37

DOC # 20230020678
Amended Restrictive Covenants
Gary Christensen Washington County Recorder
07/11/2023 04:08:55 PM Fee $ 40.00
By JENKINS & BAGLEY

Recorded at the request of:
Bloomington Knolls Association

Record against the Property
Described in Exhibit A

After recording mail to:
JENKINS BAGLEY SPERRY, PLLC
Attn: Bruce C. Jenkins
285 W. Tabernacle, Ste. 301
St. George, UT 84770

AMENDED AND RESTATED DECLARATION

OF

COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

BLOOMINGTON KNOLLS TOWNHOMES

Prepared by:

JENKINS BAGLEY SPERRY PLLC ATTORNEYS

Attn: Bruce C. Jenkins
285 W. Tabernacle, Ste. 301
St. George, UT 84770

Table of Contents

AMENDED AND RESTATED DECLARATION
OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
BLOOMINGTON KNOLLS TOWNHOMES

This Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Bloomington Knolls Townhomes was approved by forty-nine (49) votes cast either by Members in person or represented by proxy at a meeting called for such purpose, pursuant to Article X, Section 4, of the 1995 Declaration (defined below), and amends and restates in its entirety and substitutes for the following:

- Declaration of Covenants, Conditions and Restrictions Bloomington Knolls Association, recorded with the Washington County Recorder on January 3, 1995, as Document No. 00488430, in Book 0876, at Pages 0653–0701 ("1995 Declaration");

- Amendment to the Declaration of Covenants, Conditions and Restrictions of Bloomington Knolls Association, recorded with the Washington County Recorder on April 15, 1999, as Document No. 00643791, in Book 1330, at Pages 1357–1361;

- Proposed Amendment #1 to Article IV, Section 18: Management of the Declaration of Covenants, Conditions and Restrictions of Bloomington Knolls Association, recorded with the Washington County Recorder on March 17, 2000, as Document No. 00679323, in Book 1363, at Pages 0326–0328;

- Amendment to the Declaration of Covenants, Conditions and Restrictions Bloomington Knolls Association, recorded with the Washington County Recorder on February 28, 2011, as Document No. 20110006200; and

- any other amendments, supplements, or annexing documents to the covenants, conditions, and restrictions for Bloomington Knolls Townhomes whether or not recorded with the Washington County Recorder.

The Community Association Act, Utah Code § 57-8a-101 et seq. (the "Act"), as amended from time to time, shall supplement this Declaration. If an amendment to this Declaration adopts a specific section of the Act, such amendment shall grant a right, power, and privilege permitted by such section of the Act, together with all correlative obligations, liabilities, and restrictions of that section. The remedies in the Act and this Declaration—provided by law or in equity—are cumulative and not mutually exclusive.

RECITALS

WHEREAS, the development of Bloomington Knolls Townhomes has been completed and title of the property is now vested in the Owners and the Association with the role of the developer for Phase I, II, and III terminated, except for normal warranties and guaranties of Owner and Association satisfaction;

WHEREAS, the Members of the Bloomington Knolls Association are Owners of certain real property in the City of St. George, County of Washington, State of Utah, which is more particularly described below; and

WHEREAS, Members of the Bloomington Knolls Association are entitled and subject to all rights, powers, privileges, covenants, restrictions, easements, charges, and liens set forth in this Declaration and Maps/Plats recorded in conjunction with Bloomington Knolls Townhomes.

DECLARATION

NOW, THEREFORE, Declarant declared and the Association hereby restates that all of the Properties described in Exhibit A shall be held and occupied subject to the following covenants, conditions, restrictions, easements, assessments, charges, and liens and the Maps/Plats recorded in the Washington County Recorder's Office, which are all for the purpose of protecting the value and desirability of, and which shall be construed as covenants of equitable servitude and shall run with the Properties and be binding on all parties having any right, title, or interest in the Properties or any part thereof, their heirs, successors, and assigns and shall inure to the benefit of each Owner thereof.

DESCRIPTION OF PROPERTY

The Properties covered by this Declaration is the aggregate of that included in the Legal Descriptions of Phase I, Phase II, and Phase III, attached hereto as Exhibit A and incorporated herein by this reference.

ARTICLE I
DEFINITIONS

The definitions in this Declaration are supplemented by the definitions in the Act. In the event of any conflict, the more specific and restrictive definition shall apply.

Section 1: Declaration shall mean and refer to this instrument and any amendments.

Section 2: Plat or Maps shall mean and refer to the subdivision plats recorded with the Washington County Recorder captioned "Bloomington Knolls Townhomes – Phase I Amended," "Bloomington Knolls Townhomes – Phase II Amendment No. 3," and "Bloomington Knolls Townhomes Phase III," or any replacements thereof, or additions thereto.

Section 3: Properties shall mean and refer to that certain real property described in Exhibit A and such additions therein as may hereafter be subject to this Declaration.

Section 4: Common Area shall mean and refer to that portion of property owned by the Association and shown on the Plats as dedicated to the common use and enjoyment of the Members of the Association.

Section 5: Limited Common Area shall mean and refer to that portion of property owned by the Association shown on the Plats as dedicated to the exclusive use and enjoyment of the Owners of the Lots to which such Limited Common Area is adjacent and/or appurtenant, subject to the rights of the Association, as herein and/or hereafter set forth.

Section 6: Lot shall mean and refer to any separately numbered and individually described plot of land shown on the Plats, designated for private ownership and shall exclude the Common Area and Limited Common Area.

Section 7: Townhome shall mean and refer to a single-family dwelling, with or without walls or roofs in common with other single-family dwelling units and shall include fee simple title to the real property lying directly beneath said single family dwellings as shown on the Maps and Plats. Ownership of Limited Common Area, adjacent to Townhomes upon which additions have been built, does not pass to Owners unless the Association has conveyed such Limited Common Area to the Owner by a quit claim deed.

Section 8: Owners shall mean and refer to the entity, person, or group of persons owning a fee simple title to any Lot within the Properties. Regardless of the number of parties participating in the ownership of each Lot, those parties shall be treated as one (1) Owner.

Section 9: Association shall mean and refer to Bloomington Knolls Association, its successors and assigns.

Section 10: Member shall mean and refer to every person or entity who holds membership in the Association.

Section 11: Board of Directors or Board shall mean and refer to the governing body of the Association.

Section 12: Governing Documents shall mean and refer to the Articles, Declaration, Plat, Bylaws, Rules, design criteria, and any other written instrument by which the Association may exercise powers or manage, maintain, or otherwise affect the Properties, and any amendments to these documents.

ARTICLE II
PROPERTY RIGHTS

Section 1: Title to the Common Area and Limited Common Areas. Title to the Common Area and Limited Common Area is held by the Association which agrees to maintain the Common Area in good repair and condition at all times which covenants shall be deemed to run with the land and shall be binding upon the Association, its successors and assigns.

Section 2: Owners Easements of Enjoyment. Every Owner shall have a right and easement of use and enjoyment in and to the Common Area which easement shall be appurtenant to, and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to limit the number of guests of Members using the Common Area.

(b) The right of the Association to suspend the voting rights of a Member for any period of time during which any assessment against the Member's Lot remains unpaid; and for a period of not to exceed sixty (60) days for any infraction of its published rules and regulations.

(c) When the Board has cause to believe there has been an alleged violation of the Governing Documents, the Board will designate a Director to meet with the Owner or a representative of the Lot involved to discuss the alleged violation and attempt to resolve the matter. If no resolution can be negotiated, the following procedures shall be followed:

(1) A written statement of the alleged violations shall be provided by the Board to any Member against whom such charges are made, and such written statement shall provide thirty (30) days' notice of a hearing when charges shall be heard;

(2) Charges shall be heard by a Review Board consisting of three (3) members appointed as follows: One (1) member shall be chosen by the Board and one (1) member shall be chosen by the alleged violator. These two (2) members shall choose a third member to be designated as Chairman of the Review Board;

(a) The Chairman of the Review Board shall advise the alleged violator, in writing, of the date, place, and time the hearing will convene.

(b) At such hearing the Member so charged shall have the right to present oral and written evidence and to confront and cross examine adverse witnesses;

(3) The Chairman has the right to adjourn and continue the hearing with proper notice being given to the alleged violator.

(4) The panel shall deliver to the Member so charged within seven (7) days after the hearing, a written decision which specified the penalties levied, if any, and the reasons thereof;

(5) In the event that a Member shall correct an alleged violation prior to the hearing date, the Board shall discontinue the proceedings;

(6) In the event the Member fails to comply, to the satisfaction of the Board of Directors, with conditions or penalties imposed after invoking these procedures, said Member agrees to pay all costs of enforcement including all attorney fees.

(d) The Board acting for the Association, may grant easements for public utilities or other public purposes consistent with the intended use of the Common Area;

(e) The right of each individual Lot Owner to the exclusive use of the Limited Common Area adjacent and appurtenant to the Owner's respective Lot.

