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COVENANTS, CONDITIONS, AND RESTRICTIONS FOR COTTONWOOD HOLLOW SUBDIVISION IRON COUNTY, CEDAR CITY, UTAH

THIS DECLARATION is made on this 9th day of July, 2025, by Cottonwood Hollow LLC, a Utah Limited Liability Company, hereinafter referred to as "Declarant."

RECITALS

- A. Declarant is the owner of certain real property located in Iron County, Cedar City, Utah, known as the Cottonwood Hollow Subdivision and PUD, as more particularly described in Exhibit A attached hereto (the "Property"). It is intended that this Declaration shall serve as a binding contract between the Association and each Owner; however, nothing herein is intended to create a contractual relationship between Declarant and the Association or Declarant and any Owner, or to inure to the benefit of any third-party.
- B. The Property is intended to be developed as a residential community consisting of a Planned Unit Development (PUD) of four 8-plex townhome buildings (32 units total) and a public subdivision consisting of 37 single-family homes.
- C. The PUD contains a Common Recreational Area, which shall be for the use of both PUD residents and single-family residents.
- D. The purpose of this Declaration is to establish standards for the ownership, maintenance, use, and enjoyment of the Property and to provide for the establishment of the Cottonwood Hollow Homeowners' Association (the "Association").
- E. Declarant intends that the Owners, Occupants, Mortgagees, and all other persons hereafter acquiring any interest in the Project Shall at all times enjoy the benefits of, and shall hold their interest subject to this Declaration, which is recorded in furtherance of establishing a general plan of governance of the Project, and for Establishing rules for the use, occupancy, management, and enjoyment thereof.
- F. Declarant explicitly reserves for itself the option in the future to expand the Project. NOW, THEREFORE, pursuant to the Recitals set forth above and Incorporated here in and subject to the covenants set forth below, Declarant hereby adopts this Declaration.

NOW, THEREFORE, Declarant declares that all of the Property shall be held, conveyed, encumbered, leased, used, occupied, and improved subject to the following covenants, conditions, restrictions, and easements, all of which shall run with the land and be binding upon all parties having any right, title, or interest in any portion of the Property, and their respective heirs, successors, and assigns.

ARTICLE 1: DEFINITIONS

- 1.1. "Assessments" shall mean any monetary charge or fee imposed or levied by the Association against Owners as provided in this Declaration or other governing documents
- 1.2. "Association" shall mean and refer to the Cottonwood Hollow Homeowners' Association, a Utah nonprofit corporation to be established by the Declarant. Failure of the Association to maintain its corporate status will not result in the dissolution of the Association.

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1.3. "Board" or "Management Committee" shall mean the governing body of the Association, as duly elected officials (except as appointed during the Declarant Control Period) consisting of five members as provided herein.

1.4. "Board Member" shall mean a duly qualified and elected or appointed individual member of the Board of Directors of the Association.

1.5. "Bylaws" shall mean the Bylaws of the Association that are attached hereto and they may be amended from time to time.

1.6. "Common Areas" shall mean all portions of the Property designated as common areas, including but not limited to the Common Recreational Area, common drainage basin, Limited Common Area, and any other areas designated by Declarant as common which may include without obligation or limitation, private roads, common sidewalks, Association signs or monuments, open space, landscaped areas, and other similar improvements; and any real property or improvements within the Project that the Association has the obligation to maintain, repair, or replace for the common benefit of the Owners, as the Board shall determine in its sole and exclusive discretion, including, without limitation, all utility and service lines and similar improvements intended to serve more than one residence, whether located on a lot or lying inside of the exterior boundaries of the residence. Common Area shall not include (i) any roads and associated utilities dedicated to and accepted by a municipality; or (ii) any open space and/or parks dedicated to and accepted by a municipality.

1.7. "Common Expenses" shall mean all expenses for maintenance, repair, replacement, insurance, taxes, and operation of the Common Areas and other costs incurred by the Association for the benefit of all Owners, as well as expenses agreed upon as common expenses by the Association or its Board of Directors. As a general rule unless more specifically detailed herein or by future resolution, the common expenses borne by the single-family residences shall be limited to the maintenance or improvement of the common drainage basin area and the PUD recreation area as well as applicable insurance, taxes, and administrative costs relating to those areas, whereas all other expenses relating to the PUD property other than the recreation area shall be borne solely by the PUD residences.

1.8. "Common Recreational Area" shall mean that portion of the Property designated on the Plat as the Common Recreational Area, located in the northwest corner of the PUD. The Common Recreational Area shall be owned, landscaped, maintained, and managed by the Association for the shared use and enjoyment of all Owners and residents of both the PUD and the adjacent public subdivision, subject to the Governing Documents and any rules or regulations adopted by the Board.

1.9. "Declarant" shall mean Cottonwood Hollow LLC, its successors, and assigns as provided herein. Declarant shall have the sole discretion to determine if a person or entity is an affiliate and whether Declarant's rights and exemptions contained herein transfer to such person or entity.

