials

Driveways and Parking. Each driveway (excluding sidewalk areas) shall (n) be designed so it accommodates at least two vehicles per Lot. Each driveway on a Lot shall be constructed out of cement, brick, concrete, or interlocking pavers. Cinders, sand, gravel, asphalt, or dirt is not permitted for driveway material in the front or side yard area of any Lot.

(0)N Sight Obstructions. No structure, fence, wall, hedge, or shrub planting which obstructs sight lines at elevations between two and six feet above the roadways may be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points 30 feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight line limitations apply to any Lot within 10 feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree is permitted to . remain within such distances of such intersections unless the toliage line is maintained at such height to prevent obstruction of such sight lines. No fence, wall, hedge, shrub, or other structure shall be placed along any front property line. No fence wall, hedge, tree, plant, shrub, or foliage may be planted, kept) or maintained in such manner that will, in the opinion of the Architectural Control Committee, create a serious potential hazard or an aesthetically unpleasant appearance to the other residents of the Property.

UNOFFICIAL COP Fencing. Fencing, walls, and other barriers are finited to block walls of a (p) material and color approved by the Architectural Control Committee, No fences may be constructed in the front setback area.

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Moffletal Colé External Illumination. Light used to illuminate garages, patios, parking (q) ) areas or for any other purposes, shall be so arranged as to reflect light away from adjacent homes and away from the vision of passing motorists. Low-level outdoor illumination may be used for particular landscape features (such as trees, rock formations, dry streambeds, etc.).

> External Television or Other Antennas. Antennas for radio, television, or (r) device for the reception or transmission of radio, microwaves or other similar signals are restricted to the attic or interior of the home. It is mandatory that all homes be pre-wired for cable reception. Satellite dish antennas shall be allowed provided they are located in such areas as may be designated bothe Architectural Committee In no event shall satellite dish antennas be visible from neighboring property or exceed 20 inches in diameter or width.

> Mailboxes. Cluster mailboxes installed by Developer are the only allowed (s) mail receptacles.

> External Apparatus. No Lot Owner shall cause of permit anything (t) (including, without limitation, awnings, canopies, or shutters) to hang, be displayed or otherwise affixed to or placed on the exterior walls or roof or any part thereof, or on the outside of windows or doors, without the prior written consent of the Architectural Control Committee

> (u) Candscaping. Initial landscaping on any Lot will be completed by or under the direction of Developer prior to occupancy of any Home constructed on such Lot. Any Owner desiring to alter or modify to such initial landscaping on any Lot shall be required to submit a landscaping plan detailing such alterations and modifications for approval by the Architectural Control Committee. No such alterations or modifications to the landscaping on any I of shall be commenced until the Architectural Control Committee has approved such modifications or alterations in writing, including by Electronic Transmission.

> Planting and Gardening. Planting and gardening are allowed provided  $(\mathbf{v})$ that such activities occur in the fenced-in backyard area of a Lot, and is maintained to avoid the overgrowth and noxious weeds.

Slope and Drainage Control. No structure, planting or other material shall (w)be placed or permitted to remain or other activities undertaken which may damage or interfere with established slope ratios, create erosion or sliding problems, or which may change the direction of flow of drainage channels. The slope control areas of each Bot and all improvements in them shall be maintained continuously by the Qwner of the Lot, except for those improvements for which a public authority or utility company is responsible. Lot Owners are responsible to see that no huisance or damage is created by drainage location or flow to any adjacent property.

 $(x) \bigcirc$  Easements. Easements for installation and maintenance of utilities. drainage facilities and ingress and egress are reserved as shown upon the Plats. No structure, planting or other material may be placed or permitted to remain in these easements which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow or drainage channels in the easements or which may impede ingress and egress. The easement area on each Lot and all improvements in it shall be maintained continuously by UNOFFICIAL

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> Lateral and Subjacent Support and Drainage. An Owner whose activities (y) affect the lateral or subjacent support, or both, of adjacent landowners is responsible for all damages proximately caused by such activities. Owners are responsible for all damage proximately caused by drainage from their Lot onto adjacent landowners.

> Signs Except for one "For Rent" or "For Sale" sign of not more than two (z)square feet, no advertising signs, billboards, objects of msightly appearance, or nuisances shall be erected, placed, or permitted to remain on any Lot or any portion of the Property. No commercial activities of any kind whatever shall be conducted in any building or on any portion of the Property. The foregoing restrictions do not apply to the commercial activities, signs, and billboards, if any, of the Developer; nor do they apply to the Association in furtherance of its powers and purposes set forth in the Governing Documents, including any amendments to the Governing Documents.

Construction and Contractor Provisions. To promote a harmonious community 3.4 and protect the character of the Subdivision, the following guidelines apply to construction activities occurring on the Property:

Completion of Construction. The construction of any building on any portion of the Property shall be continuously and diligently pursued from and after the commencement of such construction, and in any event shall be substantially completed within 12 months after commencement.

Building Materials Storage. Except during the construction phase, no Lot, (b) part or portion of the Property may be used or maintained as a storage area for building materials. Once a Home is occupied or made available for sale, all building materials must be removed from the Lot, or stored inside the Home, out of public sight.

Damages. If any Owner or their agent causes damage to existing (c) N improvements such as curbs, gutters, streets, or sidewalks, that Owner must repair the damage within 30 days after such damage is discovered. The expense of that repair is the responsibility of the Owner. If the Owner fails to make the repair, the Association may do so and charge the expense shall be a charge against the Owner and shall be a continuing then on the Lot of the Owner until paid.

(d) Maintenance of Lot During Construction. Contractors or subcontractors as Owner/builders must provide on-site dumpsters during construction and are required to clean up the site daily to maintain a clean work site during construction. Dirt or mud from the construction site on elsewhere, dispersed, directly or indirectly, on the public streets within the Property must be cleaned up within 24 hours by the contractor or subcontractor as Owner/builder. The Architectural Control Committee may levy up to a \$500.00 fine against a UNOFFICIALCOR violator of this subsection and/or the Owner of the Lot for each day of a continuing violation. The fine shall be a charge on the land and shall be a continuing lien on the Lot of the Owner who is in violation.

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#### ARTICLÈ AŠSOCIATION MEMBERSHIP AND VOTING RIGHTS

4, k Membership. Every Owner of a Lot subject to the Declaration is a Member of the Association. Membership in the Association automatically transfers upon transfer of title by the record Owner to another person or entity.

Voting Rights. The Association has two classes of voting membership, Class A 4.2 and Class B.

(a) Class A. Every Owner is a Class A Member with the exception of the Developer, until Developer's membership converts to Class A membership as provided for herein. Class A Members are entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, the group of such persons shall be a Member. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any I. A vote cast at any Association meeting by any of such co-Owners, whether in person or by proxy, is conclusively presumed to be the vote attributable to the Lot concerned unless written objection is made prior to that meeting, or verbal objection is made at that meeting, by mother co-Owner of the same Lot. In the event an objection is made, the vote involved shall not be counted for any purpose except to determine whether a quorum exists.

Class B. The Class B member is the Developer. The Class B member is (b) entitled to five votes for each Lot owned; however, the Developer Control Period is not dependent or contingent upon Developer's ownership of any Lot within the Property.