Section 3: Limited Common Area. Ownership of each Lot shall entitle the Owner thereof to the exclusive use of the Limited Common Area adjacent to and appurtenant thereto.

Section 4: Easement of Enjoyment. Each Owner shall have a right and easement of use and enjoyment including, but not limited to, the right of ingress and egress to and from the Owner's Townhome and in and to the Common Areas. Such right and easement shall be appurtenant to and shall pass with title to each Lot and in no event shall be separated therefrom.

Section 5: Easement of Enjoyment by Permission. Any Owner may permit the use and enjoyment described herein to any family member, guest, tenant, or lessee who resides in such Owner's Townhome.

ARTICLE III
MEMBERSHIP AND VOTING

Section 1: Membership. Every person or entity who is an Owner of any Lot shall be a Member of the Association. The term "Owner" shall include contract purchasers but shall not include persons or entities who hold an interest merely as security for the performance of an obligation unless and until said holder has acquired title pursuant to foreclosure or proceedings in lieu of foreclosure. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Membership in the Association shall be automatically conveyed upon transfer of recorded title to another person or entity.

Section 2: Voting Rights. Each Owner shall be entitled to one (1) vote.

ARTICLE IV
COVENANT FOR ASSESSMENTS AND INSURANCE

Section 1: Creation of the Lien and Personal Obligation of Assessments. The Owner of each Lot, whether or not it shall be so expressed in any document of conveyance, is deemed to covenant and agree to pay to the Association:

(a) Annual assessments and charges.

(b) Special assessments for capital improvements; such assessments to be fixed, established, and collected from time to time, as hereinafter provided.

(c) The annual, special, and reinvestment fees assessments, together with interest, costs of collection, and a reasonable attorney fee, as hereinafter provided, shall be a charge upon the land and shall be a continuing lien against the Lot against which each assessment is made.

(d) Each assessment, together with interest, costs of collection, and a reasonable attorney fee as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such Lot at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to the Owner's successors in title unless expressly assumed by them.

Section 2: Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, safety, health, and welfare of the

residents of the Properties and in particular for the improvement and maintenance of Properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas and of the Townhomes situated upon the Properties, including but not limited to the payment of taxes and insurance thereon, the payment of the cost of repairing, replacing, maintaining, and constructing or acquiring additions to the Common and Limited Common Areas, the payment of the cost of repairing, replacing, and maintaining the exteriors of each Townhome as provided in Article VII, the payment of administrative expenses of the Association, and the establishment of a reserve account for repair, maintenance, and replacement of those Common and Limited Common Areas which must be replaced on a periodic basis and to provide for payment of insurance and other charges as herein specified, and may be used, at the discretion of the Board, for the payment of trash collection, sewer and water costs and other charges required by this Declaration, or that which the Board shall determine to be necessary to meet the primary purposes of the Association.

Section 3: Special Assessments for Capital Improvements. The Association may levy in any assessment year a special assessment, applicable for that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of Common or Limited Common Area structures, fixtures, and personal property related thereto, provided such assessment shall have the assent of forty-nine (49) votes of the membership, in person or by proxy, at a meeting duly called for that purpose as provided in Article IV, Section 6.

Section 4: Basis and Maximum Annual Assessments.

(a) Until January 1 following recording of this Declaration the maximum annual assessment shall be Two Hundred and Fifty Dollars ($250.00) per month per Lot. This amount shall be the basis of calculation for future maximum annual assessments.

(b) The Association may change the basis and maximum assessments fixed by this Section prospectively for any annual period provided that any such change shall have the assent of forty-nine (49) votes of the membership, in person or by proxy, at a meeting duly called for that purpose as provided in Article IV, Section 6.

(c) The Board may, without the vote or written consent of forty-nine (49) Members, increase the regular monthly assessment of each Lot not more than ten percent (10%) of the regular monthly assessment for the immediate previous year and is limited to a maximum increase of Fifteen Dollars ($15.00) over a successive two (2) year period.

Section 5: Notice for Any Action Authorized Under Sections 3 and 4. Written notice of meetings to be held as provided in Sections 3 and 4 shall be sent to all Members at least thirty (30) days in advance of said meeting setting forth the place, time, and purpose of the meeting and enclosing a form for a proxy vote if a Member cannot attend.

Section 6: Reserved.

Section 7: Reserve Fund. The Board shall cause a reserve analysis to be conducted no less frequently than every six (6) years and shall review and, if necessary, update a previously prepared reserve analysis every three (3) years. The Board may conduct the reserve analysis by itself or may engage a reliable person or organization to conduct the reserve analysis. The Board shall annually provide Owners a summary of the most recent reserve analysis or update and

provide a complete copy of the reserve analysis or update to an Owner upon request. In formulating the budget each year, the Board shall include a reserve line item in an amount required by the Governing Documents, or, if the Governing Documents do not provide for an amount, the Board shall include an amount it determines, based on the reserve analysis, to be prudent.

"Reserve fund money" means money to cover: (a) the cost of repairing, replacing, or restoring Common Areas and facilities that have a useful life of three (3) years or more and a remaining useful life of less than thirty (30) years, if the cost cannot reasonably be funded from the general budget or other funds of the Association; or (b) a shortfall in the general budget, if: (i) the shortfall occurs while a state of emergency, declared in accordance with Utah Code § 53-2a-206, is in effect; (ii) the geographic area for which the state of emergency is declared extends to the entire state; and (iii) at the time the money is spent, more than ten percent (10%) of the Owners that are not Board members are delinquent in the payment of assessments as a result of events giving rise to the state of emergency.

The Board may not use reserve fund money for any purpose other than the purpose for which the reserve fund was established, including daily maintenance expenses, unless a majority of Owners vote to approve the use of reserve fund money for that purpose.

The Association shall maintain a reserve fund separate from other Association funds.

Section 8: Uniform Rate of Assessment; Period Assessments. Both annual maintenance and special assessments must be fixed at a uniform rate for all Lots. Annual assessments may be collected on a monthly, quarterly, or annual basis. Special assessments of Two Hundred Fifty ($250.00) dollars or less shall be due and payable within forty-five (45) days of the date the assessment is approved by the membership. Special assessments in excess of Two Hundred Fifty ($250.00) dollars may be paid in three (3) equal monthly installments. Any balance due after this period will be subject to interest at the rate of eighteen percent (18%) per annum.

Section 9: Date of Commencement of Annual or Special Assessments Not Covered in Section 3: Duties of Directors; Due Dates; Adjustment of Assessments in Certain Cases. The annual assessment provided for herein shall commence on January First of each year.

(a) The Board shall prepare annually an operating budget for each fiscal year containing and stating the regular monthly operation and maintenance assessments to be made to defray all expenses attributable to the operation of the Association and the operation and maintenance of all the Common Areas of the Properties, classifying or itemizing the estimated items of expenditure for the budgeted fiscal year. The operating statement or budget shall be prepared not less than thirty (30) days before the beginning of the fiscal year for which the budget is prepared, and copies thereof shall be distributed to each Member of the Association. A budget presented by the Board is only disapproved if Member action to disapprove the budget is taken in accordance with § 57-8a-215 of the Act.

(b) The Board shall prepare and submit to each Member of the Association an annual report within sixty (60) days after the end of the fiscal year. The annual report shall include but not be limited to:

(1) A balance sheet as of the end of the fiscal year,

(2) An income statement for the fiscal year,

(3) A statement of changes in the financial position for the previous fiscal year.

(c) The Board shall prepare a roster of the Lots and the assessments applicable thereto at the same time that it shall fix the amount of the annual assessment, which roster shall be kept by the Treasurer of the Association, who shall record payments of assessments and shall allow inspection of the roster to any Member at reasonable times.

(d) The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessment on a specified Townhome 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 be paid.

(e) A first mortgage holder, upon request, is entitled to a written certificate from the Association advising of any default in the performance by an Owner of any obligation not cured within sixty (60) days.

Section 10: Effect of Non-Payment of Assessment; Remedies of the Association.

(a) Any assessment or installment thereof not paid within thirty (30) days after the due date therefor shall be delinquent and shall bear interest from the due date at the rate of eighteen percent (18%) per annum, (or lesser rate as the Board shall determine appropriate) until paid. In addition, the Board may assess a late fee for each delinquent installment which shall not exceed ten percent (10%) of the installment.

(b) The Board may, in the name of the Association, (1) bring an action at law against the Owner personally obligated to pay any such delinquent assessment without waiving the lien of assessment, or (2) may foreclose the lien against the Lot in accordance with the laws of the State of Utah applicable to the exercise of powers of sale in deeds of trust or to the foreclosure of mortgages, or in any other manner permitted by law, and/or (3) may restrict, limit, or totally terminate any or all services performed by the Association in behalf of the delinquent Owner. Such remedies shall be cumulative and not exclusive.

