

GRASSY MEADOWS SKY RANCH



PHOTO: PAM OVERSTREET

**A PLANNED DEVELOPMENT COMMUNITY IN
WASHINGTON COUNTY, UTAH**

Third Restated Supplementary and Amended Declaration of
**COVENANTS, CONDITIONS,
& RESTRICTIONS**

Phases I, II, III, IV, 5A, and 5C (Hangar Area)

20 August 2011

COVENANTS, CONDITIONS and RESTRICTIONS for

GRASSY MEADOWS SKY RANCH

DECLARATION

This Declaration of Grassy Meadows Sky Ranch Planned Development (“Declaration”) is made and executed this 20th day of August 2011 by the Board of Trustees and the Members of the Grassy Meadows Sky Ranch Landowners Association, a non-profit Utah Corporation, Hurricane City, County of Washington, State of Utah, hereinafter referred to as the GMSRLA, whose address is P.O. Box 141, Hurricane, UT 84737. This Declaration will restate, amend and supersede all previous Declarations.

PURPOSE

The purpose of the GMSRLA is to provide for the maintenance, safety, improvements, upkeep, betterment and beautification of the Common Areas and common Property, especially the Runway with its associated Taxiways, lighting, and supporting equipment. The Association will honor and respect individual property rights, allowing Members the freedom to possess and do with their property as they see fit, so long as in so doing they do not impose an undue burden on other Property Owners. The Association should provide for the general betterment, upkeep and architectural control of Property, structures and other improvements, such that there is a harmonious look and feel within the GMSRPD. The Association will provide an opportunity for community interaction, creating a feeling of camaraderie, and providing a forum for resolving Member grievances. The Association should collect and maintain funds sufficient to pay all obligations through the fair assessment of dues or fees.

RECITALS

A. The Landowner Members of the Grassy Meadows Sky Ranch Landowners Association are the recorded owners (legal or equitable) of the certain parcels of real property which are part of the **GRASSY MEADOWS SKY RANCH PLANNED DEVELOPMENT** (GMSRPD) described in the previous Declarations of Covenants, Conditions and Restrictions of Grassy Meadows Sky Ranch, (August 23, 1984), and the Restated, Supplementary and Amended Declaration of Covenants, Conditions and Restrictions for Grassy Meadows Sky Ranch Planned Development (July 4, 1990). **This Declaration shall supplement, amend, and supersede all previous Declarations of Covenants, Conditions and Restrictions, all previous amendments, and all previous Board Resolutions of the Grassy Meadows Sky Ranch Planned Development, including any of the above previously recorded in the office of the County Recorder of Washington County, State of Utah.**

B. The Landowners consider it desirable, for the preservation of property values and the amenities attached thereto, for the Community to create an entity that possesses the administrative authority and financial control necessary to maintain Common Areas within GMSRPD, collect and disburse assessments and charges, and otherwise to administer and enforce the provisions of this Declaration. For this purpose the GRASSY MEADOWS SKY RANCH LANDOWNERS ASSOCIATION was established as a non-profit corporation under the laws of the State of Utah, and may hereafter be referred to as "GMSRLA."

C. This Declaration is understood to include jurisdiction over the Grassy Meadows Sky Ranch Planned Development (GMSRPD) and Property Owners in Phases I, II, III, IV, 5A, and 5C (Hangar Area) of the Grassy Meadows Sky Ranch Planned Development Community (identified on the attached Exhibit A), as well as future phases and other property that may be planned, annexed, platted, purchased, or otherwise included into the GMSRPD (including but not limited to those identified in the attached Exhibit B). Members of the GMSRLA will be entitled and subject to all rights, powers, privileges, covenants, restrictions, easements, charges, and liens set forth in this document.

D. The obligations and duties of the Declarant shall not be abrogated by this Declaration. All rights, benefits, and privileges of Declarant are null and void as of prior Declarations, court orders, and by this Declaration. While the Declarant owns Property within GMSRPD, he remains a Member of GMSRLA. All Declarant rights have been assumed by the Association.

E. In order to ensure the preservation and enhancement of property values and amenities, and for the maintenance of the Common Areas and airpark facilities within this Community, the Landowners jointly and severally desire to subject the Property contained within the GMSRPD to the covenants, conditions, restrictions, easements, charges, and liens set forth in this Declaration, each and all of which are for the benefit of the Property and each Owner.