4.3 Developer's Voting Rights in Expansion Area. In the case of expansion (as provided under this Declaration the class of voting membership appurtenant to Lots owned by Developer in the Additional Property shall be Class B.

Change of Corporate Status. The Association has been set up and established as a 4.4 non-profit corporation under Utah law. However, as provided in Section 221 of the community Association Act, the continuing existence and viability of the Association is not vested in its corporate status. During any period in which the Association is not incorporated or otherwise has a change of corporate status (e.g., involuntary dissolution under the Istah Nonprofit Corporation Act for failure to file for corporate renewal), the Governing Documents shall nevertheless continue to be effective as the Governing Documents of the Association, and the Association, the Board, and all officers and committees operating under the authority of the Governing Documents shall have all rights, power, and authority granted therein, and no giviner may escape or avoid any assessment, charge, lien, rule or other matter contained in the Governing Documents by virtue of such change of corporate of status. In the case of nonincorporation, the Board is authorized, to the extent it deems necessary, and without approval of the Members, to re-incorporate under a same or similar name and such corporation shall be deemed the successor to the Association. In the event the Board does not reincorporate, the UNOFFICIAL Association shall continue to operate and function under the Governing Documents as an unincorporated association.

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Unofficial Colé

Unofficial Colé Validity of Votes and Consents. Any consent or vote given by an Owner on any 4.5 matter in the Governing Documents shall be valid for a period of ninety days, and shall be binding on any subsequent Owner who takes title of the Unit during that period of time.

> <u>(4)6)</u> Indemnification. The Board, and each member thereof shall be indemnified by the Association against any loss, damage, claims or liability, including reasonable attorney fees, suffered or incurred by reason of such position, except to the extent such damage, claim, loss or hability is covered by any type of insurance; provided, however, that no such person shall be indemnified against, or be reimbursed for any expense incurred in connection with, any claim or liability arising out of that person's own willful misconduct or gross negligence.

> 4.7 <u>Rulemaking Authority</u>. The Board may, from time to time, subject to the provisions of the Governing Documents and Utah law, adopt, amend and repeal rules and regulations governing, among other things, use of any Limited Common Area and Common Area, parking restrictions and limitations limitations upon vehicular travel within the Property, and restrictions on other activities or improvements on the Property which, in the opinion of the Board, create a hazard, nuisance, unsightly appearance, excessive noise, or offensive smell.

4.8 Notice; Promulgation of Rules. A copy of the rules and regulations, as they may from time to time be adopted, amended or repealed, shaft be provided to each Owner within 15 days after the date of the Board meeting where the changes were made and may, but need not be, recorded. Upon Electronic Transmission, other delivery, said rules and regulations shall have the same force and effect as if they were set forth in and were a part of this Declaration. In addition to or in lieu of providing notice by mail, the Board may provide notice by Electronic Official Cole Transmission (e-mail) to Owners. In addition to keeping the Board informed as to their current mailing address, Owners are required to maintain a current e-mail address with the Board for such purpose

#### ARTICLE 5 🖽 FINANCES AND OPERATIONS

Creation of Lien and Personal Obligation of Assessment. Each Lot Owner, by 5.1 acceptance of a deed of conveyance therefor, whether or not it is expressed in any such deed or other conveyance, covenants and agrees to pay to the Association all assessments, charges and interest, costs of collection, fines, and attorney fees provided in the Governing Documents. All such amounts shall be a charge on the Dand and shall be a continuing light upon the Lot against which each such assessment or amount is charged. Such assessments and other amounts shall be the personal obligation of (a) the person who was the Lot Owner at the time when the assessment or other charge became due, and (b) successors-in-title who took title to a Lot for which assessments or other charges were delinquent or otherwise owed.

Purpose of Assessments. The assessments levied by the Association shall be used 5.2 by the Association for the improvement, maintenance, repair, and preservation of the Common UNOFFICIAL COPY Area, and Limited Common Areas which the Association is responsible to maintain. The assessments must provide for but are not imited to, the payment of taxes on Association property and insurance maintained by the Association; the payment of the cost of repairing, replacing and maintaining the Common and Limited Common Areas, the payment of

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MOGHICIEI COR administrative expenses of the Association; payment of insurance deductible amounts; the establishment of a reserve account for repair, maintenance, and replacement of the Common Area which must be replaced on a periodic basis or for which the Association has a maintenance obligation; the payment of any professional services deemed necessary and desirable by the Board and other amounts the Board determines are necessary to meet the primary purposes of the Association.

> 5.3 Maximum Annual Assessment. Until January Pollowing recording of this Declaration, the maximum annual assessment is \$900.00 per Lot. This amount shall be the basis of calculation for future maximum annual assessments.

> From and after the date referred to above the maximum annual assessment (a)shall be increased each year by five percent above the maximum assessment for the previous year, without a vote of the members.

> The Association may change the basis and maximum of the assessments (b)fixed by this Section prospectively for any annual period provided that any such change shall have the assent of 60% of the votes of Members, voting in person or by proxy, at a meeting date called for this purpose.

5.4 Special Assessments for Capital Improvements. In addition to the annual assessments, the Association may levy in any assessment year a special assessment, applicable to that year only. Special assessments may only be levied to defray, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Common Area. Special NCOR assessments must have the assent of 60% of the votes of the members voting in person or by proxy, at a meeting duly called for this purpose.

5.5 Specific Assessments. The Association has the power to levy specific assessments against a particular Lot to cover costs incurred in bringing any Lot into compliance with the Governing Documents, or costs incurred as a consequence of the conduct of the Owner or occupants of the Lot, their agents, contractors, employees, licensees, invitees, or guests; provided, the Board shall give the Lot Owner prior written notice and an opportunity for a hearing, in accordance with the Bylaws and Community Association Act, before levying any specific assessment under this subsection. Any provision in the Governing Documents which Solo Solo permits the issuance of a fine or expense against an Owner may be assessed and collected as a specific assessment.

Emergency Assessments. Notwithstanding anything contained in this 5.6 Declaration, the Board may levy emergency assessments in response to an emergency. An emergency assessment may be assessment without Member approval. Prior to imposing or collecting any emergency assessment, the Board must pass a resolution containing the written findings as to the necessity of such expenditure and why the expenditure was not or could not have been reasonably foreseen or accurately predicted in the budgeting process. The resolution shall be distributed to the Members with the notice of the emergency assessment. If such UMORTICICAL CORY expenditure was created by an unbudgeted maintenance or similar expense or increase, the assessment shall be discontinued by the Board through a similar resolution, if such expense is subsequently reduced, or to the extent the next succeeding annual budget incorporates the

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Moffletal Colé increase into the annual assessment. For purposes of this section, an emergency is a situation in which the Board finds: (a) an expenditure, in its discretion, required by an order of a court, to defend the Association in litigation, or to settle litigation; (b) an expenditure necessary to repair or maintain the Property or any Common Area for which the Association is responsible where a threat to personal safety is discovered; (c) an expenditure necessary to tepair, maintain, or cover actual Association expenses for the Property or any part of it that could not have been reasonably ( foreseen by the Board in preparing and distributing the pro forma operating budget (for example) increases in utility rates, landscape, or maintenance contract services, attorney fees incurred in the defense of litigation, etc.); or (d) such other situations in which the Board finds that immediate action is necessary and in the best interests of the Association.