(c) There shall be added to the amount of the delinquent assessment the costs and expenses of any action, sale, or foreclosure, and a reasonable attorney fee, together with an amount for the reasonable rental for the Lot from the time of commencement of the foreclosure. The Association shall be entitled to appoint a receiver to collect the rental income or the reasonable rental without regard to the value of the other security.

(d) A power of sale is hereby conferred upon the Association which it may exercise. Under the power of sale, the Lot of an Owner may be sold in the manner provided by Utah law pertaining to deeds of trust as if said Association were beneficiary under a deed of trust. The Association and each Lot Owner hereby conveys and warrants, pursuant to §§ 57-8a-212 and 57-8a-302 of the Act, and Utah Code § 57-1-20, to attorney Bruce C. Jenkins, of the law firm Jenkins Bagley Sperry, PLLC, or any other attorney that the Association engages to act on its behalf to substitute for Bruce C. Jenkins, with power of sale, the Lot and all improvements to the Lot for the purpose of securing payment of assessments under the terms of this Declaration.

(e) No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or by abandonment of the Owner's Lot.

(f) No Owner may exercise the Owner's right to vote in Association matters when said Owner is delinquent in assessments.

Section 11: Subordination of Lien to Mortgages. The lien of the assessments provided for herein shall be subordinated to the lien of the first mortgage. Sale or transfer of any Lot shall not affect the assessment lien; provided, however, sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof by an institutional first mortgage holder, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No such foreclosure sale or transfer shall relieve such Lot or Owner from liability for assessment thereafter becoming due or from the lien thereof.

Section 12: Notification of Sale of Property. Owners shall notify the Association of the intent to sell the Owner's Lot and clear all delinquent assessments prior to sale.

Section 13: Exempt Properties. The following property subject to this Declaration shall be exempted from the assessments, charges, and liens created herein:

(a) Any property dedicated and accepted by the local public authority and devoted to public use;

(b) All Common and Limited Common Areas;

(c) All property exempted entirely from taxation by the laws of the State of Utah.

However, no land or improvement devoted to dwelling use shall be exempt from said assessments, charges, and liens.

Section 14: Insurance and Insurance Assessments. The Association shall obtain and keep in full force and effect at all times all insurance required under §§ 57-8a-401 to -407 of the Act and any other relevant sections of the Act. In addition to any insurance coverage or limit of coverage provided in this Article and subject to the requirements of this Article, the Association may, as the Board considers appropriate, obtain any additional type of insurance than otherwise required or a policy with greater coverage than otherwise required. The Association shall maintain to the extent reasonably available the following types of insurance:

(a) Property Insurance. Subject to § 57-8a-403 of the Act, blanket property insurance or guaranteed replacement cost insurance on the physical structures in the Properties, including the Common Areas and the Lots, insuring against all risks of direct physical loss commonly insured against, including fire and extended coverage perils. The total amount of coverage provided by blanket property insurance or guaranteed replacement cost insurance may not be less than one hundred percent (100%) of the full replacement cost of the insured property at the time the insurance is purchased and at each renewal date, excluding items normally excluded from property insurance policies. Property insurance shall include coverage for any fixture, improvement, or betterment installed at any time to a Lot or to Limited Common Areas associated with a Lot, whether installed in the original construction or in any remodel or later alteration, including a floor covering, cabinet, light fixture, electrical fixture, heating fixture, plumbing fixture, paint, wall covering, window, and any other item permanently part of or affixed to a Lot or to Limited Common Areas associated with a Lot. Each Lot Owner shall be an insured person under the property insurance policy. If a loss occurs that is covered by the Association's property insurance and another property insurance policy in the name of a Lot Owner, the Association's policy provides primary insurance coverage. Notwithstanding the foregoing, the Lot Owner is responsible for the deductible of the Association's building property coverage, often referred to as coverage

A, of the Lot Owner's policy applies to that portion of the loss attributable to the Association's policy deductible. The Association will separately bill each Owner for the Owner's shared portion of this blanket policy because it is not included in the monthly assessment.

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

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

(iii) The Association shall set aside an amount equal to the amount of the Association's property insurance policy deductible or, if the policy deductible exceeds Ten Thousand Dollars ($10,000.00), an amount not less than Ten Thousand Dollars ($10,000.00). Lot Owners are hereby notified that the Association's current deductible is Fifty Thousand Dollars ($50,000.00). The Board may, by resolution, increase or decrease the amount of the Association's policy deductible. The Association shall provide notice, as provided in the Bylaws or as otherwise provided in § 57-8a-214 of the Act to each Lot Owner of the Lot Owner's obligation under this Subsection (iii) for the Association's policy deductible if there is any change in the amount of the deductible. If the Association fails to provide notice of any change in the deductible, the Association is responsible for the portion of the deductible that the Association could have assessed to a Lot Owner, but only to the extent that the Lot Owner does not have insurance coverage that would otherwise apply. However, if the Association fails to provide notice of a later increase in the amount of the deductible, the Association is responsible only for the amount of the increase for which notice was not provided. The failure of the Association to provide notice as provided in this Subsection (iii) shall not be construed to invalidate any other provision in this Declaration.

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

(v) An insurer under a property insurance policy issued to the Association shall adjust with the Association's loss covered under the Association's policy. Notwithstanding

this Subsection (v), the insurance proceeds for a loss under the Association's property insurance policy are payable to an insurance trustee that the Association designates or, if no trustee is designated, to the Association, and may not be payable to a holder of a security interest. An insurance trustee or the Association shall hold any insurance proceeds in trust for the Association, Lot Owners, and lien holders. If damaged property is to be repaired or restored, insurance proceeds shall be disbursed first for the repair or restoration of the damaged property. After the disbursements described herein are made and the damaged property has been completely repaired or restored or the project terminated, any surplus proceeds are payable to the Association, Lot Owners, and lien holders based on a pro rata basis.

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

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

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

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

(b) Liability Insurance. Subject to § 57-8a-406 of the Act, liability insurance covering all occurrences commonly insured against for death, bodily injury, property damage, including water damage, liability for non-owned or hired automobile, liability for property of others, and such other risks as shall customarily be covered with respect to projects similar in construction, location, and use arising out of or in connection with the use, ownership, or maintenance of the Common Areas and facilities. The limits of the liability insurance policy shall be in an amount determined by the Board, but not less than One Million Dollars ($1,000,000.00) for all claims for personal injury or property damage arising out of a single occurrence. Each Lot Owner is an insured person under the liability insurance policy the Association obtains, but only for liability arising from: (i) the Lot Owner's ownership interest in the Common Areas and facilities; (ii) maintenance, repair, or replacement of Common Areas and facilities; and (iii) the Lot Owner's membership in the Association. Such policies shall be issued on a comprehensive liability basis, shall provide a cross-liability endorsement pursuant to which the rights of the named insured as between themselves are not prejudiced, and shall contain "a severability of interest" clause or endorsement to preclude the insurer from denying the claims of a Lot Owner because of negligent acts of the Association or other Lot Owners.

(c) Availability. If the Association becomes aware that property insurance under Subsection (a) or liability insurance under Subsection (b) is not reasonably available, the Association shall, within seven (7) days after becoming aware, give all Lot Owners notice as provided in the Bylaws, or as otherwise provided in § 57-8a-214 of the Act, that the insurance is not reasonably available.

(d) Director's and Officer's Insurance. The Board shall obtain director's and officer's liability insurance for officers and directors of the Association. Such insurance shall, among other coverages, include coverage for both monetary and non-monetary claims and shall be in an amount customary for a project of a type the same as or similar to this project.

Section 15: Damage or Destruction. In the event of damage or destruction by fire or other casualty to any portion of the development covered by insurance written in the name of the Association, the Board shall, with the consent of the mortgagees, if any, upon receipt of the insurance proceeds, contract to rebuild, restore, or repair such damaged or destroyed portions of the Properties to its former condition. Unless at least seventy-five percent (75%) of the owners and first mortgagees have given their prior written approval, the Association shall not be entitled to use the insurance proceeds for other than the repair, replacement, or reconstruction of the damaged or destroyed property. In the event damage to the Common Area exceeds Ten Thousand Dollars ($10,000.00) the Association shall forthwith notify all first mortgagees in writing. The Owner shall provide the name and address of the first mortgagee. In the event damage to a Townhome exceeds One Thousand Dollars ($1,000.00) the Association shall notify the first mortgagee in writing. The Owner shall provide the name and address of the first mortgagee.

Section 16: Assessment for Insufficient Insurance Proceeds. In the event the insurance proceeds are insufficient to pay all the costs of repairing, restoring, or rebuilding, the Board shall be empowered to levy a special assessment against all Owners of damaged Townhomes or Owners with damaged adjacent Common Area in proportion as the Board deems equitable to make up any deficiency for repair of Townhomes or Limited Common Area, and the Board shall further be empowered to levy a special assessment against all Owners to make up any deficiency for repair or rebuilding of the common area or Limited Common Area.