1.10. "Declarant Control Period" or "Period of Declarant Control" shall mean the period during which the Declarant retains the right to appoint and remove members of the Board, as provided herein, until the earlier of: (i) six (6) months after the date on which all of the Lots and all of the Additional Property, have been conveyed to persons or entities other than Declarant or its successors, assigns, and affiliates, regardless of whether such Additional Property has been added hereto; or (ii) the Declarant executes and records a written waiver of its right to control the Association. The special Declarant rights contained within this Declaration may last beyond the Period of Declarant Control for the maximum length permitted by law. If the Declarant elects to waive one or more, but not all, of its Special Declarant Rights, then all Special Declarant Rights not waived shall remain in full force and effect.

1.11. "Declaration" shall mean this document, including all amendments and supplements hereto.

1.12. "Limited Common Area" shall mean those portions of the Common Area noted on the plat map which are reserved for the exclusive use, benefit, or enjoyment of the Owner and occupants of a particular Unit, as designated on the recorded Plat and as more specifically described herein. For

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each Unit, the Limited Common Area includes that portion of the Property located directly behind the Unit which lies more than ten feet (10') beyond the rear building wall and which is bounded on the sides by lines extending the side walls of the Unit perpendicularly to the boundary of the Property. Limited Common Area may be landscaped and used by the Owner of the adjacent Unit for customary residential purposes, provided that such use does not interfere with the Association's access and maintenance obligations, is not enclosed by a fence or obstacle, does not obstruct drainage, and does not alter or impair the flow or maintenance of the Bulldog Ditch Irrigation Company channel along the eastern boundary of the Project.

1.13. "Lot" or "Unit" shall mean a separately designated area intended for independent ownership and use, whether a townhome unit within the PUD or a single-family home within the public subdivision. Each Lot consists generally of all structures on or within the boundary of the Lot, excepting the private well house and corresponding easement of record on lot 12.

1.14. "Owner" or "Unit Owner" shall mean the record owner, whether one or more persons or entities, of the fee simple title to any Unit.

1.15. "Member" shall mean and refer to a Lot Owner

1.16. "Occupant" shall mean any Person lawfully living, dwelling, visiting, or staying in a Residence. This includes, but is not limited to, all lessees, tenants, and the family members, agents, and representatives living, dwelling, visiting, or staying in a Residence. Occupants shall be bound by the Restrictions in this Declaration and shall be liable for any fines that are assessed for violations of the Governing Documents.

1.17. "Plat Map" shall mean the recorded map of the Property as shown in Exhibit B, as may be amended from time to time. The Plat is hereby incorporated into and made an integral part of this declaration, and all requirements and specifications set forth on the Plat are deemed included in this declaration, declaration controls the Plat and thereby has the ultimate decision should conflict arise.

1.18. "Private Area" shall mean, with respect to each Lot in the PUD, that portion of the real property lying within the boundary of the Lot and extending ten feet (10') from the rear building wall of the dwelling located thereon, bounded on the sides by lines extending the side walls of the dwelling perpendicularly to the rear Lot line. The Private Area is intended for the exclusive use and enjoyment of the Owner of the Lot, who may enclose, fence, landscape, and maintain such area in accordance with the Governing Documents and applicable architectural standards.

1.19. "Property" shall mean all real property described in Exhibit A, including all improvements and easements thereon.

1.20. "PUD" shall mean the Planned Unit Development portion of the Property, consisting of the four, 8-plex townhome buildings and related common areas.

1.21. "Rules" shall mean the rules and regulations adopted by the Association to govern the use of the Property and enforcement of these covenants, conditions, restrictions, easements, and liens.

1.22. "Single-Family Home" shall mean a detached residential dwelling located within the public subdivision portion of the Property.

1.23. "Special Assessment" shall mean any assessment levied by the Association for extraordinary expenses not included in the regular assessments.

1.24. "Supplemental Declaration" shall mean a written instrument record, which refers to this Declaration and which amends, modifies, or supplements this Declaration in accordance with its terms.

1.25. "Townhome" shall mean a residential unit located within the PUD area, which is part of an 8-plex townhome building.

1.26. "Turf Grass Restriction" shall mean the limitation that each single-family home lot may not exceed 1,000 square feet of turf grass.

1.27. "Utility Easements" shall mean rights of access and maintenance granted to utility service providers as necessary for the provision of utilities to the Property.

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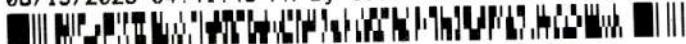
ARTICLE 2: PROPERTY USE AND RESTRICTIONS