> Uniform Rate of Assessment; Periodic Assessments. Assessments must be fixed 5.7 at a uniform rate for all Lots; provided, however, that assessments shall not accrue against the Developer, or Lots owned by the Developer.

> )))),8 Date of Commencement of Annual Assessments; Due Dates. The assessment provided for herein shall commence to accrue on the first day of the month following conveyance to a purchaser. The first assessment shall be adjusted according to the number of months remaining in the catendar year. In the absence of a determination by the Board as to the amount of said assessment, the assessment shall be an amount equal to 90% of the maximum assessment provided above.

> At least 30 days before commencement of each new assessment period, (a) the Board shall send or cause to be sent a written notice of the annual assessment to each Owner subject thereto. This notice shall not be a pre-requisite to validity of the assessment.

Due dates shall be established by resolution of the Board. Assessments (b)may be levied and collected on a monthly, quarterly, semi-annual, or annual basis, as determined by resolution of the Board

(c) The Board shall prepare a roster of Lots that includes the assessments applicable to each Lot at the same time that it fixes the amount of the assessment. The Lot roster shall be kept by the Association's treasurer who shall record payments of assessments and allow inspection of the Lot roster by any Member at reasonable times.

The Association shall, upon written demand, and for a reasonable charge, (d) furnish a certificate signed by an officer of the Association setting forth whether the assessment on a specified Lot has been paid Such certificates, when properly issued, shall be conclusive evidence of the payment of any assessment or fractional part thereof which is therein shown to have been paid.

5.9 Reinvestment Fee - Capitalization of Association. Upon sale and transfer of record title to any Lot, the transferee, other than Developer, shall pay a reinvestment fee to the working capital of the Association in the initial amount of \$250.00, which amount may be UNOFFICIAL amended from time to time by resolution of the Association Board. This amount shall be in addition to, not in lieu of, the annual assessment, and shall not be considered an advance

Mofficial Col payment of such assessment. This amount shall be deposited into the purchase and sales escrow and disbursed therefrom to the Association.

> 5.10Subordination of Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first Mortgage held by an institutional lender. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a first Mortgage or any proceeding in lieu thereof, shall extinguish the assessment lien as to payments which became due prior to such sale or transfer. No sale of transfer, however, shall refleve a Lot Owner from personal hability for assessments coming due after taking title or from the lien of such later assessments.

> Books, Records, and Audit. The Association shall maintain current copies of the 5.11 Governing Documents, as well as its own books, records and financial statements which shall all be available for inspection by Lot Owners, and insurers as well as by holders, insurers, and guarantors of first mortgages during normal business hours upon reasonable notice. Charges shall be made for copying, researching or extracting from such documents. A Lot Owner or holder, insurer, or guarantor of a first Mortgage may obtain an audit of Association records at its own expense so long as the results of the audit are provided to the Association.

#### ARTICLE 6 ENFORCEMENT AND MENDMENT

6.1 Violation Constitutes Nuisance. Every act or omission whereby any restriction, covenant, term, or condition in this Declaration is violated in whole or in part, is declared to be W. CON and shall constitute a nuisance, and may be abated by appropriate legal action by the Developer, the Association, or any Lot Owner, The remedies provided for hereunder shall be deemed cumulative and not exclusive.

#### 6.2 Enforcement

(a) *Wolations Deemed a Nuisance* Every violation of this Declaration or any rule or regulation established pursuant to the authority of this Declaration is deemed a nuisance and is subject to all the remedies provided for the abatement or correction of the violation that are contained in this Declaration or provided by law or equity and such remedies shall be deemed to be cumulative and not exclusive.

COR Legal Action Authorized. The Association (through the Board), the **(b)** Developer (during the Developer Control Period), and the Lot Owners, each have the right to enforce, by any proceeding at law or in equity, all provisions of this Declaration or any rule on regulation established pursuant to the authority of this Declaration, including all charges and liens now or hereafter imposed pursuant to the authority of this Declaration, against any person. persons, or entities violating or attempting to violate any provision of this Declaration or any rule or regulation established pursuant to the authority of this Declaration, to restrain or abate or otherwise recover damages for the violation, and against the land to enforce any charge or lien UNOFFICIALCOR created by this Declaration. In addition to taking legal action, the Board has the right to grant variances and stay enforcement proceedings against any Owner on a case-by-case basis when the Board determines such action is in the best interests of the Association.

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MOTICIALCOR Fines and Penalties. The Association may levy a fine or penalty against (c)\\_` any Owner who fails to refrain from violating this Declaration or any rule or regulation established pursuant to the authority of this Declaration. Such fine or penalty shall be in an amount that is specifically provided for in a fine schedule adopted, and amended from time to time, by the Association Board. The Association Board may establish time frames and requirements for written notice, hearings, and cure periods (in accordance with Section 208 of the Community Association Act, for Owners in violation prior to levying such fine or penalty. which notice shall be at least 48 hours. Any fine or penalty levied by the Association that is not paid within 30 days (such time period shall be stayed should the Governing Documents require any period to cure or for notice and hearing) shall be recoverable by the Association in the same manner as an assessment under Article 5, and shall create a lien in favor of the Association against the Owner's Lot in the same manner as an assessment.

> Attorney Fees and Costs. Any fine or penalty levied against an Owner for (d) any violation shall include any attorney fees and costs incurred by the Association with respect to such violation. The prevailing party in any action to enforce this Declaration or any rule or regulation established pursuant to the authority of this Declaration shall be entitled to an award of reasonable attorney fees and costs incurred in such action

Nonexclusive Remedies. All the remedies set forth in this Declaration are (e) cumulative and not exclusive to any others provided in the Governing Documents of by law.

6.3 Developer Exemption. Developer is exempt from the provisions, restrictions, and requirements of this Article, as the same exists or as it may be amended, supplemented, or , ALCOR replaced

#### **ARTICLE 7** AMENDMENT AND EXPANSION

7.1 Amendment. During the Developer Control Period, Developer may unilaterally amend this Declaration. After the Developer Control Period, this Declaration may be amended. modified, extended, or revoked, in whole or in part, by the affirmative vote or written consent, obtained by written ballot or otherwise, or any combination thereof, of at least 67% of votes held by the Entire Membership.

COR Additional Property The Developer may subject Additional Property to this Declaration. The Developer shall indicate its intent to have such property bound by this Declaration on the plat of such additional Property, or by recording a declaration of annexation indicating its intent to annew the additional property into this Declaration. Upon recording of such plat or declaration, annexation, such Additional Property shall be considered as part of the Property in all respects, and Lots therein shall constitute Lots under this Declaration and the Owners thereof shall be Members of the Association. Developer may assign this right of annexation. UNOFFICIAL CORN

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#### ARTICLES **GENERAL PROVISIONS**

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8.4 Duration of Covenants. The covenants, conditions, and restrictions contained herein shall run with and bind the land for a period of 50 years from the date this document is recorded, after which time said covenants shall be automatically extended for successive periods ( of 10 years each, subject to amendment as herein set forth.