Section 17: Payments by First Mortgagees. First mortgagees of Lots may jointly or singly pay taxes or other charges which are in default, and which have or may become a charge against any common property and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy, for such common property. Any first mortgagees making such payments shall be owed immediate reimbursement from the Association.

Section 18: Management. Any agreement for professional management of the Properties may not exceed one (1) year duration and must provide for termination by either party without cause and without payment of a termination fee on thirty (30) days or less written notice.

Section 19: Disposition of Certain Proceeds. Losses or proceeds from condemnation, liquidation of all or part of the Properties or from termination of the planned unit development shall be payable to the Association for the benefit of the Lot Owners and their mortgage holders. Any distribution of funds in connection with the termination of the Properties shall be made in a

reasonable and equitable basis. The Association is hereby designated to represent the Owners in any proceedings, negotiations, settlements, or agreements for condemnation. Each Owner hereby appoints the Association as attorney-in-fact for this purpose.

Section 20: Fidelity Bond Requirements. A Fifty Thousand Dollar ($50,000.00) Fidelity Bond shall be obtained and paid for by the Association to cover the duly authorized or elected person or persons designated to collect and distribute the funds of the Association.

Section 21: Delinquent Owner. As used in this Section, "Delinquent Owner" means a Lot Owner who fails to pay an assessment when due.

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

(b) (i) Before terminating a utility service or right of access to and use of recreational facilities under Subsection (a) the Manager or Board shall give the Delinquent Owner notice. Such notice shall state:

(A) that the Association will terminate the Delinquent Owner's utility service or right of access to and use of recreational facilities, or both, if the Association does not receive payment of the assessment within fourteen (14) calendar days;

(B) the amount of the assessment due, including any interest or late payment fee; and

(C) the Owner's right to request a hearing under Subsection (c).

(ii) A notice under Subsection (b)(i) may include the estimated cost to reinstate a utility service if service is terminated.

(c) (i) The Delinquent Owner may submit a written request to the Board for an informal hearing to dispute the assessment.

(ii) A request under Subsection (c)(i) shall be submitted within fourteen (14) days after the date the Delinquent Owner receives the notice under Subsection (b)(i).

(d) The Board shall conduct an informal hearing requested under Subsection (c)(i) in accordance with the hearing procedures of the Association.

(e) If the Delinquent Owner requests a hearing, the Association may not terminate a utility service or right of access to and use of recreational facilities until after the Board:

(i) conducts the hearing; and

(ii) enters a final decision.

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

(g) The Association may:

(i) levy an assessment against the Delinquent Owner for the cost associated with reinstating a utility service that the Association terminates as provided in this Section; and

(ii) demand that the estimated cost to reinstate the utility service be paid before the service is reinstated if the estimated cost is included in a notice under Subsection (b)(ii).

Section 22: Tenant Payment of Assessments.

(a) The Board may require a tenant under a lease with a Lot Owner to pay the Association all future lease payments due to the Lot Owner if the Lot Owner fails to pay an assessment for a period of more than sixty (60) days after the assessment is due and payable, beginning with the next monthly or periodic payment due from the tenant and until the Association is paid the amount owing. Before requiring a tenant to pay lease payments to the Association, the Association's manager or Board shall give the Owner notice, which notice shall state: (i) the amount of the assessment due, including any interest, late fee, collection cost, and attorney fees; (ii) that any costs of collection, including attorney fees, and other assessments that become due may be added to the total amount due and be paid through the collection of lease payments; and (iii) that the Association intends to demand payment of future lease payments from the Lot Owner's tenant if the Lot Owner does not pay the amount owing within fifteen (15) days.

(b) If a Lot Owner fails to pay the amount owing within fifteen (15) days after the Association's manager or Board gives the Lot Owner notice, the Association's manager or Board may exercise the Association's rights by delivering a written notice to the tenant. The notice to the tenant shall state that: (i) due to the Lot Owner's failure to pay an assessment within the required time, the Board has notified the Lot Owner of the Board's intent to collect all lease payments until the amount owing is paid; (ii) the law requires the tenant to make all future lease payments, beginning with the next monthly or other periodic payment, to the Association, until the amount owing is paid; and (iii) the tenant's payment of lease payments to the Association does not constitute a default under the terms of the lease with the Lot Owner. The manager or Board shall mail a copy of this notice to the Lot Owner.

(c) A tenant to whom notice is given shall pay to the Association all future lease payments as they become due and owing to the Lot Owner: (i) beginning with the next monthly or other periodic payment after the notice is delivered to the tenant; and (ii) until the Association notifies the tenant under Subsection (d) that the amount owing is paid. A Lot Owner shall credit each payment that the tenant makes to the Association under this Section against any obligation that the tenant owes to the Owner as though the tenant made the payment to the Owner; and may not initiate a suit or other action against a tenant for failure to make a lease payment that the tenant pays to the Association as required under this Section.

(d) Within five (5) business days after the amount owing is paid, the Association's manager or Board shall notify the tenant in writing that the tenant is no longer required to pay future lease payments to the Association. The manager or Board shall mail a copy of this notification to the Lot Owner. The Association shall deposit money paid to the Association under this Section in a separate account and disburse that money to the Association until the amount owing is paid; and any cost of administration, not to exceed Twenty-Five Dollars ($25.00), is paid. The Association shall, within five (5) business days after the amount owing is paid, pay to the Lot Owner any remaining balance.

Section 23: Reinvestment Fee Assessment. In addition to all other assessments and upon the conveyance of a Lot there shall be one (1) reinvestment fee charged to the buyer or seller, as the buyer and seller may determine, comprised of one (1) or more of the following charges:

(a) an assessment charged for:

(i) common planning, facilities, and infrastructure;

(ii) obligations arising from an environmental covenant;
(iii) community programming;
(iv) resort facilities;
(v) open space;
(vi) recreation amenities;
(vii) charitable purposes; or
(viii) Association expenses as defined in Utah Code § 57-1-46(1)(a).

(b) This reinvestment fee shall be the lesser of (i) one-half percent (0.5%) of the fair market value of the Lot, plus all improvements or (ii) two times (2x) the then monthly assessment. When the seller is a financial institution, the reinvestment fee shall be limited to the costs directly related to the transfer, not to exceed Two Hundred and Fifty Dollars ($250.00). The Association may assign the charges directly to the Association's manager.

(c) This reinvestment fee may not be enforced upon: (i) an involuntary transfer; (ii) a transfer that results from a court order; (iii) a bona fide transfer to a family member of the seller within three degrees of consanguinity who, before the transfer, provides adequate proof of consanguinity; or (iv) a transfer or change of interest due to death, whether provided in a will, trust, or decree of distribution.

ARTICLE V
PARTY WALLS

Section 1: General Rules of Law to Apply. Each wall which is built as a part of the original construction upon the Properties and placed on the dividing line between the Townhomes shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to willful negligence or willful acts or omissions shall apply thereto.

Section 2: Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3: Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, then to the extent said destruction or damage is not covered by insurance and repaired out of the proceeds of the same, the Owner who has used the wall may restore it and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Owner to call for a larger contribution from the others under any rule of law regarding liability for negligent acts or omissions.

Section 4: Weatherproofing. Notwithstanding any other provision of this article, an Owner who by the Owner's negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements to the extent that said protection is not covered by insurance and paid for out of the proceeds of the same.

Section 5: Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to any such Owner's successors-in-title.

Section 6: Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose an arbitrator, and such arbitrators shall choose one (1) additional arbitrator within ten (10) days of their selection, and the decision shall be by a majority of all the arbitrators. Shall any party refuse to appoint an arbitrator within ten (10) days after written consent to do so, the Board shall select an arbitrator for the refusing party.

ARTICLE VI
ARCHITECTURAL CONTROL COMMITTEE

Section 1: Architectural Control Committee. The Board shall appoint a three (3) member Architectural Control Committee the function of which shall be to ensure that the exterior of all Townhome and landscaping within the Properties harmonize with the existing surroundings and structures. If such a committee is not appointed the Board itself shall perform the duties required of the Architectural Control Committee.

Section 2: Submission to Architectural Control Committee.

(a) No accessory or addition to a Townhome, landscaping, or other improvement shall be constructed, maintained, or accomplished, and no alteration, repainting, or refurbishing of the exterior of any Townhome shall be performed unless complete plans and specifications therefor have first been submitted to the Board for approval.

(b) No enclosed structure or any alteration that changes the symmetry of the Townhome complex may be approved and constructed on the Common Area or the Limited Common Area.

(c) The Association may charge a plan fee that is equivalent to the cost of reviewing the plans. As used in this Section, "plans" mean any plans for the construction or improvement of a Lot which are required to be approved by the Association before the construction or improvement may occur.