- 2.1. Residential Use. All Units shall be used exclusively for residential purposes, except for common area uses and such other uses specifically permitted by this Declaration or approved by the Association, or as otherwise superseded by Cedar City Ordinance or by the laws of the State of Utah.
- 2.2. Parking. (a) PUD Parking. Parking within the PUD shall be open and shared among the townhome residents. No parking of RVs, trailers, or recreational vehicles is permitted in the PUD area. (b) Public Street Parking. Residents of townhomes or their guests shall not park vehicles on public streets of the subdivision outside the PUD area. Likewise, single-family residents shall not park vehicles within the PUD area. (c) Private Lot Parking. Except for a loading/unloading period between uses not to exceed 24 hours, no RVs, trailers, recreational vehicles, boats, or the like may be parked in the front setback area of any single-family lot. Such parking or storage may only occur on a side yard behind the front setback area if obscured by a site-obscuring fence. The Board may adopt additional Rules expanding or varying the restrictions relating to the parking of vehicles within the Project, including, without limitation: the size and dimensions of the vehicles parked within the Project; the admission and temporary parking of vehicles within the Project; the right to remove or cause to be removed any vehicles that are improperly parked; and the assessment of charges to Owners and Occupants who violate, or whose invitees violate, such Rules.
- 2.3. Alterations. No exterior alterations to the buildings within the PUD area shall be made without the approval of the Association.
- 2.4. Turf Grass Restriction. Each single-family home lot shall not exceed 1,000 square feet of turf grass. This restriction is intended to promote water conservation and to comply with Cedar City Corporation's conservation water rates and water acquisition ordinance.
- 2.5. Use of Common Areas. The Common Recreational Area shall be available for use by both PUD residents and single-family residents. Rules governing the use of these areas shall be established by the Association. The Common Areas shall be used only in a manner consistent with their community nature and applicable Association use restrictions. Owners may not place any item in the Common Area without the authorization of the Board. Damage to Common Area by an Owner, Occupant, guest or invitee shall be the responsibility of the Owner and the cost of repair or replacement shall be charged to the Owner as an individual assessment.
- 2.6. Storage Buildings and Shipping Containers. Except for 3 or fewer days of loading/unloading activities associated with an owner moving in or out of a residence, no shipping containers or similar structures may be placed, stored, or used outside of a rear or side yard site obscuring fence on any lot within the community.
- 2.7. Prohibited Activities. Unless otherwise superseded by Cedar City Ordinance or by the laws of the State of Utah, no commercial activities shall be conducted on any Unit, except home-based businesses that do not generate regular customer traffic. No activity shall be conducted that unreasonably interferes with the use and enjoyment of the Property by other Owners. No noxious or offensive activities shall be carried on upon any Lot, Residence, or Common Area, nor shall anything be done or placed on any Lot or Common Area which interferes with or jeopardizes the quiet enjoyment of other Lots. No use shall be made of any Lot which would result in an increase in the cost of the Association's insurance or which would cause the improvements within the Project or any part thereof to be uninsurable against loss by fire or other perils included in insurance contracts, or cause such insurance to be canceled or suspected, or cause any company issuing such insurance to refuse renewal thereof.
- 2.8. Variances. The Board may, at its option and in extenuating circumstances, grant variances from the restrictions set forth in this Declaration if the Board determines in its discretion: (i) that the restriction would create an unreasonable hardship or burden on an Owner or Covenantee.

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change of circumstances since the recordation of this Declaration has rendered such restriction obsolete and unreasonable to enforce; or (iii) that the activity permitted under the variance will not have any adverse financial affect or any other substantial adverse effect on the Association or other Owners and Occupants of the Project and is consistent with the high quality of life intended for residents of the Project. Any such variance shall be unenforceable and without any effect whatsoever unless reduced to writing and signed by a majority of the then-existing Board.

2.9. Solar Energy Systems. Unless superseded by ordinance or law, solar energy systems and equipment are prohibited from being constructed or installed on the attached residences in the Project. Notwithstanding the forgoing, if the Board elects to allow solar energy systems on attached Residences, then the Board may adopt Rules and regulations for the installation of solar panels or other energy conservation equipment in the Design Guidelines. Any such rules must require that the installation be an integral and harmonious part of the architectural design of the Lot and Residence.

2.10. Nuisances. No resident shall create, maintain or permit a nuisance in, on or about the Project. For purposes of this Section a "nuisance" includes any behavior which annoys, disturbs or interferes with other residents and interferes with their right to the quiet and peaceful enjoyment of their property. The Board shall have the sole and absolute discretion and authority to determine if an activity or condition constitutes a nuisance. A nuisance includes, but is not limited to, the following: 1) The development of any unclean, unhealthy, unsightly, or unkempt condition on, in or about a Lot or the Common Areas; 2) The storage of any item, property or thing that will cause any Lot or the Common Area to appear to be in an unclean or untidy condition or that will be noxious to the senses; 3) The accumulation of rubbish, unsightly debris, garbage, equipment, or other things or materials that constitute an eyesore as reasonably determined by the Board; 4) The storage of any substance, thing or material upon any Lot or in the Common Areas that will emit any foul, unpleasant or noxious odors, or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the other residents at the Project.

ARTICLE 3: GOVERNANCE

3.1. Declarant Control. The Declarant shall retain control over the Association until the earlier of: : (i) six (6) months after the date on which all of the Lots and all of the Additional Property, have been conveyed to persons or entities other than Declarant or its successors, assigns, and affiliates, regardless of whether such Additional Property has been added hereto; or (ii) the Declarant executes and records a written waiver of its right to control the Association.

3.2. Management Committee. Following the Period of Declarant Control, the Association shall be governed by a Board of five (5) members, with at least three (3) from the PUD and at least one (1) from the single-family subdivision. During the Period of Declarant Control, the Association shall be governed by a Board of between 3-5 appointees of Declarant.