Notices; Electronic Notice. Any notice required to be sent under the provisions of 8.2 these Bylaws shall be deemed to have been properly sent when delivered by Electronic Transmission, or when deposited in U.S. Mail, to the last known address of the person who is entitled to receive it. In addition to keeping the Neighborhood Board informed as to their current mailing address, Unit Owners are required to maintain a current e-mail address with the Neighborhood Board for such purpose. In the absence of a specific instruction from the Member, the Member's email address concently on file with the Neighborhood Association will be used to provide notice to the Member. Notwithstanding these provisions, a Unit Owner may, by written demand, require the Neighborhood Association to provide notice to the Unit Owner

Construction, Severability; Interpretive Conflicts. All terms of this Declaration 8.3 shall be construed together. Invalidation of any one term or provision, or any part thereof, shall not affect the enforceability or applicability any of the remaining terms. In the event of any conflict between the provisions of any of the Governing Documents, the documents shall control in the following order of authority: (1) the Declaration; (2) the Articles; (3) the Bylaws; and Jan Colé (4) any rule, regulation, or resolution passed pursuant to the authority of the foregoing documents. A conflict exists when two provisions covering the same subject matter have different conditions or requirements that cannot be reconciled.

Gender and Grammar. The singular, wherever used herein, shall be construed to 8.4 mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Waivers. No provision contained herein shall be deemed to have been waived by 8.5 MOSTICIEN COR reason of any failure to enforce it, irrespective of the number of violations that may occur.

Topical Headings. The topical headings contained herein are for convenience 8.6 only and do not define, limit, or construe the contents of these covenants.

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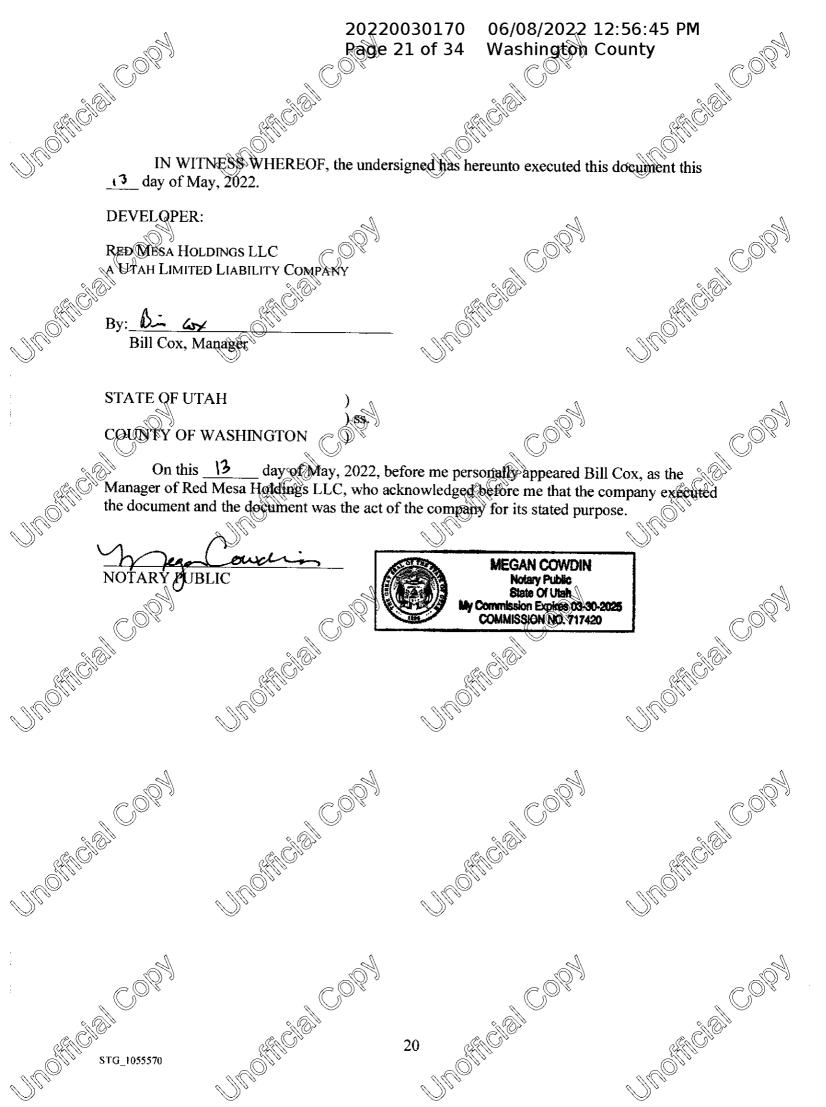
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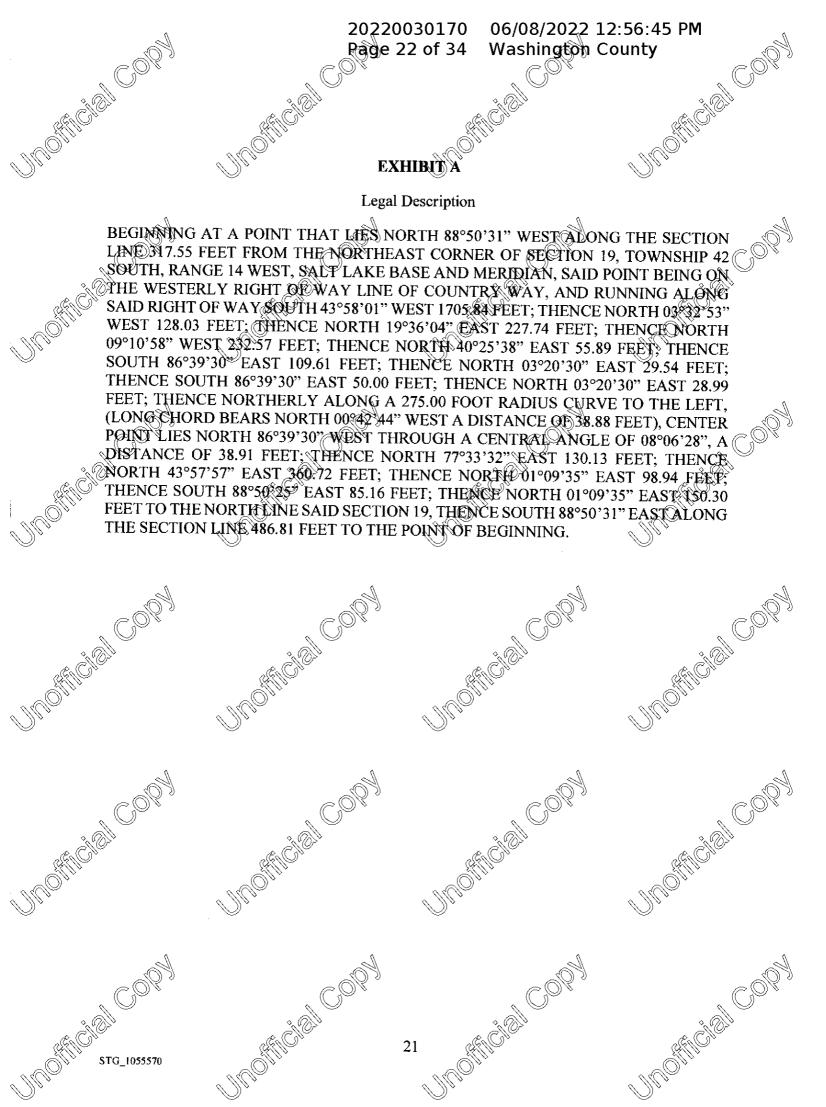
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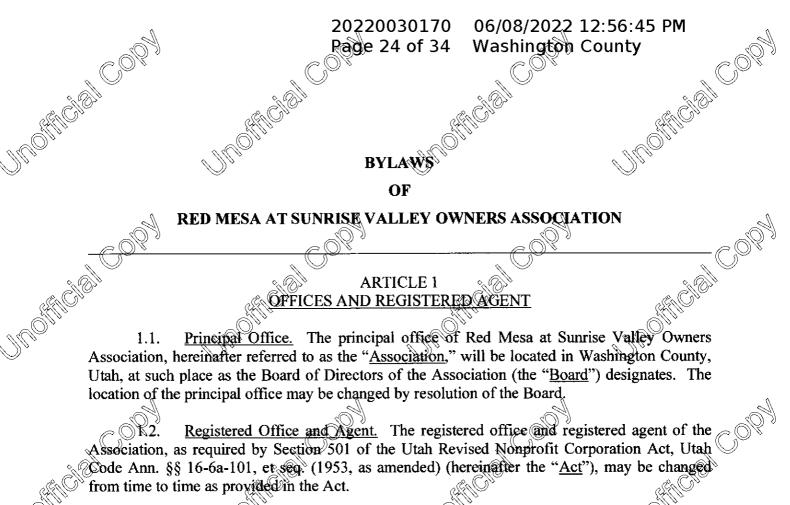
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ARTICLE DEFINITIONS

