

MASTER ASSOCIATION

RULES

Adopted:

1. INTRODUCTION

- 1.1. Unless expressly defined herein, capitalized terms shall have the meaning set forth in the Amended and Restated Master Declaration of Covenants, Conditions, and Restrictions for the Community Preservation Association for Hideout Canyon in Hideout, Utah (the “Master Declaration”).
- 1.2. These Rules are adopted by the Board in accordance with the Utah Community Association Act, Utah Code § 57-8-101 et seq. (the “Act”), and the Master Declaration.
- 1.3. All further restrictions, rights, and covenants contained in the Governing Documents are incorporated as part of these Rules and are subject to the enforcement policies set forth in these Rules.
- 1.4. Notwithstanding anything herein to the contrary, these Rules shall not apply to the Declarant.

2. PURPOSE OF RULES

- 2.1. The purpose of these Rules is to enhance and preserve the value of the individual Units by preserving and maintaining an overall desirable environment for the Hideout Canyon development and the Community Preservations Association members.

3. PERSONS TO WHOM THESE RULES APPLY

- 3.1. These Rules apply to all Owners, Occupants, Lenders, purchasers at foreclosure sales, and any other Person who may enter the Project at any time.
- 3.2. Every Person to whom these Rules apply is personally responsible for any violation of these Rules. The Owner of any Lot is jointly and severally responsible for any violation of these Rules with any Person occupying that Owner’s Lot and any guests of, or persons associated with, any Persons occupying that Owner’s Lot. An Owner's responsibility under this section is not limited if, for any reason, the Owner is not aware of the Person(s) occupying or visiting the Owner’s Lot. For any violations of these Rules related to a particular Lot or its Owners or Occupants, or any persons associated with the Owner or the guest of Occupant of that Lot, the Board may seek to enforce these Rules against:
 - 3.2.1. Any Non-Owner, Occupant, tenant, guest, or invitee, or other Person violating the Rules or Governing Documents;
 - 3.2.2. The Owner of the Lot only; or
 - 3.2.3. The Owner and any Persons violating the Rules.

4. ENFORCEMENT OF RULES AND TERMS OF GOVERNING DOCUMENTS

- 4.1. The Board may enforce any violation of the Master Declaration, Plats, Bylaws, Articles of Incorporation, or these Rules or other Rules (collectively, the “Governing Documents”) through any reasonable and lawful action, any action provided for in any section of these Rules, and any enforcement mechanism provided for in the Governing Documents.
- 4.2. Each and every type of violation of each and every provision of the Governing Documents and the Act is hereby made specifically subject to and punishable by the specific fines provided for in these Rules.
- 4.3. The Board retains the right to apply the enforcement policies set forth in these Rules to any matter or action not specifically covered in these Rules, but which is harmful to the health, welfare, and safety of an Owner of the Master Association, and to take any reasonable and appropriate action in response to anything adversely affecting the value of the Units or adversely affecting the use or operation of the Units or the Common Area and Facilities. The Board retains this authority pursuant to the Governing Documents.
- 4.4. Any violation or continuing violation of these Rules or the Governing Documents may result in any one or more of the following actions as deemed appropriate and reasonable by the Board, or as otherwise required or allowed by the Governing Documents or the Act:
 - 4.4.1. Give a warning;
 - 4.4.2. Issue a fine (pursuant to the schedule and requirements below);
 - 4.4.3. Record a lien;
 - 4.4.4. Institute legal action for damages, injunction, etc.;
 - 4.4.5. Enter into or upon any Lot to make repairs and to do other work necessary for the proper maintenance and operation of the Project;
 - 4.4.6. Tow or immobilize an improperly parked vehicle;
 - 4.4.7. Take any other appropriate action, including, but not limited to, any action provided for in the Governing Documents or these Rules.
- 4.5. If any two sections in these Rules apply to the same incident or matter, any prescribed penalties, fees, fines, or remedies may be in addition to one another, according to the reasonable determination of the Board.
- 4.6. Owners in violation of these Rules and/or any other provisions in the Governing Documents will be assessed and must pay all reasonable legal fees, collection costs, lien fees, management fees, processing fees, and all other costs incurred by the Master Association related to enforcement.
- 4.7. Enforcement Action Other Than Fines.