Section 3: Standard. In deciding whether to approve or disapprove plans and specifications submitted to it, the Architectural Control Committee shall use its best judgment to ensure that all improvements, construction, landscaping, and alterations conform to and harmonize with existing surroundings and uniform color standards under general guidelines and procedures established by the Board.

Section 4: Approval Procedures. Any plans and specifications submitted to the Board shall be approved or disapproved in writing within thirty (30) days after submission.

Section 5: Disclaimer of Liability. Neither the Architectural Control Committee, nor any member thereof acting in good faith shall be liable to the Association or to any Owner for any damage, loss, or prejudice suffered or claimed on account of:

(a) the approval or rejection of, or the failure to approve or reject, any plans, drawings, and specifications;

(b) the construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications;

(c) any engineering or other defect in the approved plans and specifications; or

(d) failure of the Owner to get a building permit as required.

Section 6: Nonwaiver. The approval by 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 to disapprove any similar plans and specifications.

Section 7: Completion of Construction. Once begun, any improvements, construction, landscaping, or alterations approved by the committee shall be diligently prosecuted to completion in strict accordance with the plans and specifications approved by the committee.

ARTICLE VII
EXTERIOR MAINTENANCE

Section 1: Exterior Maintenance. In addition to maintenance upon the Common Area and Limited Common Area, the Association shall provide exterior maintenance upon each Townhome, including, but not limited to, the following: paint, repair, replace, and care for roofs, exterior building surfaces, fences, walls, street signs, lights, mailboxes, lawns, driveways, sidewalks, and exterior improvements. Notwithstanding the foregoing, each Owner shall be solely responsible for maintenance to glass, doors, and screens on the Owner's Townhome and planting areas in the rear of the Townhome except the lawns in the rear of the Townhome. Outside water taps will be the responsibility of the Owner. Any additions made to the Owner's Townhome after the initial construction, including exterior walls, roofing skylights, patio covers, and any skylights that have been added in the new addition, or on the original roofing will be the Owner's responsibility, ensuring that such maintenance conforms to uniform color standards established by the Board.

Section 2: Programming Costs for Exterior Maintenance. When programming costs for exterior maintenance, the Board will solicit bids for costs per Townhome or Lot. Such costs shall be a part of the annual maintenance assessment or charged to the Lot as provided in Article IV, Section 7, and shall be a lien upon the Lot until paid.

Section 3: Assessment of Cost. The cost of exterior maintenance allocated as determined in Article, VII, Section 2, will be assessed to the Lot upon which such maintenance is performed. This cost will be paid by the Association from the reserve account established for that Lot in accordance with Article IV, Section 7. In the event insufficient funds are available in the Lot's individual reserve account to provide payment in full, the unpaid portion of the assessed cost will be charged to the Owner becoming due and payable when billed and shall be a lien upon the Lot until paid. The billing will be considered an assessment subject to payment and remedies provided in Article IV, Section 10.

Section 4: Access at Reasonable Hours. The Board, or its authorized representative, after giving not less than twenty-four (24) hours advance notice posted to the Lot, may access a Lot, including the Townhome, from time to time during reasonable hours, as necessary for maintenance, repair, or replacement of any of the Common Areas. If repair to a Lot, Townhome, or Common Area—that if not made in a timely manner—will likely result in immediate and substantial damage to a Common Area or another Lot or Townhome, then the Board may enter the Lot or the Townhome to make the emergency repair upon such notice as is reasonable under the circumstances.

Section 5: Interior Maintenance. The interior maintenance of each Townhome shall be the sole responsibility of the Owner, who shall perform or accomplish the necessary repairs, operation, and maintenance of the Owner's respective Townhome to be made at the Owner's sole expense. Interior maintenance includes, but is not limited to, the following: the fireplace and fireplace flue, all mechanical systems (including the HVAC system), windows and glass, all doors (including entry doors, back doors, garage doors, and the garage door opener), any skylights, and all plumbing from the point that it leaves the main water or sewer line and enters the Lot.

ARTICLE VIII
USE RESTRICTIONS

Section 1: General Use Restrictions. All of the Properties which are subject to this Declaration are hereby restricted to residential dwellings, buildings in connection therewith, including but not limited to community buildings. All buildings or structures erected in the Properties shall be of new construction and no buildings or structures shall be removed from other locations to the Properties and no subsequent buildings or structures dissimilar to those initially constructed shall be built on any Lot. No building or structure of temporary character, trailer, basement, tent, camper, shack, garage, barn, or other outbuilding shall be placed or used on any Lot at any time, except existing outbuildings and structures at the time of this Declaration being recorded.

Section 2: Signs; Commercial Activity. No advertising signs, billboards, objects of unsightly appearance, or nuisances shall be erected, placed, or permitted to remain on any Lot or any portion of the Properties except as provided below. No commercial activities of any kind whatever shall be conducted in any building or on any portion of the Properties. No offensive or vulgar signs may be displayed.

(a) Religious and Holiday Signs.

(i) The Association may not abridge the rights of a Lot Owner to display a religious or holiday sign, symbol, or decoration: (A) inside a Townhome on a Lot; or (B) outside a Townhome on: (1) a Lot; (2) the exterior of the Townhome, unless the Association has an ownership interest in, or a maintenance, repair, or replacement obligation for, the exterior; or (3) the front yard of the Townhome, unless the Association has an ownership interest in, or a maintenance, repair, or replacement obligation for, the yard.

(ii) The Association may, by rule, prohibit a religious or holiday sign, symbol, or decoration on the exterior of the Townhome and on the front yard of the Townhome

where the Association has an ownership interest in, or a maintenance, repair, or replacement obligation for the exterior or front yard.

(iii) Religious and holiday signs and decorations may be put up six (6) weeks prior to the holiday and must be removed with two (2) weeks after the holiday. Such signs and decorations must also be installed so as not to damage the buildings or landscape.

(iv) Notwithstanding Subsection (a)(i) above, the Association may adopt, by rule, a reasonable time, place, and manner restriction with respect to a display that is: (A) outside a dwelling on: (1) a Lot; (2) the exterior of the dwelling; or (3) the front yard of the dwelling; and (B) visible from outside the Lot.

(b) Political Signs.

(i) The Association may not prohibit a Lot Owner from displaying a political sign: (A) inside a Townhome on a Lot; or (B) outside a Townhome on: (1) a Lot; (2) the exterior of the dwelling, regardless of whether the Association has an ownership interest in the exterior; or (3) the front yard of the Townhome, regardless of whether the Association has an ownership interest in the yard.

(ii) The Association may not regulate the content of a political sign.

(iii) Political signs must be placed in such a way as to not cause any damage to the home or the landscape. Political signs are permitted eight (8) weeks prior to the elections and must be removed within one (1) week of the election for the losers of the primary elections and within one (1) week of the general election for the winners of the primary elections.

(iv) Notwithstanding Subsection (b)(i) above, the Association my, by rule, reasonably regulate the time, place, and manner of posting a political sign.

(v) The Association's design criteria may not establish design criteria for a political sign.

(c) For-Sale Signs.

(i) The Association may not prohibit a Lot Owner from displaying a for-sale sign: (A) inside a Townhome on a Lot; or (B) outside a Townhome on: (1) a Lot; (2) the exterior of the Townhome, regardless of whether the Association has an ownership interest in the exterior; or (3) the front yard of the Townhome, regardless of whether the Association has an ownership interest in the yard.

(ii) One professionally designed sign of not more than 24" x 24" may be displayed advertising a Townhome for sale or rent. For-sale signs must be removed within one (1) week of closing.

(iii) If a for-sale sign is erected on the Lot, the Owner will be responsible for any damage to the sprinkler system caused by the installation of the sign. If the sign is installed during the winter months and damage is not noticed until the spring when the water is turned on, the seller of the house will be sent a bill for the repairs and interest will be charged for non-payment.

(iv) Notwithstanding Subsection (c)(i), the Association may, by rule, reasonably regulate the time, place, and manner of posting a for-sale sign.

Section 3: Quiet Enjoyment. No noxious or offensive activity shall be carried on upon any part of the Properties nor shall anything be done thereon which may be or may become an

annoyance or nuisance to the neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the Owners, or which shall in any way increase the rate of insurance.

Section 4: Animals. A maximum of two (2) household pets (exclusive of caged birds or aquarium fish) may be kept in any Townhome without the prior written consent of the Board. Pets shall not be allowed on other portions of the Properties except as permitted by rules made by the Board. No animals, livestock, birds, or poultry shall be brought within the Properties or kept in any Townhome, or on any portion of the Properties. No pet shall be permitted to be kept within any portion of the Properties if it makes excessive noise or otherwise constitutes an unreasonable annoyance to the quiet enjoyment of the other Owners as provided in Article VIII, Section 3.

Section 5: Lease Restrictions.