Except as otherwise provided herein, the definitions set forth in the Declaration of Protective Covenants for Red Mesa at Surrise Valley Phase 1 ("<u>Declaration</u>") and any applicable amendments and supplements thereto or restatements thereof shall control in these Bylaws.

ARTICLE 3

3.1. <u>Membership.</u> The Association has two classes of membership, Class A and Class B, as more fully set forth in the Declaration.

2. <u>Voting Rights.</u> Voting rights will be as set forth in the Declaration.

3.3. <u>Evidence of Membership</u>. No person, persons, entity or entities may exercise the rights of membership until satisfactory proof has been furnished to the Secretary of the Association of qualification as a Member, or nominee of a Member, pursuant to the terms of the Articles and the Bylaws. Such proof may consist of a copy of a duly executed and acknowledged deed or title insurance policy showing said person, persons, entity or entities, or the person nominating him or her qualified in accordance therewith, in which event said deed or title insurance policy evidence in the absence of a conflicting claim based upon a later deed or title insurance policy.

<u>Suspension of Membership</u>. The rights of membership are subject to the payment of assessments and other charges levied by the Association. If a Member fails to make payment of any assessment or other charge levied by the Association within 30 days after the same

Bylaws of Red Mesa at Suprise Valley Owners Association STG\_1054076.1 MOMICIALCOR becomes due and payable the voting rights of such Member may be suspended by the Board until such assessment or charge has been paid. Rights of a Member may also be suspended for violation of any of the use restrictions and for infraction of any rules and regulations established by the Board. Except for suspension of voting rights for failure to pay assessments or other charges any suspension of the rights of membership will be pursuant to notice and hearing. The Board will establish a procedure for notice and hearing that is fair and reasonable taking into ( consideration all of the relevant facts and circumstances.

#### ARTICLE 4 MEETINGS OF MEMBERS

4.1. Annual Meetings. The first annual meeting of the Association shall be held within one year after the date of the incorporation of the Association. Subsequent annual meetings shall be set by the Board. If the day of the annual meeting of the Members is a legal holiday the meeting will be held at the same hour of the first day following which is not a legal holiday.

Special Meetings. Special meetings of the Members may be called at any time by 4.2. the President or by the Board, or upon written request of the Members who are entitled to vote 33% of the Entire Membership.

4.3. Notice of Meetings. Written notice of each meeting of the Members will be given by, or at the direction of, the Secretary or person authorized to call the meeting, by Electronic Transmission of a copy of such notice, at least 14 days before such meeting to each Member entitled to vote on the matter for which the meeting has been called, addressed to the Member's email address last appearing on the books of the Association. Such notice should specify the place, date and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Waiver of Notice. The notice provided for hereinabove is not indispensable and 4.4. any meeting of the Members is deemed validly called for all purposes if all Members are represented thereat in person or by proxy, or if a quorum is present and waivers of notice of time, place and purpose of such meeting are duly executed in writing either before or after said meeting by those Members not so represented or not given such notice. The attendance of any Member at a meeting in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, will constitute a waiver of notice by that Member.

4.5. Quorum. Except as hereafter provided, and as otherwise provided in the Articles or Declaration, the presence at the meeting of Members entitled to cast, or of proxies entitled to cast 20% of the Entire Membership will constitute a quorum for any action. If, however, such quorum is not present or represented at any meeting, the Members entitled to vote thereat will have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, at such adjourned meeting a quorum will be present with the participation of any number of owners present in person or by proxy. Where the Declaration requires a percentage vote of all Members, the quorum required for such vote will be the same as the minimum percentage vote required to approve the action which is the subject of the vote; provide however,

Bylaws of Red Mesa at Summise Valley Owners Association STG\_1054076.1

MOGACIA COR that in calculating any such percentage, Members whose voting rights have been suspended will not be included.

> Proxies. At all meetings of Members each Member may vote in person or by 4.6. proxy. All proxies must be in writing and filed with the Secretary prior to the vote being taken at meeting for which the proxy is valid. Every proxy is revocable and will automatically cease when the membership of the Member voting by proxy has ceased.

> 4.7. Voting. It a quorum is present, the attimative vote of the majority of the Members present at the meeting shall be the act of all the Members, unless the act of a greater number is expressly required by law, by the Declaration, by the Articles, or elsewhere in these Bylaws. Upon direction of the presiding officer, the vote upon any business at a meeting will be by ballot, but otherwise any such vote need not be by ballot.

> Action by Written Ballot in Lieu of Meeting. Any action authorized to be taken at any annual, regular, or special meeting may be taken by written ballot in lieu of such meeting if the ballot is delivered by or at the direction of the Secretary to each Member entitled to vote on the matter, which ballot will a set forth in detail the proposed action; (b) provide an opportunity to vote for or against the proposed action; (c) state the date when such ballot must be returned in order to be counted, which date must not be less that 30 days after delivery of the ballot; (d) state by what means it should be returned and where; and (e) should be accompanied by any written information, that has been approved by a majority of the Board, sufficient to permit each Member casting a ballot to reach an informed decision on the matter. Each ballot should contain a means of identification for each Member entitled to vote, which will identify such Member by Lot number. The number of votes cast by written ballot pursuant to this section shall constitute a quorum for action on the matter. (Where any matter in the Governing Documents calls for the consent of Members but does not specify that such consent must be obtained at a meeting, then no meeting of the Members is required or is necessary to obtain such consents. Written notice of each meeting of the Members will be given by, or at the direction of, the Secretary or person authorized to call the meeting, by Electronic Transmission of a copy of such notice at least 14 days before such meeting to each Member entitled to vote on the matter for which the meeting has called, addressed to the Member's email address last appearing on the books of the Association. Such notice will specify the place, date and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

> Acceptance of Votes. If the name signed on any consent, written ballot, vote, 4`9. waiver, proxy appointment, or proxy appointment revocation, corresponds to the name of a Member, the Association, acting in good faith, may accept and give effect to the same as the act of the Member, notwithstanding that the signature may not be technically correct. For example, if a Lot is owned by a trust, thereby making the trust the Member, and the individual fails to sign as "trustee," it will not invalidate the signature or vote of the Member.