4.7.1. Upon notice of an enforcement action other than a fine, the Owner may request a hearing under the same procedure provided below for fines. If a hearing is requested, the rules and procedures for a hearing on a fine shall be followed, except that the enforcement action shall not be stayed.

4.8. Fines.

4.8.1. The Board is hereby authorized to issue fines for a violation of the Governing Documents.

4.8.2. A fine may be assessed for each and every type of violation of each and every specific provision, prohibition, and requirement of these Rules.

4.8.3. The fine for each and every violation of these Rules shall be in the specific amount that is provided for in this section 4.8.

4.8.3.1. First Violation. The Master Association shall give a written warning to the Owner, by hand-delivery, first class mail, or email, which shall: (1) notify the Owner of the violation by describing the violation, and stating the provision of the Governing Documents that was violated; and (2) inform the Owner that a fine may be imposed if a second similar violation occurs within one (1) year of the date of the warning, or if a continuing violation is not cured within forty-eight (48) hours after the day of the warning.

4.8.3.2. Second Violation. Upon a second violation of the same type after a warning in any one-year time period, or after a continuing uncorrected violation after the initial 48-hour warning period, a fine of \$100.00 may be imposed on the Owner. No warning is required before the imposition of a fine after the second violation within a one-year period, or for a continuing fine not cured more than 48 hours from the initial warning. For a second parking violation within a one-year period, the vehicle may be booted or towed in addition to any other remedy.

4.8.3.3. Third Violation. Upon a third violation of the same type within a one-year period, or ten (10) days after the imposition of the first fine for a continuing violation, a fine of \$300.00 may be imposed on the Owner. No warning is required before the imposition of any fine after a third violation within a one-year period or when a continuing violation is uncorrected for ten (10) days after the assessment of the first fine. For a third parking violation within a one-year period, the vehicle may be booted or towed in addition to any other remedy.

4.8.3.4. Fourth and Subsequent Violations. Upon a fourth or subsequent violation of the same kind within a one-year period after

imposition of the previous fine, or each continuing violation which continues at least ten (10) days after the imposition of a previous fine, a fine of \$500.00 may be imposed on the Owner. For a fourth or subsequent parking violation within a one-year period, the vehicle may be booted or towed in addition to any other remedy.

- 4.8.3.5. All fines described herein are Assessments as described in the Master Declaration, and, therefore, shall accrue interest and late fees at the same rate and in the same manner as an unpaid Assessment.
- 4.8.4. An Owner who is assessed a fine may request an informal hearing to protest or dispute the fine within 30 days from the date the fine is assessed. Unless otherwise required by law, such hearing shall be conducted in accordance with the provisions set forth below.
- 4.8.5. If a hearing is requested, no interest or late fees shall accrue related to the fine until after the hearing has been conducted and a final decision has been rendered by the Master Association.
- 4.8.6. All requests for hearing shall be in writing and shall be mailed, delivered or emailed to the Board or Manager.
- 4.8.7. The hearing must occur within thirty (30) days after the Owner delivers a written request for hearing and the Owner shall have notice of the hearing at least fourteen (14) days before the date of the hearing.
- 4.8.8. Any hearing as a result of such a request shall be governed by the following rules:
 - 4.8.8.1. The Owner must appear at the time and place designated by the Board for the hearing. The appearance may be by electronic communication. All individuals attending on behalf of the Owner may also attend by electronic communication.
 - 4.8.8.2. At the hearing, the Owner contesting the fine shall be entitled to a reasonable amount of time to present evidence to challenge the alleged occurrence of the violation or present other information as the Owner believes is pertinent or appropriate for the Board's consideration. The Owner may invite other Owners or Persons to present evidence or information related to the alleged occurrence of the violation.
 - 4.8.8.3. The Board may establish and announce at or before the hearing any other reasonable rules regarding the hearing.