F. Grassy Meadows Sky Ranch is an airpark Community with its related Runway, Taxiways, and Hangar Areas. This is an essential part of the Community and its use is to be encouraged. Many of the home sites are adjacent to these facilities and features, and are located within the aircraft traffic pattern. All Owners are aware there will be continual flying and aviation-oriented activities at Grassy Meadows Sky Ranch. The Community has been created in order to provide an environment compatible with these activities, which shall be considered favorable to the welfare and property values of the Community itself. An avigational easement is understood to exist for the entire area of the Grassy Meadows Sky Ranch Community, which

allows for the operation of aircraft, and takes into account noise and safety restrictions that are enforced in like communities where aircraft operations are permitted. Owners acknowledge that they have chosen to be part of an airport community, and as such, they have waived any claim they otherwise may have had against use of the Runway by aircraft. Owner expressly waives any claim against the owner of the Runway or the GMSRLA related to any harm to persons or property resulting from the proximity to the Runway, including but not limited to any claim related to noise, fumes, or any damage or harm to said Owner, his invitees or guests.

G. The captions which precede the Articles and Sections of this Declaration are for convenience only and shall in no way affect the manner in which any provision is construed.

THEREFORE, the Board of Trustees, Members and Landowners of the **GRASSY MEADOWS SKY RANCH LANDOWNERS ASSOCIATION (GMSRLA)** declare that all Property within the Grassy Meadows Sky Ranch Planned Development Community shall be held transferred, sold, conveyed, developed, and occupied subject to the Declaration, Covenants, Conditions, Restrictions, Easements, Charges and Liens set forth in the plats previously recorded, currently of record, and that may be recorded in the future, and the Declaration, Covenants, Conditions and Restrictions of this Declaration.

I. DEFINITIONS

When used in this Declaration (including that portion under Recitals) the following terms shall have the meanings indicated. (When used herein, the singular may refer to the plural or the plural may refer to the singular. Gender usage shall not be exclusive.)

1. Architectural Control Committee shall mean and refer to a committee as detailed in Article XI Architectural Control.

2. Articles and Bylaws shall mean and refer to the Articles of Incorporation and the Bylaws of GMSRLA, a Utah nonprofit Corporation, which govern the authority and application of these CC&Rs.

3. Association shall mean and refer to the Grassy Meadows Sky Ranch Landowners Association (GMSRLA), a Utah nonprofit corporation whose Articles were filed with and approved by the State of Utah, Department of Commerce, Division of Corporations and Commercial Code on December 18th, 1990. The term shall also have the meaning given and defined by Utah Code Title 57 Chapter 8a, as amended from time to time, as a "Community Association."

4. Board of Trustees (Board) shall mean and refer to the elected governing body of GMSRLA.

5. Commercial shall mean and refer to any non-residential uses of areas within GMSRPD, with the exception of dedicated Runways, Taxiways, Hangars and aprons in Phase 5C or similar.

6. Commercial Lot shall mean and refer to any non-residential Property within GMSRPD, with the exception of dedicated Runways, Taxiways, Hangars and aprons in Phase 5C or similar.

7. Community shall mean and refer to all aspects of the Property, its improvements, infrastructure, landscaping, hardscape, homes, hangars and all that is appurtenant thereto.

8. Common Areas shall refer to those portions of Property, which are or may be designated for common use of all Members. Common Areas are not included within the individual Lots except as easements. Common Areas shall include all improvements on said Property, and may include facilities leased by the Association for the benefit and use of the Members.

9. Declaration shall mean and refer to this instrument, the Declaration of Covenants, Conditions and Restrictions for GMSRLA, a Planned Development in Washington County, Utah, as the same may hereafter be modified, amended, supplemented, or expanded in accordance with the provisions herein.

10. Declarant shall refer to Michael L. Longley, and/or Sky Ranch Development Inc., their representatives or assigns.

11. Hangar shall mean a completed aircraft storage structure.

12. Hangar Block shall mean and refer to a single Hangar building comprised of several Hangars, Hangar Lots, or Hangar Units -- one of the 10 building locations identified on the plat of 5C containing anywhere from 19 to 60 Hangar Units.

13. Hangar Area shall mean a portion of GMSRPD designated for the construction of Hangars only, which may include Hangar Lots and Hangar Units. It shall include all Property in the Plat of Phase 5C recorded on or about April 10, 1996 and any other similar areas.

14. Hangar Lot shall mean and refer to a Hangar-building space sufficient in size to build one Hangar. In 5C, a Hangar Lot consists of 4 or more adjacent Hangar Units.

15. Hangar Unit shall mean and refer to any of the separately numbered individually described 10-foot wide plats of various depths in Phase 5C intended for the construction of Hangars.

16. Living Unit shall mean and refer to a structure intended for use as a residence.

17. Lot shall mean and refer to any of the separately numbered and individually described plots of land shown on the various plats of GMSRPD, except as modified by the definition of Hangar Lots above.

18. Member or Member/Owner shall mean and refer to every Owner of a Lot or Property located within the GMSRPD. If a Lot or Property is owned by more than one person or entity, each such person or entity shall be deemed a Member/Owner. The Purchaser or Vendee under a real estate purchase or installment contract shall be deemed a Member.