5.1 Requirements. No Owner shall rent his or her dwelling unit if such Owner has owned the dwelling unit for a period of less than twelve (12) months. No Owner shall rent less than the entire dwelling unit, and no Owner shall rent such Owner's dwelling unit for an initial term of less than twelve (12) months. "Renting" of a dwelling unit means the granting of a right to use or occupy a dwelling unit for a specific or indefinite term (with rent stated on a periodic basis), in exchange for the payment of rent (money, property or other goods or services of value).

5.2 Rental Cap. No dwelling unit may be rented if the rental results in more than **ten percent (10%)** of the total number of dwelling units within the Properties being rented, except as provided below (the "Rental Cap").

(a) Application Required. Prior to renting any dwelling unit, an Owner shall apply to the Association. The Association shall review the application and make a determination of whether the rental or lease will exceed the Rental Cap and the Association shall deny the application if it determines that the rental of the unit will exceed the Rental Cap.

5.3 Grandfather Status. Notwithstanding Section 5.2, all Owners who are renting their dwelling unit at the time that this Amendment is recorded may continue to rent such unit until the time that they convey ownership of their Lot or until the Owner occupies the unit.

5.4 The Lease Agreement. Any lease agreement between an Owner and a lessee must be in writing, and must provide, among other things, that the terms of the lease shall in all respects be subject to the provisions of the Declaration, the Articles of Incorporation of the Association, the Bylaws, and the Rules and Regulations. All lease agreements shall contain as an attachment to the lease agreement, a copy of the current Rules and Regulations of the Association. The lease agreement shall be in a form approved by the Association. Any failure by the lessee to comply with the terms of the Association's governing documents shall constitute a default under the lease and, upon notice to the Owner and a failure of the Owner to remedy violations of their lessee, the Board may require an Owner to terminate a lease agreement. If violations continue thereafter, the Association is hereby deemed an intended third-party beneficiary under the lease and is hereby appointed agent of the Owner and is entitled to initiate eviction proceedings against any such lessee.

5.5 Fines, Sanctions and Attorney's Fees. The Board shall have the power to enforce the Association's governing documents, including by obtaining injunctive relief from the courts, by issuing fines and sanctions, by terminating common utility service or recreational facility access, and by utilizing any other remedy authorized by law or the governing documents in order to maintain and operate the development and to enforce these rental restrictions. The Association shall be entitled to its attorney's fees and costs in any action to enforce the terms of this Section 5.

5.6 Hardship Exemption. Notwithstanding anything herein to the contrary, to avoid undue hardships or extreme practical difficulties such as the Owner's job relocation, disability, military service, charitable service, or other similar circumstances, the Board shall have the discretion to approve an Owner's application to temporarily rent the Owner's dwelling unit. The Association may not approve an application to rent or lease less than the Owner's entire dwelling unit or to rent or lease the unit for a period of less than twelve (12) consecutive months.

5.7 Lease Payments by Tenant to Association. If an Owner who is renting his or her unit fails to pay an assessment for more than sixty (60) days after the assessment is due, the Board may demand that the tenant pay to the Association all future lease payments due to the Owner, beginning with the next monthly other periodic payment, until the amount due to the Association is paid. The Board shall give the Owner written notice of its intent to demand full payment from the tenant. The notice to the Owner shall state (1) the date certain by which the Association expects full payment, (2) the amount due and owing to the Association, and (3) that the Association will make demand upon the tenant for future lease payments to be made to the Association if the request is not adhered to.

5.8 Owners' Rights During Lease. An Owner who leases out the Owner's Townhome is not entitled to use the Common Areas, swimming pool, or other amenities. The Owner may retain the Owner's rights to use the facilities by paying an additional fee to be set by the Board.

Section 6: Inoperable Motor Vehicles. No type of motor vehicle which is inoperable or unlicensed for any reason shall be permitted to be parked upon any street, Lot, part, or portion of the Properties, except in an approved, enclosed garage. In the event any inoperable motor vehicle remains outside upon any street, Lot, part, or portion of the Properties for a period exceeding thirty (30) days the Architectural Control Committee may remove the inoperable motor vehicle after a ten (10) day written notice (provided such removal complies with Utah Code §§ 72-9-603 to -604). The cost and expense of such removal shall be borne by the vehicle owner. For the purpose of this section, "inoperable motor vehicle" shall mean any motor vehicle which is unable to be operated in a normal manner upon the streets under its own power or is unlicensed or unregistered for a period of not less than ninety (90) days.

Section 7: Use of the Common Area. Except for the right of ingress and egress, Owners are hereby prohibited and restricted from using any of said Common Area other than as permitted in this Declaration, or as may be allowed by the Board. It is expressly acknowledged and agreed by all parties concerned that this restriction is for the mutual benefit of Owners of Lots in the Properties and is necessary for the protection of the interests of all said Owners in and to the Common Area.

Section 8: Oil & Mining Operations. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in the properties of any Lot. No derrick, lift, shaft, or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted upon the properties of any Lot.

Section 9: Interior Utilities. All utilities, fixtures, and equipment installed within a Lot, commencing at a point where the utility lines, pipes, wires, conduits, or systems enter boundaries of a Lot, shall be maintained and kept in repair by the Owner thereof. An Owner shall do no act nor any work that will impair any easement or hereditament nor do any act nor allow any condition to exist which will adversely affect the Lots of other Owners.

Section 10: Swimming Pools or Spas. No swimming pool or spa shall be permitted upon any Lot, whether they be above ground level or below without the prior written request of the Lot Owner and written approval of the Architectural Control Committee and the Board.

Section 11: External Apparatus, Television, or Other Antennas: No exterior radio or other antennas, including a satellite dish shall be allowed, placed, or maintained upon any Lot or any structure or portion of the improvements situated and located upon the Properties without prior written approval and authorization of the Board. Notwithstanding the foregoing, satellite antennas, such as Direct Broadcast Satellite ("DBS") antennas (dishes) one (1) meter in diameter or less, and designed to receive direct broadcast satellite service, including direct-to-home satellite service, or receive or transmit fixed wireless signals via satellite, may be installed. Location of an FCC approved dish may not be restricted by the Association so as to unreasonably delay in installation; unreasonably increase the cost of the equipment or its installation, maintenance, or use; or preclude reception of an acceptable quality signal. However, it is preferred that dishes be placed on the back side of the roof. No dish may encroach upon the Common Area or the property of another Owner. The dish must comply with all applicable city, county, and state laws, regulations, and codes. The Association must be provided with a copy of any applicable governmental permits. Installation must be pursuant to the manufacturer's instructions. In order to protect against personal injury and property damage, a dish may not be placed in a location where it may come into contact with a power line. In order to protect against personal injury and property damage, all dishes must be properly grounded and secured. In order to protect against personal injury, dishes may not block or obstruct any driver's view of an intersection or street. The Owner is responsible for all costs associated with the installation and maintenance of a dish. The Owner is responsible for all damage caused by or connected with the dish. The Owner must hold the Association harmless and indemnify the Association in the event someone is injured by the dish. The Owner shall keep the dish in good repair so that it does not violate any portion of this Declaration.

Section 12: Garbage Removal. All rubbish, trash, and garbage shall be regularly removed from all Lots and shall not be allowed to accumulate thereon. Garbage will be placed in bags and tied or in boxes and placed in dumpsters provided for that purpose.

Section 13: Retirement Community. This development is a retirement community, to provide Housing For Persons Fifty-Five (55) Years of Age or Older, as that housing is defined by federal law. Each grantee of a deed for a Lot within the Properties acknowledges by acceptance of

that deed that this purpose of the development, and the facilities within the development designed for retirement, and Housing for Persons Fifty-Five (55) Years of Age or Older are a significant consideration in the purchase and occupancy of the Lot. A Townhome must be occupied by at least one (1) person over the age of fifty-five (55), or by the surviving spouse of a person over the age of fifty-five (55) who has occupied the Townhome. Provided, however, that no surviving spouse may occupy a Townhome under this provision if that occupancy would cause the number of Townhomes occupied by persons over the age of fifty-five (55) to fall below eighty percent (80%) of the total number of Townhomes in the Properties. Provided, further, that occupants of Townhomes which do not, as of April 15, 1999, meet the requirement that each Townhome be occupied by at least one (1) person over the age of fifty-five (55), may remain as occupants until they cease to occupy the premises. New occupants must comply with this Section. Each resident or occupant must provide such information as may be required by the Association for verification of age and to otherwise comply with applicable Association and governmental regulations which preserve this status for the Project. Rules and Regulations for this purpose are attached to this Declaration as Exhibit B and may be amended by the Board.

Section 14: Occupancy by Persons Under 18 Prohibited. A Townhome may not be occupied by any person under the age of eighteen (18), unless that person is a visitor for a period which does not exceed fourteen (14) days per visit, for a total period of occupancy by that person not to exceed twenty-eight (28) days in any calendar year. Visits of four (4) days or less shall not be counted in calculating days under this provision and are permitted without limitation. This provision may be modified by Rule of the Board without further amendment of this Declaration.