- 4.8.8.4. Within fourteen (14) days of the hearing, the Board shall issue and mail or email to the Owner a written decision regarding the dispute.
- 4.8.8.5. The Board's decision shall be final, subject only to the Owner's right to challenge the decision in a court of competent jurisdiction within the time prescribed by law.
- 4.8.8.6. The Board may rely on any reasonable information and evidence in determining whether or not a violation of the Rules has occurred, both initially and after a hearing.
- 4.8.8.7. A fine assessed pursuant to this section which remains unpaid after the Board's decision, or after the time for requesting a hearing has expired without a hearing being requested, may be collected as an unpaid Assessment, as set forth in the Governing Documents and these Rules.

5. REPORTING VIOLATION

- 5.1. Owners and Occupants may report violations of the Governing Documents to the Board or Manager, so that the safety, security, Community-Wide Standards and environment of the community are protected.
- 5.2. Although not required, the following information is requested from Owners and Occupants reporting a suspected violation of the Rules, either in writing or by telephone:
 - 5.2.1. The name and address of the Person reporting the violation;
 - 5.2.2. The name and/or address of the Person alleged to have committed the violation (or any other reasonable method of identifying the Person or Lot);
 - 5.2.3. A reasonably detailed description of what the Person observed or heard, or other explanation supporting the Person's knowledge of a violation;
 - 5.2.4. The date, time, and location that the Person observed or otherwise perceived the violation; and
 - 5.2.5. The provision of the Governing Documents the Person believed was violated.
- 5.3. The Board shall have absolute discretion in determining whether information provided related to a suspected violation results in any enforcement action.

6. MONTHLY ASSESSMENT PAYMENTS

- 6.1. Annual Assessments are to be paid in such in installments as may be determined by the Board or the Manager. All Assessments are due on the first (1st) day of the month for the month in which they are due. Payments received after the tenth (10th) day of the month in which the Assessment is due are late.
- 6.2. All fines, late fees, legal fees, collection costs, interest, and any charges other than regular Assessments are due on the first (1st) day of the month following the month in which they are assessed. These same amounts are late if they are received after the tenth (10th) day of the month in which they are due.
- 6.3. A late charge of \$35.00 shall be assessed if payment, in full, is not received by the Master Association by the tenth (10th) day of each month.
- 6.4. Interest at the rate of 2% per month (compounded) of the total amount remaining unpaid on the tenth (10th) day of the month will be assessed on any unpaid balance as of that date.
- 6.5. The greater of the amount charged to the Master Association by any Manager or \$20.00, in addition to any fee from the Master Association's financial institution, will be assessed for any dishonored checks or payments. A late fee will be applied if any dishonored check or payment results in the late payment of any Assessment.
- 6.6. Payments received shall be applied to the oldest assessed amount first.
- 6.7. If all assessments and other amounts owing are not paid as required in the Governing Documents, the Master Association may exercise any collection remedy provided for in the Governing Documents, the costs of which will all be charged to the Owner.

7. NOISE, NUISANCES, AND OFFENSIVE ACTIVITIES

- 7.1. No one shall create, maintain, or allow to continue a nuisance in, on, or about the Project. A nuisance includes, but is not limited to:
 - 7.1.1 Any unclean, unhealthy, unsanitary, unsafe, unsightly, untidy, or unkempt condition, or any condition noxious to the senses, including, but not limited to, any condition that emits any foul, unpleasant, or noxious odors, or any condition that causes any unreasonable noise or other unreasonable condition that disturbs, or might disturb, the peace, quiet, safety, comfort, or serenity of the other Occupant of the Project;
 - 7.1.2. Actions or activities tending to cause unreasonable embarrassment, discomfort, annoyance, distress, or a disturbance to any other Board Member, employee, or agent of the Master Association, Owner, Occupant, guests, or invitees, particularly if law enforcement must be called to restore order;