4.10. Procedure; Parliamentary Rules. The order of business and all other matters of procedure at every meeting of Members will be determined by the presiding officer. Except as may be modified by resolution of the Board, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Utah law or the JIN SHICK Governing Documents.

Bylaws of Red Mesa at Sunrise Valley Owners Association STG 1054076.1

Mofficial Colé 4.11. <u>Place of Meetings.</u> The Board may designate the place of any annual or special meeting of the Members by stating or fixing such place pursuant to resolution, provided, however, that such place must be within Washington County, State of Utah. If the Board makes no designation, annual and regular meetings will be held at the Association's principal office. *ja*lo

### **ARTICLE 5** BOARD OF DIRECTOR

Qualifications. A Director must be a natural person of at least 18 years of age or 5.1. older and, except with respect to Directors appointed by the Developer, a Member of the Association. In the event that a Member is not a natural person, a natural person who holds an ownership interest in the entity which is the Member may serve as a member of the Board if duly appointed or elected as provided for herein.

<u>52</u> Number. The affairs of this Association will be managed by a Board consisting of at least three qualified persons. The number of Directors may range from a minimum of three to a maximum of five Directors. The number of persons constituting the whole Board may initially be fixed by resolution of the incorporator(s) of the Association. Following the election of Directors, the number of Directors comprising the Board may thereafter be fixed from time to time by the Board

Term of Office; Staggered Terms. At the first annual meeting at which Members 5.3. elect the Directors, the two persons obtaining the highest number of votes will serve for two years and all others will serve for one year. Thereafter, upon the expiration of the initial term of each Director, his or her successor will be elected for two-year terms. Nothing prevents a person from serving as a Director for successive terms or more than one term if duly elected by the Members.

Remova A Director may be removed from the Board with cause, by a majority 5.4. vote of the Entire Membership. Any Director who is absent from three consecutive Board meetings will be automatically removed from the Board unless otherwise determined by the Board. In the event of death, resignation or removal of a Director, a temporary successor will be selected by the remaining Directors and will serve for the unexpired term of his or her predecessor or until special election of a successor.

Compensation. No Director will receive compensation for any service he or she 5.5. renders to the Association, However, a Director may be reimbursed for actual expenses incurred in the performance of their duties as a Director.

Developer Control Period. Notwithstanding anything herein to the contrary, 5.6. Directors serving during the Developer Control Period will be appointed by the Developer acting in its sole discretion and will serve at the pleasure of the Developer; provided that the initial Directors may be appointed by resolution of the incorporator(s) of the Association. There is no UNOTICIALCON requirement for the election of Directors as set forth in Article 6 until the termination of the Developer Control Period unless the Developer expressly provides otherwise in writing.

Bylaws of Red Mesa at Sunrise Valley Owners Association STG 1054076.1

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#### ARTICLE 6 NOMINATION AND ELECTION OF DIRECTORS

Nomination. Nominations for election to the Board may be made from the floor 60 D at the annual meeting of Members. In addition, the Board may establish a nominating committee to nominate qualified Members for election to the Board If established, the nominating committee shall consist of a chairperson, who must be a member of the Board, and two or more Members of the Association. The nominating committee will be appointed by the Board at least 60 days prior to each annual meeting of the Members to serve through such annual meeting. The nominating committee will make as many nominations for election to the Board as determined necessary, in its sole discretion, but not less than the number of vacancies that are to be filled.

Election; Voting. Election to the Board will be by seeter written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles and these Bylaws. The persons receiving the largest number of votes are elected. Cumulative voting is not permitted.

Voting by Mail. Election of Directors may be handled by mail voting in the 6.3. following manner, which may be, at the determination of the Board, the sole method of voting or used in conjunction with in-person voting. Ballots will be sent to each Member by the Secretary not more than 60 days and not fewer than 30 days before the date set for election. Ballots will instruct Members to seal their ballot in a ballot envelope and then place the sealed envelope into a larger envelope along with a signed paper, provided by the Secretary identifying the Member whose vote is contained in the inner envelope. Ballots may be delivered to the Secretary in person or by mail; provided, however, that ballots must be received by the Secretary prior to the election. Upon receiving the ballots, the Secretary will open the outer envelope, remove the identification paper, and record which Members have voted. The identification paper and outer envelope will then be separated from the ballot envelope. The ballot envelope will be retained by the Secretary until opened on the election date.

#### ARTICLE 7

### MEETINGS OF DIRECTORS

Regular Meetings. (The first meeting of the Board will follow the annual meeting ( of the Members at which a Board is first elected by the Members. Thereafter, regular meetings of the Board will be held at such date, time and place as may be determined from time to time by resolution of the Board. Written notification of each regular Board meeting will be provided to all Directors via Electronic Transmission at least 48 mours prior to any regular Board meeting. Delivery or mailing under this section may be accomplished by email by using the current email address on file for each member of the Board. Meetings of the Board will comply with the provisions of Section 57-8a-226 of the Community Association Act. UNO HICHON COR

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WOOFFICIAL COT Special Meetings. Special meetings of the Board will be held when called by the 7.2. President of the Association or by any two Directors, after not less than two days' notice to each Director.

> Quorum. A majority of the number of Directors constitutes a quorum for the transaction of business. 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 is regarded as the act of the Board unless a greater number is required by law, the Articles, or these Bylaws.

Action Without a Meeting. Whenever the Directors are required or permitted to 7.4. take any action by vote, such action may be taken without a meeting on written consent which may be given by Electronic Transmission, setting forth the action so taken, signed by all Directors.

Place of Meetings. During the Developer Control Revied, regular or special meetings of the Board may be held in or out of the State of Utah. Regular or special meetings of the Board who are elected by the Members must be held in Washington County, Utah.

Presence of Directors at Meetings. The Board may allow any Director to 7.6. participate in a regular or special meeting by, or conduct the meeting through the ase of, any means of communication by which all Directors participating in the meeting may hear each other during the meeting. A Director participating in a meeting through means permitted under this section will be considered to be present in person at the meeting.

#### ARTICLE 8 POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Powers. All corporate powers will be exercised by or under the authority of and 8.1. the business and affairs of the Association managed under the direction of, the Board, subject to any powers or limitations set forth in the Declaration the Act, or the Articles. This includes the authority to prepare, execute, certify and record amendments to the Declaration on behalf of the Association, for any amendments made pursuant to the amendment procedures provided in the Declaration.