Section 15: Display of the Flag. The Association may not prohibit the display of the United States flag inside a Townhome or on the Owner's Lot or Limited Common Area appurtenant to the Owner's Lot, if the display complies with United States Code, Title 4, Chapter 1. The Association may, by rule of the Board, restrict the display of a flag on the Common Area.

Section 16: Water-Efficient Landscaping. The Board shall adopt rules supporting water-efficient landscaping, including allowance for low water use on lawns during drought conditions, and may not prohibit or restrict the conversion of a grass park strip to water-efficient landscaping.

Section 17: Electronic Vehicle Charging. The Association may not prohibit a Lot Owner from installing or using a charging system in: (a) in a parking space on the Lot Owner's Lot that is used for the parking or storage of a vehicle or equipment; or (b) a Limited Common Area parking space designated for the Lot Owner's exclusive use. However, the Association may: (a) require a Lot Owner to submit an application for approval of the installation of a charging system to the Board; (b) require the Lot Owner to agree in writing to: (i) hire a general electrical contractor or residential electrical contractor to install the charging system; or (ii) if a charging system is installed in a Common Area, provide reimbursement to the Association for the actual cost of the increase in the Association's insurance premium attributable to the installation or use of the charging system; (c) require a charging system to comply with: (i) the Association's reasonable design criteria governing the dimensions, placement, or external appearance of the charging system; or (ii) applicable building codes; (d) impose a reasonable charge to cover costs associated with the review and permitting of a charging station; (e) impose a reasonable restriction

on the installation and use of a charging station that does not significantly: (i) increase the cost of the charging station; or (ii) decrease the efficiency or performance of the charging station; or (f) require a Lot Owner to pay the costs associated with installation, metering, and use of the charging station, including the cost of: (i) electricity associated with the charging station; and (ii) damage to a Common Area, a Limited Common Area, or an area subject to the exclusive use of another Lot Owner that results from the installation, use, maintenance, repair, removal, or replacement of the charging station.

A Lot Owner who installs a charging system shall disclose to a prospective buyer of the Lot: (a) the existence of the charging station and (b) the Lot Owner's related responsibilities under this Section.

Unless the Lot Owner and the Association or the Declarant otherwise agree: (a) a charging station installed under this Section is the personal property of the Lot Owner of the Lot with which the charging station is associated; and (b) a Lot Owner who installs a charging station shall, before transferring ownership of the Owner's Lot, unless the prospective buyer of the Lot accepts ownership and all rights and responsibilities that apply to the charging station under this Section: (i) remove the charging station; and (ii) restore the premises to the condition before installation of the charging station.

As used in this Section, the terms "charging system," "general electrical contractor," and "residential electrical contractor" are as defined in § 57-8a-801 of the Act.

Section 18: Solar Energy Systems. The provisions of §§ 57-8a-701 to -703 of the Act allowing solar energy systems under certain conditions, do not apply to (a) any express prohibition or an express restriction on a Lot Owner's installation of a solar energy system set forth in a declaration of this Association recorded before January 1, 2017, or created by official Association action taken before January 1, 2017, and (b) during the "period of administrative control" as defined in § 57-8a-102(19) of the Act. To the extent this Association did not have such restrictions in place prior to January 1, 2017, then any application to the Association for a solar energy system must comply with the requirements and limitations set forth in § 57-8a-701 to -703 of the Act. As used in this Section, the term "solar energy system" is as defined in § 57-8a-102(22) of the Act.

Section 19: Activities in Dwelling Units and Backyards.

(a) Notwithstanding anything to the contrary in this Declaration and except as provided for in Subsections (b) and (c) below, the Association may not interfere with a reasonable activity of an Owner within the confines of a Townhome or Lot, including backyard landscaping or amenities, to the extent that the activity is in compliance with local laws and ordinances, including nuisance laws and ordinances.

(b) However, any activity within the confines of a Townhome or Lot, including backyard landscaping or amenities, is prohibited where the activity: (i) is not normally associated with a project restricted to residential use; or (ii) (A) creates monetary costs for the Association or other Lot Owners; (B) creates a danger to the health or safety of occupants of other Lots; (C) generates excessive noise or traffic; (D) creates unsightly conditions visible from outside the Townhome; (E) creates an unreasonable source of annoyance to persons outside the Lot; or (F) if

there are attached Townhomes, creates the potential for smoke to enter another Lot Owner's Townhome, the Common Areas, or Limited Common Areas.

(c) Unless prohibited by law, the Association may also adopt rules described in Subsection (b) above that affect the use of or behavior inside the Townhome.

ARTICLE IX
EASEMENTS

Section 1: Encroachments. Each Lot and the property included in the Common Area and Limited Common Areas shall be subject to an easement for encroachments created by construction, settling, and overhangs, as originally designed or constructed. A valid easement for said encroachments and for the maintenance of same, so long as it stands, shall and does exist. In the event the structure is partially or totally destroyed, and then rebuilt, the Owners agree that minor encroachments of parts of the adjacent Lots or Common or Limited Common Areas due to construction shall be permitted and that a valid easement for said encroachment and maintenance thereof shall exist.

Section 2: Utilities. There is hereby created a blanket easement upon, across, over, and under all of the Properties for ingress and egress, installation, replacing, repairing, and maintaining all utilities, including but not limited to water, sewer, gas, telephone, and electricity, and a master television antenna system. By virtue of this easement, it shall be expressly permissible for all public utilities serving the Properties, to lay, construct, renew, operate, and maintain conduits, cables, pipes, mains, ducts, wires, and other necessary equipment on the Properties, provided that all such services shall be placed underground, except that said public utilities may affix and maintain electrical and/or telephone wires, circuits and conduits on, above, across, and under roofs and exterior walls. Notwithstanding anything to the contrary contained in this Section, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Properties except as approved by the Association. Should any utility furnishing a service covered by the general easement herein provided, request a specific easement by separate recordable document, the Association shall have the right to grant such easement on said property without conflicting with the terms hereof. All utilities that are installed upon, under, or through the Common Areas of the Properties shall be maintained by the Association.

Section 3: Police, Fire, and Ambulance. An easement is hereby granted to all police, fire, and ambulance services and all similar persons to enter upon the streets and Common and Limited Common Area in the performance of their duties.

Section 4: Maintenance by the Association. An easement is hereby granted to the Association, its officers, agents, employees, and to any maintenance company selected by the Association to enter in or to cross over the Common and Limited Common Areas and any Lot to perform the duties of maintenance and repair.

Section 5: Other Easements. The easements provided for in this Article shall in no way affect any other recorded easement.

ARTICLE X
GENERAL PROVISIONS

Section 1: Enforcement. The Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration, or any rule of the Association, including but not limited to any proceedings at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants. Failure of the Association or of any Owner to enforce any covenant or restriction herein contained or any rule of the Association shall in no event be deemed a waiver of the right of the Association or any Owner to do so thereafter. In the event action with or without suit, is undertaken to enforce any provision hereof, or any rule of the Association, the party against whom enforcement is sought shall pay to the Association or enforcing Owner a reasonable attorney fee. The Board may levy a fine or penalty not to exceed twenty percent (20%) of the amount of the maximum annual assessment, for each occurrence, against any Owner who violates any of this Declaration, or rules or regulations, after having received three (3) days' notice from the Association advising the Owner of the violation. If a fine or penalty is not paid within thirty (30) days of its assessment, the Board may levy a lien against the Lot or take any other action against the Owner as provided herein.

Section 2: Severability. All of said conditions, covenants, and reservations contained in this Declaration shall be construed together, but if any one of said conditions, covenants or reservations, or any part thereof, shall at any time be held invalid or for any reason become unenforceable, no other condition, covenant, or reservation, or any part thereof, shall thereby be affected or impaired; and the Association and Owners, their successors, heirs, and assigns shall be bound by each article, section, subsection, paragraph, sentence, clause, and phrase of this Declaration, irrespective of the validity or enforceability of any other article, section, subsection, paragraph, sentence, clause, or phrase.

Section 3: Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of, and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors, and assigns for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years.

Section 4: Amendment.

(a) The votes required for passage of an amendment to this Declaration and/or Bylaws shall be (49) votes cast either by Members in person or represented by proxy at a meeting duly called for such purpose.

(b) Written notice setting forth the purpose of the meeting and the substance of the amendment purposed shall be sent to all Members at least thirty (30) days prior to the meeting date.

(c) Voting by mail may be accomplished in accordance with Article IV, Section 6(b).