- 7.1.3. Maintaining any plants, animals, instruments, equipment, machinery, fixtures, devices, items, or things of any sort whose activities or existence is in any way illegal, noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Project by other Owners, Occupants, guests and invitees;
- 7.1.4. Excessive foot or vehicle traffic around or about the Common Area and Facilities or any Residential Lot (beyond that typically expected for a residence or residential community), especially after 10:00 p.m. and before 7:00 a.m.;
- 7.1.5. Excessive noise within the Project (beyond that which is typical for a residence or residential community), particularly after 10:00 p.m. and before 7:00 a.m.;
- 7.1.6. Maintaining or creating any excessive noise from any device, including, but not limited to, stereos, televisions, or other electronic devices;
- 7.1.7. The origination or creation of tobacco smoke that drifts or passes through whatever means into any other Lot or into Common Area and Facilities occupied by other Owners or Occupants in violation of Utah Code Ann. § 78B-6-1101;
- 7.1.8. The failure to regularly remove rubbish, trash, refuse, waste, dust, debris, and garbage from a Lot;
- 7.1.9. The pursuit of hobbies or other activities, including, but not limited to, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions;
- 7.1.10. Bouncing, throwing or hitting balls or any other object against walls of Common Area and Facilities, shared walls, and/or fences.
- 7.2. The use of firearms and incendiary devices, or the painting of graffiti, within the Project is prohibited, except as otherwise specifically may be allowed by law. The term “firearms” includes, but is not limited to, BB guns, pellet guns, paint guns, sling shots, wrist-rockets, blow-dart guns, rifles, handguns, automatic weapons, and other similar devices of all types.
- 7.3. The use or operation of any drone in the Project is permitted only in accordance with this section. Before operating any drone or similar unmanned aerial vehicle, the operator must register such drone with the Manager. Drones may be used for commercial purposes, such as taking pictures of property to be offered for sale, or to monitor construction. No drone may be used to invade the privacy of any Owner or Occupant or cause a disturbance to any Owner or Occupant.

8. DAMAGE TO PROJECT

- 8.1. The Master Association may assess individual Owners for any damage or costs that they, their animals, and their guests cause in or on the Project in violation of the Rules, which damage or cost, for purposes of insurance, is, or is not, a covered loss. The Master Association may warn and fine any Owner for any violation of

these Rules, or the Governing Documents, regardless of whether such violation causes a loss which, for insurance purposes, is a covered or non-covered loss. The Master Association may also seek to enforce these Rules and the Governing Documents by injunction.

- 8.1.1. Nothing in this rule shall prohibit an Owner from asserting his or her right to make a claim directly or through subrogation for a loss against the person or persons at fault for the loss.
- 8.2. Owners shall ensure that they do not cause damage to the Project, other Units, or the Common Area. This includes, but is not limited to, maintaining adequate heat inside of their Lot to ensure that water pipes do not freeze and burst, and ensuring that the individual heating equipment, hot water heating Lot, plumbing, and electrical fixtures of the Lot are properly maintained, and do not cause damage to other Units or the Common Area.
- 8.3. Owners must notify the Master Association, or the Manager, in the event of property damage as soon as practicable, but in no event greater than forty-eight (48) hours, after the Owners learn of the damages.

9. GENERAL RULES FOR THE EXTERIOR OF UNITS

- 9.1. Nothing, including signs, is to be hung from or displayed in, or on, the Project on the exterior of a Lot or a Lot, or from any other structure on the Project, except as specifically authorized in these Rules, or by the Board, in writing. Except as permitted herein or by the Board in writing, no signs or any other device with the apparent purpose of communicating any message to someone outside of a Lot shall be hung or displayed in any Lot. Signs, flags, or other devices may be displayed temporarily, and without prior permission, to warn of dangerous conditions.
 - 9.1.1. The Board hereby authorizes tasteful and reasonably-sized holiday decoration on the exterior of Units or on a Lot. Holiday decorations are permitted within a reasonable amount of time before and after the related holiday. No holiday decoration shall be attached to the exterior of the Lot if the size of the decoration or the method of attachment may cause damage to the exterior of the Unit or a Lot. The installation and display of winter holiday lights on the exterior of a Unit or Lot is permitted only from December 1 to March 31.
 - 9.1.2. The Board hereby authorizes Owners and Occupants to display one (1) American flag on the exterior of a Lot or on a Lot. A flag, if displayed, must be displayed in accordance with the U.S. Code, Title 4, Chapter 1.
 - 9.1.3. The Board hereby authorizes Owners and Occupants to display political signs related to a particular election. Political signs are permitted for a period of sixty (60) days before and two (2) days after any election. One (1) sign per candidate or ballot measure of no more than 20 x 24 inches in size is permitted for each Lot.
 - 9.1.4. The Board hereby authorizes Owners to display one (1) “for sale,” or “for rent” sign in a window of a Lot. A realtor may display an “open house”

sign when the realtor is present on the property and is conducting an open house.

