PADRE LAKES TOWNHOMES ASSOCIATION

Resolution of the Board of Trustees

REINVESTMENT FEE AMOUNT

May 13, 2022

WHEREAS, "Declaration" is the *Declaration of Covenants Conditions and Restrictions for Padre Lakes Townhomes Association; "Act" is the Utah Revised Nonprofit Corporation Act, Utah Code Annotated, Title 57, Chapter 8a; and "Association" is the Padre Lakes Townhomes Association;*

WHEREAS, at a Board meeting of the Padre Lakes Townhomes Association (the "Association") held on May 13, 2022, which meeting was called pursuant to Utah Code § 57-8a-217, the following Rule was adopted.

WHEREAS, pursuant to Utah Code § 57-8a-217(2)(a), reasonable notice that the Board was considering adopting the following Rule, to align with law and local standards and practices, at the meeting of the Board was sent twenty-one (21) days in advance of the meeting; and

WHEREAS, Section 57-1-46 of the Utah Code Annotated allows Associations to record a reinvestment fee covenant; and

WHEREAS, the Reinvestment Fee Covenant states "the Buyer or Seller . . . shall be required to pay . . . a Reinvestment Fee in a sum to be determined by the governing board," and Utah Code Annotated, Section 57-1-46 provides that a reinvestment fee may not exceed .5% of the value of the burdened property; and

WHEREAS, it is the intent that this resolution shall set the amount of the Reinvestment Fee; and

WHEREAS, it is the intent that this resolution shall be applicable to all Lots at the time of closing or settlement of sale and shall be in place until amended by resolution.

NOW, THEREFORE, BE IT RESOLVED that the following is adopted by the Board:

1. **Reinvestment Fee.** The Reinvestment Fee shall be $1000.00 and shall be paid by the Buyer, unless otherwise negotiated with the Seller. The Association shall pay any management Administrative Set-up Fee from the Reinvestment Fee.

ATTEST:

Date: 5/17, 2022

Board Member

Board Member