3.3. Election Process. Elections shall occur at the Annual Meeting of the Association. Each Unit Owner shall be entitled to one vote per Unit owned.

3.4. Vacancies. Vacancies on the Board shall be filled by majority appointment of the remaining Board members until the next Annual Meeting.

3.5. Powers and Duties. The Board shall manage the affairs of the Association, including maintenance, insurance, enforcement of restrictions, and financial matters.

3.6. Membership. Every Owner shall be a Member of the Association with one membership interest per Lot. Membership in the Association shall be mandatory, shall be appurtenant to the Lot in which the Owner has the necessary interest, and shall not be separated from the Lot to which it appertains. Membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the Lot to which it is appurtenant, and then only to the new Owner.

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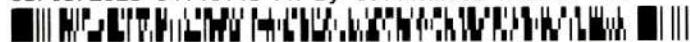
- 3.7. Voting Rights. Except as otherwise is allowed in this Declaration or the Bylaws, or limited by the Special Declarant Rights, Owners shall be entitled to one vote per Lot owned.
- 3.8. Name. The Project, as submitted to the Provisions of this Declaration, shall be known as Cottonwood Hollow Subdivision. The Project is not a cooperative.

ARTICLE 4: BUDGET AND ASSESSMENTS

- 4.1. Purpose of Assessments. Assessments shall be levied to provide for the costs of maintenance, repair, and improvement of the Common Areas, insurance, management, utilities, taxes, and other expenses as deemed necessary by the Board.
- 4.2. Regular Assessments. All Units shall be subject to regular assessments as determined by the Board. The Board shall establish the amount of the regular assessment annually.
- 4.3. Special Assessments. Special assessments may be levied by the Board for extraordinary expenses, provided that any such assessment exceeding twenty percent (20%) of the annual budget must be approved by a majority of the Unit Owners.
- 4.4. Lien for Non-Payment. Any assessment not paid within thirty (30) days of the due date shall constitute a lien on the Unit. The Board may enforce the lien by legal action or foreclosure. No Owner may exempt himself or his Lot from liability for payment of Assessments by waiver of his rights concerning the Common Areas or by abandonment of his Lot.
- 4.5. Release of Lien. A lien shall be released upon full payment of the amount owed, including any legal fees and interest.
- 4.6. Annual Budget. The Board, through its agent, shall prepare and adopt an annual budget for the Association. The annual budget is an estimate of expenses and shall provide, without limitation, for the maintenance of the Common Areas and for the administration, management, and operation of the Association. The Board may revise the budget from time to time as the Board deems appropriate. If the Board fails to adopt an annual budget, the last adopted budget shall continue in effect until a new annual budget is adopted.
- 4.7. Collection Action at Law. The Association may exercise any or all of the following remedies to collect delinquent Assessments: 1) The Association may suspend such Owner's voting rights. 2) The Association shall have a lien against each Lot for any Assessment levied against the Lot and any fines or other charges imposed under the Governing Documents.
- 4.8. Pets. Domestic pets may be kept in conformance with Cedar City ordinance. No pets, animals, livestock, or poultry of any kind shall be commercially bred in, on, or about the Project. The Board may adopt Rules that vary or expand upon the restrictions related to pets, including but not limited to, restrictions on the number and types of pets, requirements for registration with the Association, and noise limitations. Pets may not create a nuisance.
- 4.9. No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount or withholding of any amount shall be permitted for any reason, including, without limitation, a claim that the Association owes the Owner money, or that the Association is not properly exercising its duties and powers as provided in this Declaration.
- 4.10. Covenant to Pay Assessments. Each Owner of a Lot by the acceptance of a deed therefore, whether or not it be so expressed in the deed, hereby covenants and agrees with each other and with the Association to pay to the Association all Assessments, including without limitation, all Regular, Special, and Individual Assessments described below, and other fees, charges, levies, and fines as may be provided in the Governing Documents.
- 4.11. Application of Excess Assessments. In the event the amount budgeted to meet Common Expenses for a Particular fiscal year proves to be excessive in light of the actual Common Expenses, the Board in its discretion may apply the excess to reserves, credit the excess against future Assessments, or pay the excess to the Owners, as the Board deems appropriate. The decision of the Board shall be binding and conclusive. In addition, the Association shall not be

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obligated to reduce the amount of Assessments in succeeding years if an excess exists for a prior year.

4.12. Association Responsibility after Foreclosure. If the Association takes title to a Lot pursuant to a foreclosure (judicial or non-judicial), it shall not be bound by any of the provisions related to the Lot that are otherwise applicable to any other Owner, including but not limited to obligations to pay assessments, taxes, or insurance, or to maintain the Lot. By taking a security interest in any Lot governed by this Declaration, Mortgages cannot make any claim Against the Association for nonpayment of taxes, Assessments, or other costs and fees associated with any Lot if the Association takes title to a Lot related to a failure to pay Assessments.

ARTICLE 5: MAINTENANCE AND INSURANCE

NOTICE: The Association's Insurance Policy does not cover the personal property or personal liability of the Owners or their Occupants. Owners and Occupants (including tenants or renters) are required to obtain adequate insurance to cover their personal property and personal liability.