- 9.1.5. Antennas, aerials, television cable connections and wires, reception devices, satellite dishes, and similar equipment may be affixed to the outside of a Lot so that they are not visible from the road.
- 9.2. No modifications of any kind shall be made to the Common Area and Facilities without written permission from the Board.
- 9.3. Any portion of the exterior of each Lot visible from the road, Common Area and Facilities or any other Lot, must be kept neat and tidy. All rubbish, debris, unsightly materials, or similar objects shall be regularly removed and not allowed to accumulate thereon. No lumber, grass, shrub, tree clippings or plant waste, compost, metals, bulk materials, scrap, refuse or trash shall be kept, stored, or allowed to accumulate on any Lot, except within an enclosed structure, or when appropriately screened from view.
- 9.4. No aluminum foil, newspapers, reflective film coatings, or any other similar materials may be used as a blind, shade, or cover on the inside of any exterior window in any Lot. Windows may only be covered with coverings that are specifically designed for windows, such as blinds, curtains, and drapes. All window coverings must be a solid color, non-patterned, and a neutral shade of white, off-white, tan, or wood color. No brightly covered window shades are permitted.
- 9.5. External laundering, including clothes lines, is prohibited within the Project.
- 9.6. Vehicle maintenance shall not be conducted in the Project except inside enclosed garages or on a concrete pad behind a fence screening the maintenance from view from the Common Area and Facilities and other Units. No repairs of detached machinery, equipment, fixtures, recreational vehicles, campers, trailers, boats, fifth-wheel campers, RVs, or similar vehicles are permitted within the Project, unless such repair can be completed entirely in an enclosed garage.
- 9.7. Solar panels may only be installed in accordance with this paragraph. No solar panels may be installed without first receiving express permission of the Board. Solar panels shall be placed and arranged such that reflected solar radiation or glare shall not be directed onto other Units. Solar panels shall be placed and arranged to minimize their visibility from the road.
- 9.8. No exterior speakers or outside amplifiers are permitted if the sound created by such exterior speakers or amplifiers may be heard from the Common Area and Facilities or any other Lot.
- 9.9. No temporary structure, including a tent, trailer or shack, shall be erected within the Project, or used therein, unless it is approved by the Board.

10. PARKING AND ROADWAYS

- 10.1. No overnight parking is permitted on the private or public streets within the Project. Overnight parking is allowed only in the designated parking areas, in driveways, or in garages.
- 10.2. No vehicle may be parked or driven on, or over, any entryways, sidewalks, curbs, or lawns or landscaped areas. No vehicle may be parked in front of any trash dumpster, in any fire lane, or in any area marked “no parking,” “tow away,” or “automatic tow.” No vehicle may be parked in such a way as to impede access of emergency equipment, garbage trucks, or to impede access to any Lot or the Common Area and Facilities.
- 10.3. Owners, Occupants and their guests and invitees must obey the posted speed limits within the Project.
- 10.4. Parking of trailers, motor homes, recreational vehicles, campers, boats, snow mobiles or other recreational type vehicle (an “RV”) on concrete pads behind 6-foot high fencing to screen the RV from view is permitted on Lots greater than 8,000 square feet. Except as provided in this Section 10.4, RVs not stored in the Unit’s garage are not permitted to be parked within the Project, except for actual loading or unloading.
- 10.5. All vehicles of any kind parked at the Project must be operable and properly licensed. No disabled or inoperable vehicle may be stored within the Project. If a vehicle becomes disabled within the Project, temporary permission for the storage of the vehicle may be granted by the Board.
- 10.6. Notice of any alleged parking violations, fines, or warnings issued related to any parking violations may be posted on the vehicle. If appropriate, said notices shall contain a deadline for remedying the violation. Vehicles parked in violation of the Master Declaration, or these Rules, continuously after the deadline contained in the notice may be towed, impounded, and stored at the vehicle-owner’s expense. Vehicles may be towed, impounded, and stored at the vehicle owner’s expense without any notice if a vehicle is parked in any manner that blocks any other Owner or Occupant’s ability to move in or out of his/her driveway, parking area, or in and out of the Project, or in any manner that the Board, in its sole discretion, determines to be unsafe. The Board and its members shall be indemnified and held harmless by the owner of the vehicle from any loss, damage, or claim caused by, or arising out of, the impounding, towing, or storing of a vehicle pursuant to these Rules.