Duties. It shall be the duty of the Board to manage the affairs of the Association in accordance with the terms of the Act, the Articles, the Declaration, these Bylaws, and other Governing Documents.

#### ARTICLE 9 OFFICERS AND THERE DUTIES

9.1. Enumeration of Offices. The officers of this Association are a President and Vice-President, who shall at all times be Members of the Board, a Secretary and a Treasurer, UNOFICIAL COR who need not be Members of the Board por of the Association, and such other officers as the Board may from time to time create by resolution.

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MOGERCIAN COR Election of Officers. The election of officers shall take place at the first meeting 9.2. of the Board following each annual meeting of the Members.

> 2.8. Term. The Board will elect the officers of the Association annually and each will hold office for one year unless the officer sooner resigns, is removed, or otherwise disqualified to serve.

> Special Appointments. The Board may elect such other officers as the affairs of 9.4. the Association requires 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.

> 9.5. Resignation and Removal. The Board may remove any officer from office with or without cause. An officer may resign at any time by giving notice to the Board, or any officer of the Board. Such resignation will take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise necessary to make it effective.

> 9.6. Vacancies. A vacancy in any office may be filled by appointment by the Board The officer appointed to such vacancy will serve for the remainder of the term of the officer being replaced.

> 9.7. Multiple Offices. The same person may hold the offices of secretary and treasurer. No person shall simultaneously hold more than one of any of the other offices except in the case of any special office created pursuant to Section 9.4.

> > Duties. The officers and their duties are as follows:

President The President presides at all meetings of the Board; sees that (a) orders and resolutions of the Board are carried out; signs all leases, mortgages, deeds and other written instruments, and co-signs all checks and promissory notes.

Vice President. The Vice President acts in the place and stead of the President in the event of absence, inability or refusal to act, and exercises and discharges such other duties as may be required by the Board.

Secretary. The Secretary records the votes and Reeps the minutes of all (c) meetings and proceedings of the Board and the Association together with their addresses, and performs such other duties as required by the Board

The Treasurer receives and deposits in appropriate bank (d) Treasurer. accounts all monies of the Association and disburses such funds as directed by resolution of the Board, signs all checks and promissory notes of the Association that have been duly authorized and approved by the Board; maintains a roster of all Members, assessments and payments; keeps proper books of account; issues certificates of payment of assessments; notifies the Board of Members who are delinquent in paying assessments; prepares an annual budget and statement of income and expenditures to be delivered and presented to the membership at its regular annual meeting; and delivers a copy of the MOREN budget and statement to the Members at said meeting.

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Bylaws of Red Mesa at Sunrase Valley Owners Association STG 1054076.1

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NOFFICIAL COLÉ Compensation. No salary or other compensation will be paid to any officer of the 9.9. Association for services rendered by such officer, but this does not preclude an officer of the Association from performing any other service for the Association as an employee or on a contract basis and receiving compensation therefor. NON COR

#### **ARTICLE 10** COMMITTEES

Creation and Appointment. The Board may create such committees as it deems 10.1. necessary and appropriate to perform such tasks as the Board may designate by resolution. The Board has the authority to appoint members of each committee it creates. Each committee shall operate in accordance with the terms of such resolution.

#### ARTICLE 11 EINANCIAL MATTERS

Depositories. The Board shall select such depositories as it considers proper for 11.1. the funds of the Association All checks and drafts against such deposited funds will be signed and countersigned by persons authorized by these Bylaws or by Board resolution to sign such checks and drafts.

Contracts; Management Contract. 11.2 The Board may authorize any officer or officers, agent or agents, in addition to those specified in these Bylaws, to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Association, and such authorito may be general or confined to specific instances. Unless so authorized by the Board, no officer, agent or employee has any power or authority to bind the Association by any contract or engagement or to pledge its credit or render it liable for any purpose or for any amount.

11.3 Fiscal Year. The fiscal year of the Association will be determined by the Board.

Annual Report. The Board will present at the annual meeting of the Members the 11.4 report of the Treasurer, giving the annual budget and a statement of income and expenses, and a report of other affairs of the Association during the preceding year. The Board will provide all Members, at the expense of the Association, copies of said annual budget and statement of A COR income and expense.

## **ARTICLE 12** BOOKS AND RECORDS

Association Records. The Association will keep and maintain these records 12.1 required by the Declaration, the Act, and these Bylaws. Such records will be maintained in written form or in another form capable of conversion into written form within a reasonable time.

12.2 Inspection of Books and Records. The books, records, and papers of the Association will at all times, during reasonable business hours, be subject to inspection by any Member pursuant to the provisions of Section 57-8a-227 of the Community Association Act.

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Bylaws of Red Mesa at Sunrise Valley Owners Association STG 1054076.1

# 06/08/2022 12:56:45 PM 20220030170 MCIEN COT Rade 32 of 34 Washington County

MORTICIEN COR The Articles and these Bylaws will be available (o) inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

#### **ARTICLE 13** RULES AND REGULATIONS

The Board has the power to adopt and establish by resolution such rules and regulations as it deems necessary for the maintenance, operation, management and control of the property, equipment, facilities and utility systems of the Association. The Board may alter from time to time such rules and regulations. The Members will at all times obey such regulations and use their best efforts to see that they are faithfully observed by the persons with whom they reside, their family, guests, tenants, invitees and others over whom they may exercise control or supervision.

> **RTICLE 14** AMENDMENT

#### By the Board These Bylaws may be altered amended or repealed, in whole of in 14.1 part, by a majority vote of the Board at any regular Board meeting or at a special Board meeting called for that purpose miless it would result in a change of the rights, privileges, preferences, restrictions, or conditions of a membership class as to voting, dissolution, redemption, or transfer by changing the rights, privileges, preferences, restrictions, or conditions of another class, or unless otherwise prohibited by the Act or the Community Association Act.

By the Class A Members. These Bylaws and any amendments thereto may be  $\mathbb{A}^2$ altered, amended or repealed, in whole or in part, by a majority vote of the Entire Membership at ( any annual meeting of the Members or at any special meeting of the Members called for that purpose.

14.3. By Developer. Developer has the right to milaterally alter, amend or repeal these Bylaws, in whole or in part, for any purpose during the Developer Control Reriod, with or without notice to the Class A Members. Thereafter, Developer may unilaterally amend these Bylaws if such amendment is necessary (a) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (b) to enable any reputable title insurance company to issue title insurance coverage on any Lot; (c) to enable any institutional or governmental lender, purchaser, insurer, or guarantor of mortgage loans to make, purchase, insure, or guarantee mortgage loans on any Lot; (d) to satisfy the requirements of any docal, state, or federal governmental agency; or (e) to correct any scrivener's error.

Validity No amendment made by the Board or the Class A Members during the 14.4 Developer Control Region is effective unless the Developer provides its prior express written consent to such amendment, which consent is within Developer's sole and absolute discretion. No amendment may remove, revoke, or modify any right or privilege of Developer without the written consent of Developer. Any procedural challenge to an amendment must be made within six months of the effective date of the amendment or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws. . Mall

Bylaws of Red Mesa at Suncise Valley Owners Association STG 1054076.1

MOGHICIAI COR ANCION CON Effective Date. Any amendment to these Bylaws will be effective upon the date 14.5 such amendment is duly adopted as provided for herein, and recorded as required by Section 57-8a-216(3) of the Community Association Act, which date the Secretary will certify on the amendment and file with the Association's records. The Board will provide notice to Members of any amendment to these Bylaws, however, the receipt of such notice 19 hot a prerequisite to the validity of the amendment.