5.1. Common Area Maintenance. The Association shall be responsible for the maintenance, repair, and replacement of all Common Areas, including the exteriors of the PUD units.

5.2. Insurance. The Association shall maintain insurance coverage for the Common Areas, including liability insurance and property damage insurance. The Association may obtain insurance that provides more or additional coverage than the insurance required in this Declaration. Different policies may be obtained from different insurance carrier sand standalone policies may be purchased instead of, or in addition to, embedded, included coverage, or endorsements to other policies.

5.3. Declarant's Rights. The Declarant shall maintain insurance coverage and fulfill other maintenance obligations for Units or areas not yet conveyed to Unit Owners. Assessments for a unit will not accrue until Declarant sells such unit.

5.4. Owner Maintenance Neglect. Only if the Owner fails to maintain and repair such Lot or improvement, or for the purpose of removing any improvement constructed, reconstructed, refinished, altered or maintained upon such Lot in violation of this Declaration or any Rules of the Association. The Board shall have the sole authority and discretion to decide whether an Owner has failed to meet its maintenance obligations. Except as necessary to prevent personal injury or property damage in an emergency, the Association shall first provide reasonable notice and an opportunity to cure before exercising the power granted herein. In no case may the Association construe Declarant action or inaction as maintenance neglect.

5.5. Transfer of Special Declarant Rights. The Declarant may transfer, convey, or assign its rights created or reserved under this Declaration to any Person in whole or in part through a written agreement. The Declarant's successor shall enjoy any and all Declarant rights set forth in the Declaration regardless of whether such Rights are stated to be transferable. All references in the Governing Documents to Declarant shall equally apply to its successor.

5.6. Board Discretion to Determine Maintenance Responsibilities. In the event a maintenance obligation is not outlined herein, or confusion arises as to a maintenance obligation, the Board may, by resolution and in its sole discretion, determine whether the Association or the Owners shall have the Responsibility to fulfill the maintenance obligation.

5.7. Owner Act Cannot Void Coverage Under Any Policy. Unless an Owner is Acting within the scope of the Owner's authority on behalf of the Association and under direct authorization of the Association, an Owner's act or omission may not void an insurance policy or be a condition to recovery under a policy.

5.8. Certificates. Any insurer that has issued an insurance Policy to the Association Shall issue a certificate of insurance to the Association, and upon written request, to any Owner or Mortgagee.

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- 5.9. Named Insured. The named insured under any policy of insurance shall be the Association. The Board may keep fidelity coverage and any other policy related to the Property or the Association at its discretion with premiums paid by Association dues. The Declarant shall be listed by name as an additional insured under any and all policies of insurance during the Period of Declarant Control. The Board may also include the Property Manager as additional insured in the Board's discretion.
- 5.10. Owner Insurance. Each Owner shall be Responsible to purchase and maintain in force appropriate hazard, content, property and liability insurance as such Owner shall determine to be appropriate to the Owner's needs, residence, personal property, and circumstances. The Association is not required to file claims on any of its policies for any damage or liability claim that either should or would have been covered under any Owner's policy.

ARTICLE 6: ENFORCEMENT

- 6.1. Enforcement Rights. The Association, Declarant, and any Owner shall have the right to enforce, by legal proceedings, all restrictions, conditions, covenants, rules, and regulations now or hereafter imposed by the provisions of this Declaration. Failure to enforce any covenant or restriction within the Governing Documents shall in no event be deemed a waiver of the right to do so thereafter.
- 6.2. Fines and Penalties. The Board may establish and enforce fines for violations of the Governing Documents. Such fines shall constitute a lien on the Owner's Unit if unpaid.
- 6.3. Legal Action. The Association may bring suit to collect any unpaid assessments or to enjoin violations of the Declaration.
- 6.4. Attorney's Fees. The prevailing party in any enforcement action shall be entitled to recover reasonable attorney's fees and costs.

ARTICLE 7: AMENDMENTS

- 7.1. Amendments by Declarant. During the Declarant Control Period, the Declarant may unilaterally amend this Declaration. Declarant's right to amend shall be construed liberally and shall include, without limitation, the right to amend and/or restate this Declaration in part or in its entirety.
- 7.2. Amendments by Owners. Following the expiration of the Declarant Control Period, this Declaration may be amended by the affirmative vote or written consent of at least seventy-five percent (75%) of the Unit Owners. No meeting shall be required for an amendment if the required vote for approval is obtained by written consent or ballot. Any amendment(s) shall be effective upon recordation in the office of the County Recorder. In such instrument, the Board shall Certify that the vote Required by this Section for amendment has occurred.
- 7.3. Necessary Amendments. Declarant or the Association may unilaterally amend this Declaration without Owner vote if such amendment is necessary: (a) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (b) to satisfy the requirements of any local, State, or Federal governmental agency; or (c) to correct any scrivener's error. However, any such amendment occurring after the Period of Declarant Control shall not adversely affect the title to any Lot unless the Owner shall consent in writing.
- 7.4. Validity of Amendments. This Declaration and any amendment thereof shall be presumed to have been validly voted upon and adopted upon recordation in the office of the County Recorder. Any challenge to this Declaration or an amendment must be made within six (6) months of its recordation, after which any claim or defense based upon the alleged invalidity, or procedural irregularity regarding the adoption of the Declaration or an amendment shall be deemed waived. An Owner that takes title to a Lot subsequent to the recording of this Declaration or any amendment shall take title subject to all recorded documents and shall not have standing to challenge the validity or adoption of, any prior recorded documents by way of affirmative claim.