11. GARBAGE DISPOSAL

- 11.1. Refuse, garbage, and trash shall be disposed of in sealed plastic bags placed in designated garbage receptacles. Such refuse, garbage, or trash, whether or not in a plastic bag, may not be stored on a porch, patio, deck, balcony, landing or on Common Area and Facilities.

- 11.2. Recycling shall be placed in an appropriate recycling container. Empty boxes shall be broken down and placed in the appropriate recycling container.
- 11.3. No construction materials or hazardous waste may be discarded or placed in any Master Association dumpster. This includes, but is not limited to, construction materials, computers, televisions, appliances, tires, paint, solvents, batteries, and motor vehicle oil.
- 11.4. Refuse containers must be stored in the garage or other enclosed area, except during the period beginning at 6:00 p.m. the day before regularly scheduled trash or recycling collection and ending at 8:00 p.m. the day of regularly scheduled trash or recycling collection.

12. PROHIBITED AREAS AND USES

- 12.1. Without the permission of the Board, no one is permitted in, or on, any common or shared fence or other common or shared structure not reasonably expected to be subjected to such use.
- 12.2. No ATV, off-road motorcycle, snowmobile, or other motorized vehicles are permitted on any trails within the Project at any time.

13. SAFETY

- 13.1. Except as incidental to the storage of camping equipment, vehicles, and other normal maintenance equipment and items, no one shall use, or permit to be brought into, any Lot or Units, any flammable oils or fluids such as gasoline, kerosene, naphtha, benzene, other explosives, or other such articles that are abnormally hazardous.
- 13.2. No one shall permit anything to be done or kept on the Project which will result in the cancellation of insurance, or which would be in violation of any public law, ordinance, or regulation.
- 13.3. No fireworks are permitted on the Project.
- 13.4. No open fires are permitted in the Project, except for fire pits, if any, constructed by the Declarant as part of the Common Area and Facilities or fire pits constructed in accordance with a construction plan approved by the Association.
- 13.5. No firearms or bows may be discharged in the Project. No hunting, including bow-hunting, is permitted in the Project.

14. CONSTRUCTION, REMODELING, REPAIRS, STRUCTURAL CHANGES TO UNITS AND LANDSCAPING

- 14.1. All construction of, and modifications to, Units, including any remodeling, upgrades, painting, repairs, and/or landscaping shall be completed in compliance with City Ordinance, applicable building codes, manufacturer's specifications for any materials, equipment, and fixtures, and the Design Guidelines, as well as the following: (i) no use of the Common Area and Facilities for staging, storage, assembly, or construction; (ii) no nuisance shall be created as established by law or by the Governing Documents; (iii) no blocking of the Common Area and Facilities or roadways by vehicles, materials, or persons; (iv) no use of the Master

Association's garbage and disposal facilities for the disposal of debris, materials, or other items; and (v) all construction debris and trash shall be cleaned up and removed in a timely manner. Any variance from these requirements may only be granted by the Design Review Committee.

- 14.2. All Lot landscaping, drainage and grading shall be completed strictly in accordance with applicable City ordinance and the Design Guidelines pursuant to a landscaping plan submitted by the Owner and reviewed and approved by the Design Review Committee.
- 14.3. No structure, improvements, plants, or other material or item may be placed or permitted to remain on a Lot which may interfere with or damage the Lot or neighboring Lots or which may create erosion or sliding problems, or which may change the direction or flow of drainage channels, or obstruct or retard the flow of water through the channels.
- 14.4. The slope control area of the Lot, if any, and all improvements thereon shall be maintained continuously by the Owner of the Lot (excluding any improvements for which a public authority or utility company is expressly responsible).