(d) Material amendments (i.e. those affecting provisions of this Declaration regarding voting rights; assessment liens; or subordination of assessment liens; reallocation of interests in the Common or Limited Common Areas, or rights of their use; the Common or Limited Common Areas, or rights of their use; boundaries of any Lot; convertibility of Lots into Common Areas or vice versa; expansion or conversion of the project or the addition, annexation, or withdrawal of property to or from the project; imposition of any restriction on an Owner's right to sell or transfer the Owner's Lot; a decision by the Association to establish self-management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project after a hazard, damage, or partial condemnation in a manner other than specified in the documents; any action to terminate the legal status of the project after substantial destruction or condemnation occurs), shall require the approval of fifty-one percent (51%) of the institutional first mortgage holders. Amendments directly affecting the rights of mortgagees or termination of the legal status of the project for reasons other than substantial destruction or condemnation of the Properties shall require the approval of sixty-seven (67%) per cent of the institutional first mortgage holders in addition to Owner approval as provided in Article X, Section 4(a).

(e) Any amendment authorized pursuant to this Section shall be accomplished through the recordation of an instrument executed by the Association. In such instrument an officer or director of the Association shall certify that the vote required by this section for amendment has occurred.

Section 5: Notices. Notwithstanding any other provision in this Declaration or other Governing Documents, the Association may provide notice to Owners by electronic means, including text message, email, or the Association's website, except that an Owner may, by written demand, require the Association provide notice to that Owner by mail. Any notice required to be given will be deemed effective upon the earlier to occur of the following:

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

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

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

(d) when posted to the Association's website, if any, the notice is deemed effective six days after it is posted;

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

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

Section 6: Rules and Regulations. The Board may adopt, amend, cancel, limit, create exceptions to, expand, or enforce rules and design criteria of the Association that are not inconsistent with this Declaration or the Act. Except in the case of imminent risk of harm to a Common Area, a Limited Common Area, an Owner, a Lot, or a Townhome, the Board shall give at least fifteen (15) days advance notice of the date and time the Board will meet to consider

adopting, amending, canceling, limiting, creating exceptions to, expanding, or changing rules and design criteria. The Board may provide in the notice a copy of the particulars of the rule or design criteria under consideration. A rule or design criteria adopted by the Board is only disapproved if Member action to disapprove the rule or design criteria is taken in accordance with § 57-8a-217 of the Act. Rules should conform to the limitations in §§ 57-8a-217 and 218 of the Act.

Section 7: Quorum / General Voting Requirements. When a vote of the membership is required and the voting requirements are not stated elsewhere in this Declaration, a quorum shall be thirty-seven (37) votes represented either in person or by proxy, a vote of fifty percent (50%) of the required quorum plus one (1) vote will be needed to carry any motion.

Section 8: Gender and Grammar. The singular, whenever used herein, shall be 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, shall in all cases be assumed as though in each case fully expressed.

Section 9: Waivers. No provision contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.

Section 10: Topical Headings. The topical headings contained in this Declaration are for convenience only and do not define, limit, or construe the contents of the Declaration.

Section 11: Action of the Association. Except as limited in this Declaration or the Bylaws, the Board acts in all instances on behalf of the Association.

Section 12: Rules Against Perpetuities. The rule against perpetuities and the rule against unreasonable restraints on alienation of real estate may not defeat or otherwise void a provision of the Governing Documents. If for any reason this Declaration does not comply with the Act, such noncompliance does not render a Lot or Common Area unmarketable or otherwise affect the title if the failure is insubstantial.

Section 13: Fines. The Association, through its Board, shall have the power to levy fines for violations of the Association's Governing Documents and fines may only be levied for violations of the Governing Documents. In addition to the levying of fines, the Board may also elect to pursue other enforcement remedies and/or damages permitted under the Governing Documents. The Board shall adopt a rule for the procedure to enforce the Governing Documents and levy fines, including a schedule of fines.

Section 14: Tenant Liability. Pursuant to § 57-8a-218(2)(b) of the Act, a tenant shall be jointly and severally liable to the Association with the Owner leasing to such tenant for any violation of the governing documents by the tenant.

Section 15: Eminent Domain. If part of the Common Area is taken by eminent domain: (a) the entity taking part of the Common Area shall pay to the Association the portion of the compensation awarded for the taking that is attributable to the Common Area; and (b) the

Association shall equally divide any portion of the award attributable to the taking of a Limited Common Area among the Owners of the Lots to which the Limited Common Area was allocated at the time of the taking. The Association shall also submit for recording to the county recorder the court judgment or order in an eminent domain action that results in the taking of some or all of the Common Area.

IN WITNESS WHEREOF, the President of the Association hereby certifies, on this ~~July~~ 6th day of July, 2023, that this Amended and Restated Declaration was approved by forty-nine (49) votes cast either by Members in person or represented by proxy at a meeting called for such purpose.

BLOOMINGTON KNOLLS ASSOCIATION,
a Utah nonprofit corporation

By: _____
Its: President

State of Utah)
:ss.
County of Washington)

On this 6TH day of July, 2023, before me personally appeared Michael Ertmann, whose identity is personally known to or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that he/she is the President of Bloomington Knolls Association, a Utah nonprofit corporation, and that the foregoing document was signed by him/her on behalf of the Association by authority of its Bylaws, Declaration, or resolution of the Board, and he/she acknowledged before me that he/she executed the document on behalf of the Association and for its stated purpose.

_____
Notary Public

KRISTEN KIM RISENHOOVER
Notary Public - State of Utah
Comm. No. 725004
My Commission Expires on
May 31, 2026

Exhibit A
(Legal Description)

This Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Bloomington Knolls Townhomes affects the following real property, all located in Washington County, State of Utah:

All of Lots 1 through 26, together with all Common Area, Bloomington Knolls TH 1 Amd (SG), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: SG-BKTH-1-1 through SG-BKTH-1-26

All of Lots 27 through 45, together with all Common Area, Bloomington Knolls TH 2 Amd 3 (SG), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: SG-BKTH-2-27 through SG-BKTH-2-45

All of Lots 46 through 73, together with all Common Area, Bloomington Knolls TH 3 (SG), according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL: SG-BKTH-3-46 through SG-BKTH-3-73

Exhibit B
(Rules and Regulations)

Rules and Regulations of
Bloomington Knolls Association
Housing for Persons 55 or Older

The following Rules and Regulations are subject to amendment by the Board as may be required to preserve the status of the Project as Housing for Persons 55 Years of Age or Older.

Advertising. All advertising of any townhome for sale or lease shall state the townhome must be occupied by at least one person fifty-five (55) years of age or older.

Posted Signs. The Association shall maintain signs in clearly visible areas which state the Project is Housing for Persons 55 Years of Age or Older.

Publications. Any publications of the Association, including invoices, newsletters, letterhead, shall state the Project is Housing for Persons 55 Years of Age or Older.

Records. The Association shall maintain records at all times which shall comply with the requirements of federal law, currently 24 CFR § 100.307 et. seq.

Proposed Purchase. When any lot is proposed for purchase, before the closing of such lot may occur, the purchaser shall submit to the Association proof as set forth below that one of the occupants of the townhome shall be fifty-five (55) years of age or older at the time of closing.

Proposed Lease. When any lot is proposed for lease, before the execution of the lease, the lessee shall submit to the Association proof as set forth below that one of the occupants of the townhome shall be fifty-five (55) years of age or older at the time of occupancy.

Annual Verification. At least once every year, each owner, occupant and resident shall submit proof as set forth below that one of the occupants of the townhome is fifty-five (55) years of age or older.

Evidence. The following documents are considered reliable documentation of the age of the occupants of the Project. Copies or extracts shall be maintained by the Association:

(1) Driver's license;
(2) Birth certificates;
(3) Passports;
(4) Immigration card;
(5) Military identification;

(6) Any other state, local, national, or international official documents containing a birth date of comparable reliability; or
(7) A certification in a lease, application, affidavit, or other document signed by an adult member of the household asserting that at least one person in the unit is fifty-five (55) years of age or older.

Penalty. If the occupants of a particular dwelling unit refuse to comply with the age verification procedures, the Board may impose a fine not to exceed $100 for each day that the information is not provided after written notice is sent.

Board Findings. If the Board has sufficient evidence available without receiving the information from the owner, occupant, or resident, the Board may, without waiving the penalty provided herein for withholding information, consider the unit to be occupied by at least one person fifty-five (55) years of age or older. Such evidence may include:
(1) Government records or documents, such as a census;
(2) Prior forms or applications; or
(3) A statement from an individual who has personal knowledge of the age of the occupants. The individual's statement must set forth the basis for such knowledge.

Open Files. Information accumulated under this Rule and Regulation shall be available for inspection upon reasonable notice and request by any person.

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Washington County Recorder
111 E Tabernacle
St George, UT 84770

Receipt: 23577961

Product	Name	Extended
167	Amended Restrictive Covenants	$40.00
Document #		20230020678
Document Info:	JENKINS & BAGLEY 285 W TABERNACLE ST STE 301 ST GEORGE, UT 84770	
# Pages		37
Recording Fee		$40.00
Total		$40.00
Tender (Credit Card)		$40.00
Transaction #	-02746	
Paid By	BRUCEJENKINS	

Thank You!

Tue Jul 11 16:08:55 MDT 2023 Ildesenb