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or defense. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

ARTICLE 8: MISCELLANEOUS

- 8.1. Severability. Invalidation of any provision of this Declaration shall not affect the validity of the remainder of any other provision herein, all of which shall remain in full force and effect.
- 8.2. No Waiver. Failure by the Association or any Owner to enforce any covenant or restriction shall not constitute a waiver of the right to enforce such provision thereafter. No Association delay or failure to demand strict adherence to the terms, Restrictions or provisions of the Governing Documents shall be deemed to constitute a course of conduct inconsistent with the Association's right at any time.
- 8.3. Successors and Assigns. The covenants and restrictions of this Declaration shall run with the land and shall inure to the benefit of, and be enforceable by, the Association, Declarant, and all Unit Owners.
- 8.4. Exhibits. The following exhibits are incorporated by reference:
 - (a) Exhibit A: Legal Description of the Property
 - (b) Exhibit B: Plat Map of the Subdivision
 - (c) Exhibit C: Bylaws of the Association

ARTICLE 9: GENERAL PROVISIONS

- 9.1. Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Property. Headings and captions are for convenience only and shall not affect the meaning or interpretation of any provision.
- 9.2. Notices. Any notice required or permitted to be sent under this Declaration shall be in writing and shall be deemed given when delivered personally, by electronic communication (if allowed by the Association's rules), or by mail, postage prepaid, to the last known address of the recipient.
- 9.3. Non-Liability of Association. The Association and its Board shall not be liable for any failure to provide adequate security, for the condition of the Property, or for any damage, injury, or death resulting from any condition on the Property.
- 9.4. Binding Effect. This Declaration shall be binding upon and inure to the benefit of the Declarant, the Association, and all Owners, and their respective heirs, successors, and assigns.
- 9.5. Duration. The covenants and restrictions of this Declaration shall run with and bind the land for a term of fifty (50) years from the date this Declaration is recorded, after which time they shall automatically extend for successive periods of ten (10) years unless amended as provided herein.
- 9.6. Mortgage Protection. Nothing in this Declaration shall be construed to impair or invalidate the lien of any first mortgage or deed of trust on any Unit.
- 9.7. Attorneys' Fees. In the event of any dispute arising under this Declaration, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs. The term "costs" as used in this Section shall include all costs including but not limited to copying costs, deposition costs, expert witness fees, investigative costs, service costs, and filing fees paid to courts. "Costs" is specifically defined in this Section to be broader and to include costs that are not included in costs as the term is used in the Utah Rules of Civil Procedure.
- 9.8. Amendment Process. Amendments to this Declaration shall be made pursuant to Article 7.
- 9.9. Severability. If any provision of this Declaration is held to be invalid or unenforceable, such provision shall be severed, and the remainder of this Declaration shall continue in full force and effect.

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ARTICLE 10: DUTIES AND POWERS OF THE ASSOCIATION

- 10.1. Organization of Association. The Association shall serve as the governing body for all Owners. The Association shall make provisions for the maintenance, repair, replacement, administration, and operation of the Common Area and Common Expenses, and other matters as provided in the Act, this Declaration, and the Bylaws. The Association shall have all rights and powers granted to it under the Act and in this Declaration, the Articles, and the Bylaws. The Association shall not be deemed to be conducting a business of any kind, and all funds received by the Association shall be held and applied by it for the Owners in accordance with this Declaration, the Articles, and the Bylaws. Except as specifically Authorized in this Declaration, the Articles, or the Bylaws, no Owner or Group of Owners shall have authority to take any action on behalf of the Owners, the Association, or the Board of Directors.
- 10.2. Legal Organization. The Association is intended to be Incorporated as a Nonprofit corporation. In the event the nonprofit corporate status expires or is invalidated in any manner, it shall automatically be succeeded by an unincorporated association of the same name vested with all property, powers and obligations of the nonprofit corporation and the Board of Directors, in its sole discretion, may renew and/or reincorporate the Association. Any such Expiration or Invalidation shall not relieve any Owner from paying Assessments and abiding by all Restrictions contained in this Declaration.
- 10.3. General Powers and Obligations. The Association shall have, exercise and perform all of the following powers, duties, and obligations: 1) The powers, duties, and obligations granted to the Association by this Declaration, its Bylaws, and the Articles of Incorporation; 2) The powers and Obligations of a Nonprofit corporation pursuant to the general nonprofit corporation laws of the State of Utah; 3) The powers, duties, and obligations of a homeowners association pursuant to the Utah Community Association Act, or any successor thereto; 4) The powers, duties, and obligations not reserved specifically to Owners; and 5) Any additional or different powers, duties, and obligations necessary or desirable for the purpose of carrying out the functions of the Association pursuant to the Governing Documents or otherwise promoting the general benefit of the Owners within the Project. The powers and obligations of the Association may from time to time be amended, repealed, enlarged, or restricted by changes in this Declaration made in accordance with the provisions herein, accompanied by any necessary changes in the Articles of Incorporation or Bylaws of the Association made in accordance with such instruments and with the nonprofit corporation laws of the State of Utah.
- 10.4. Liability. Board Members and officers of the Association shall not be liable to the Association or to any Member thereof for any damage, loss, or prejudice suffered or claimed on account of any action or failure to act in the performance of his or her duties, except for intentional or willful misconduct.
- 10.5. Board Indemnification. Each past and present Board Member (including the Declarant and its appointees) shall be entitled to defense and indemnification to the fullest extent permitted by the Utah Revised Nonprofit Corporation Act. The right of any Person to be indemnified shall be subject to the right of the Association by the Board, in lieu of such indemnity, to settle any claim, action, suit, or proceeding at the expense of the Association by the payment of the amount of such settlement and the costs and expenses incurred in connection therewith.
- 10.6. Registration with the State. In compliance with Utah Code § 57-8a-105, the Association shall be Registered with the Utah Department of Commerce and shall update its registration to keep any required information current as required by law.
- 10.7. Records. Owners shall have the right to inspect Association Records within a reasonable time following an Owner's request. "Association Records" are limited to the following documents and information: (a) Declaration, (b) Bylaws, (c) Articles of Incorporation, (d) minutes of Owner meetings and Board meetings, (e) most recent approved budget, (f) a record of all actions taken