#### **ARTICLE 15** GENERAL PROVISIONS

Notices: Electronic Notice. Any notice required to be sent under the provisions of 15.1 these Bylaws is deemed to have been properly sent when delivered by Electronic Transmission, or when deposited in the U.S. Mail to the last known address of the person who is entitled to receive it. In addition to keeping the Board informed as to their current mailing address, Owners must maintain a current e-mail address with the Board for such purpose. In the absence of a specific instruction from a Member, the Member's current email address will be used to provide ( notice to the Member. In addition to keeping the Board informed as to their current mailing address, Owners must maintain a current e-mail address with the Board for such purpose.

Dates and Fimes. In computing any period of time prescribed or allowed by these 15.2 Bylaws, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday, or a legal holiday (either federal or Utah state), in which event the period runs until the end of the next day that is not a Saturday, a Sunday, or a legal holiday. The deadline of the last day of the period so computed shall be 5:00 P.M., Mountain Time.

Waivers. No provision contained in these Bylaws shall be deemed to have been 15.3 waived by reason of any failure to enforce or follow it, irrespective of the number of violations which may occur.

15.4 Construction and Interpretation. These Bylaws shall be construed wherever possible as consistent with the Declaration and the Act. Conflicts between documents shall be resolved as set forth in the Declaration.

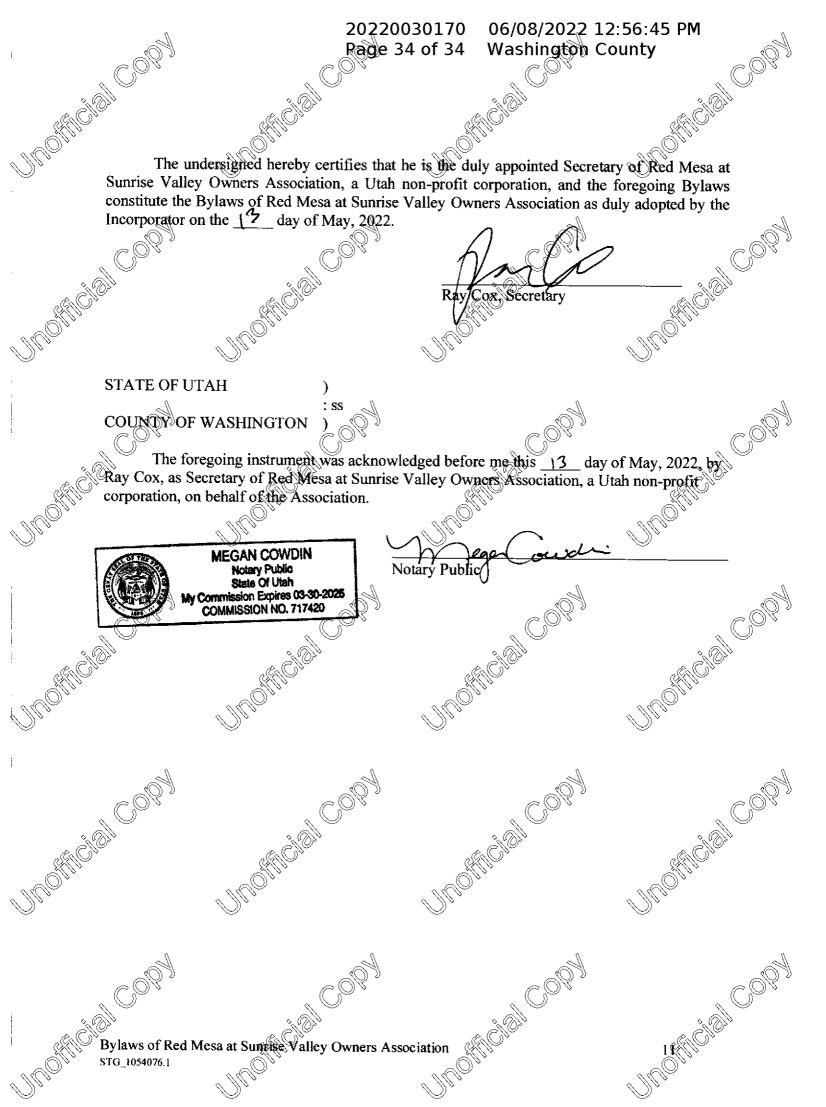
Gender and Grammar. The singular, wherever used herein is construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, will in all cases be assumed as though in each case fully expressed.

Titles and Headings. The titles and headings contained in these Bylaws are for 15.6 convenience only and do not define, limit, or constructive contents of these Bylaws.

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Bylaws of Red Mesa at Sunrise Valley Owners Association STG\_1054076.1



Red Moss Holdings LLC 2804 E. 2000 S. 54. George, at 84790 NOTICE OF REINVESTMENT FEE COVENANT Red Mesa at Sunrise Valley Owners Association, a Utah non-protit corporation (the "Association"), pursuant to Utah Code Ann. § 57-1-46(6), hereby gives notice of a Reinvestment ree Covenant which burdens all the real property described in Exhibit A, attached hereto. The Reinvestment Fee also extends to any Additional Land annexed into and made subject to the Declaration of Protective Covenants of Red Mesa at Sunrise Valley Phase 1, recorded Jone <u>B</u>\_2022 as Document # <u>2022o032/17</u>, in the Official Records of Washington County, Utah, and any amendments or supplements thereto (the "Declaration").

The Reinvestment Fee Covenant is set forth in Section 5.9 of the Declaration, and is for the benefit of the burdened property. The reinvestment fee will be used for the payment of (a) common planning, facilities and infrastructure; (b) obligation arising from an environmental covenant; (c) community programming; (d) resort facilities; (e) open space; (f) recreation amenities; (g) charitable purposes; or (h) association expenses (including, but not limited to, administrative set-up fees)

The Reinvestment Fee Covenant requires, among other things, that upon the transfer of any of the real property subject to the Declaration, the transferee is required to pay a reinvestment fee determined in accordance with Section 5.9 of the Declaration, unless the transfer falls within an exclusion listed in UCA 57-1-46(8).

All tot's in Red Mesa at Surpor Valley Phase 1 The name and address of the party to whom the Reinvestment Pee Covenant must be paid

Red Mesa at Sunrise Valley Owners Association 2804 East 2000 South St. George, Utah 84790

The burden of the Reinvestment Fee Covenant runs with the land and binds successors in interest, and assigns. The existence of this Reinvestment Fee Covenant procludes the imposition of any additional Reinvestment Fee Covenant on the burdened property.

The duration of the Reinvestment Fee Covenant is fifty (50) years from the date the Declaration is recorded in the Official Records of Washington County, Utah, which duration shall be automatically extended for successive periods of ten (10) years each.

DATE: May 13

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Red Mesa at Sunrise Valley Owners Association

Mofficial Colé By: Tim Kenney, President

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