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by Owners or the Board without a meeting, (g) a record of all actions taken by a committee of the Board in place of the Board, (h) a record of all waivers of notices for Owner meetings and Board meetings, (i) a list of all Owners in alphabetical order showing their address and the number of votes each Owner is entitled, (j) all resolutions adopted by the Board currently in effect, (k) all written communications to Owners generally as Members for a period of three years, (l) a list of Board member names and addresses, (m) a copy of the most recent annual report delivered to the State, (n) all annual financial statements (balance sheet and profit and loss statement) of the Association for the past three years, and (o) the most recent reserve analysis, if one has been commissioned. Association Records shall specifically exclude emails, texts, phone calls, writings, and personal communications between Board Members or Owners. The Board shall have the power and discretion to determine what documents or information are considered Association Records if there is a dispute over the definitions or language provided in this Section. The Association shall have no duty to keep, maintain, produce, or permit inspection of any documents, draft documents, electronic files, or other information not explicitly required by Utah Code, or to produce documents in possession of a third-party property manager which it does not possess.

ARTICLE 11: EASEMENTS AND RIGHTS IN COMMON AREAS

- 11.1. Easement of Enjoyment. Each Member shall have a Right and easement of use and enjoyment in and to the Common Areas as provided in Article 2 of this instrument. Such right and easement shall be appurtenant to and shall pass with title to each Lot and in no event shall be separated there from. An Owner may delegate their easement and right of use and enjoyment described herein to any permitted Occupants who reside in such Owner's Residence. The rights and Privileges of such delegate or assignee shall be subject to suspension in the same manner and to the same degree as those of an Owner. This right of easement shall not extend to the privately owned Lots or Private Areas of other Owners.
- 11.2. Limitation on Easement. A Member's right and easement for the use and enjoyment of the Common Areas shall be subject to the following:
 - 11.2.1. The right of the Association to suspend voting rights and right to use the Common Areas by an Owner for any period during which any Assessments against his Lot remain unpaid, and for a period not to exceed six (6) months for any infraction of the Governing Documents;
 - 11.2.2. The right of the Association to dedicate or transfer all or any part of the Common Areas, and any sewer, water and storm drain lines to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Association. Any such dedication or transfer must, however, be assented to by sixty-seven percent (67%) of the Owners.
- 11.3. Association Easement. The Association, its Board, employees, agents, and Contractors shall have non-exclusive easements to use the Common Areas and Limited Common Areas to perform their duties as assigned by the Governing Documents.
- 11.4. Easement for Utility Services. In addition to the easements identified on the Plat, the Project is subject to a blanket easement over, across, above, and under it for ingress, egress, installation, maintenance, repair, and replacement of utilities. Utilities include, without limitation, water, sewer, gas, telephone, electricity, data, video, and cable. If any utility company or Municipal authority requests that a more specific easement be granted in its favor in substitution for the easement hereby established with respect to the Common Areas, the Board shall have the power and authority, without the need for any consent by the Owners to grant the more specific easement on such terms and conditions as the Board deems appropriate. It is intended that this Utility easement be construed broadly and such easement shall specifically include the areas directly underneath and across the Lots for the installation and maintenance of Utility lines across and through each Lot.

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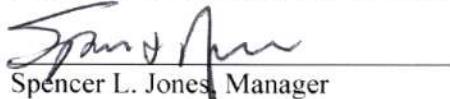


11.5. Right to Enter. The Association, acting through the Board or its duly authorized agent, shall have the right at all times and upon reasonable notice of at least 48 hours to enter upon any Lot on the areas located outside the exterior boundaries of a Residence, without trespass, and regardless of whether or not the Lot Owner or Occupant thereof is present At the time, to abate any infractions, to fulfill its responsibilities, to exercise its rights, to make repairs, and to correct any violation of any of the Governing Documents. The notice set forth in this Section shall not be necessary in case of an emergency threatening other Residences, Occupants, or other Parts of the Project. Nothing in this Section shall be construed to authorize the entry of the Association into the interior of a Residence without the consent of the Lot Owner unless there is an emergency threatening another Residence, the Occupants of another Residence, or the structural integrity of a townhome building. Owners shall maintain up-to-date emergency contact information records with the Association, including any local representative an Owner may have for notice purposes. Owners shall be responsible for any costs incurred by the Association as a result of entering a Lot or Residence under this Section and shall defend, indemnify, and hold harmless the Association for all damages related to such entry, except for such damages resulting from intentional or willful misconduct.

11.6. Easements for Encroachments. If any portion of a Common Area or Limited Common Area structure or improvement encroaches upon any Lot, or if any structure or improvement of a Lot encroaches upon any other Lot, Limited Common Area, or the Common Area as a result of the manner in which the improvements were initially approved and constructed, or due to settling, shifting, alteration, replacement, repair, or restoration, a valid easement for encroachment, and maintenance of such encroachment, shall exist for the life of the improvement or structure.

IN WITNESS WHEREOF, the Declarant has executed this Declaration as of the date first above written.

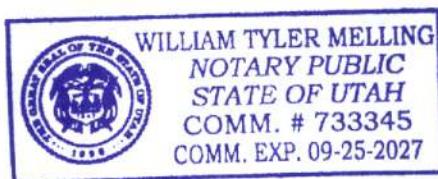
Declarant: Cottonwood Hollow LLC, a Utah limited liability company

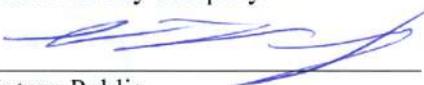


Spencer L. Jones, Manager

STATE OF UTAH)
ss.
COUNTY OF IRON)

The foregoing instrument was acknowledged before me this 9th day of July, 2025 by Spencer L. Jones, as Manager of Cottonwood Hollow LLC, a Utah limited liability company.





Notary Public

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BEGINNING N.89°57'39"E. ALONG THE EAST-WEST QUARTER SECTION LINE 1338.63 FEET AND N.0°08'08"W. 665.01 FEET FROM THE WEST QUARTER CORNER OF SECTION 27, TOWNSHIP 35 SOUTH, RANGE 11 WEST, SLB&M, SAID POINT BEING ON THE EAST LINE OF THE SW1/4NW1/4 OF SAID SECTION 27; THENCE N.89°30'13"W. ALONG THE BOUNDARY LINE OF GEMINI MEADOWS SUBDIVISION 766.44 FEET, THENCE N.1°29'29"E. ALONG SAID SUBDIVISION BOUNDARY LINE 599.62 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF 3000 NORTH STREET, THENCE ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 4437.50 FEET A DISTANCE OF 104.93 FEET (THE CHORD OF SAID CURVE BEARS N.89°04'05"E. 104.93 FEET), THENCE N.88°23'26"E. ALONG SAID RIGHT-OF-WAY LINE 349.75 FEET, THENCE S.0°06'06"E. 275.95 FEET, THENCE N.89°57'48"E. 294.98 FEET TO THE EAST LINE OF SAID SW1/4NW1/4 OF SAID SECTION 27, THENCE S.0°08'08"E. ALONG SAID 1/16TH LINE 341.82 FEET TO THE POINT OF BEGINNING.

CONTAINS 8.75 ACRES OF LAND.

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BEGINNING N.89°57'39"E. ALONG THE EAST-WEST QUARTER SECTION LINE 1338.63 FEET AND N.0°08'08"W. 665.01 FEET FROM THE WEST QUARTER CORNER OF SECTION 27, TOWNSHIP 35 SOUTH, RANGE 11 WEST, SLB&M, SAID POINT BEING ON THE EAST LINE OF THE SW1/4NW1/4 OF SAID SECTION 27; THENCE N.89°30'13"W. ALONG THE BOUNDARY LINE OF GEMINI MEADOWS SUBDIVISION 260.70 FEET, THENCE DEPARTING SAID SUBDIVISION BOUNDARY LINE N.0°06'06"W. 54.12 FEET, THENCE N.41°48'17"W. 48.45 FEET TO A POINT OF CURVE, THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 50.00 FEET A DISTANCE OF 80.51 FEET (THE CHORD OF SAID CURVE BEARS N.1°54'18"W. 72.09 FEET), THENCE N.0°06'06"W. 177.09 FEET, THENCE N.89°57'48"E. 294.98 FEET TO THE EAST LINE OF SAID SW1/4NW1/4 OF SAID SECTION 27, THENCE S.0°08'08"E. ALONG SAID 1/16TH LINE 341.82 FEET TO THE POINT OF BEGINNING.

CONTAINS 2.23 ACRES OF LAND.

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