19. Member in Good Standing shall mean and refer to a Member whose assessment/fine account are current, and who is not presently suspended for cause.

19. Phase 6 shall mean and refer to *Sky Ranch Phase 6, LC*, a Utah limited liability company, Owner/developer of the 17-acre parcel at the southwest end of the Runway.

20. Property shall mean and refer to all platted lots as well as real estate contained within the legal description in Exhibit "A" and in Section II of this Declaration, or any additions thereto by way of annexation or amendment.

21. Reserve Account shall mean and refer to a separate financial fund for the purpose of repair and replacement of Common Area facilities. Those facilities include -- but are not limited to -- the Runway, Taxiways, and supporting equipment.

22. Resident shall mean and refer to a Member who owns Property designated for the construction of a Living Unit, whether or not such Living Unit is built.

23. Road Front Area shall mean and refer to the area of each Lot extending from the street to the fence line. Said fence shall be located 15 feet inside the property line.

24. Runway shall mean and refer to the 4400 foot long by 50 foot wide paved landing area or airstrip with the FAA identifier UT47 as identified on the Phase 1 plat, and any subsequent plats, amendments or extensions.

25. Runway Lease shall mean and refer to the 99-year exclusive-use lease between Sky Ranch Development, Inc . and GMSRLA, dated 25 November 1990.

26. Secret Ballot shall mean and refer to any voting method in which a voter's choices in an election or a referendum are kept confidential, while still providing a means of validating the authenticity of each vote.

27. Taxiways shall mean and refer to the paved thoroughfare areas that are designed to allow airplane access to the Runway from individual Lots or Hangars. Taxiways exist in some cases as an easement over the Property of Owners in the Community. In the 5C hangar area, the Taxiway is considered to be a 30' wide strip midway between the Hangar Blocks.

28. User shall mean and refer to the Owner of a lot or building site for a house and/or Hangar, whether or not that building site is improved. A User may be made up of one or more Members. Each Voting Interest shall be considered one User.

29. Voting Interest shall mean and refer to the number of votes appurtenant to a given Lot or Property.

30. Voting Majorities. A simple majority shall mean and refer to approval by more than 50.0% of votes cast. A 3/5 majority shall mean and refer to approval by 60.0% or more of votes cast. A 2/3 majority shall mean and refer to approval by 66.7% or more of votes cast.

II. DESCRIPTION OF PROPERTY

The Property which is associated with the Grassy Meadows Sky Ranch Development and which is and shall be held, transferred, sold, conveyed and occupied subject to the provisions of this Declaration consists of the real property situated in Washington County, State of Utah, and more particularly described in previous Declarations as Phases I, II, III, IV, 5A, and 5C (Hangar Area) and all future anticipated properties that may become a part of the Grassy Meadows Sky Ranch Planned Development, or as described in Exhibit 'A' attached hereto, together with all easements, rights of way, and other appurtenances and rights incident to, appurtenant to, or accompanying the above described parcel of real property. All of the foregoing is subject to: all liens for current and future taxes, assessments, and charges imposed or levied by government or quasi-governmental authorities, all Patent reservations and exclusions; any mineral or oil reservations of record and rights incident thereto; all instruments of record which affect the above-described land or any portion thereof, including without limitation, any mortgage or deed of trust; all visible easements and rights-of-way; all easements and rights-of-way of record; any easements, rights-of-way, or encroachments or discrepancies otherwise existing; an easement for each and every pipe, line, cable, wire, utility line, or similar facility which traverses or partially occupies the above-described land at such time as construction of all Project improvements is complete; and all easements necessary for ingress to, egress from, maintenance of, and replacement of all such pipe, lines, cables, wire, utility lines, and similar facilities.

If the Property, or any improvement hereon, is traversed or partially occupied by a permanent improvement or utility line, a perpetual easement for such improvement or utility line shall exist.

III. AUTHORITY

1. Authority of the Grassy Meadows Sky Ranch Landowners Association. The GMSRLA shall have the full power and authority to do all such things as are necessary, or deemed by the Association to be advisable, in order to preserve and maintain the Grassy Meadows Sky Ranch Community, its Runway, Taxiways, easements and other Common Areas for the benefit of its Members.

2. Governing Documents. The Grassy Meadows Sky Ranch Landowners Association (a Community Association as defined by Utah Law) is incorporated under the laws of the State of Utah governing the operation of such corporations. It is charged with the responsibility of enacting By-Laws, Covenants, lists of Conditions and Restrictions governing the operation of said Association. These documents may be amended from time to time, as provided for herein, which documents, as amended, shall be binding upon all Lot owners within the Community, irrespective of whether or not such amendments or any notation thereof are filed for record in the Office of the County Recorder of Washington County, Utah.

3. Nature of Covenants. The Covenants, Conditions, and Restrictions of this Declaration and such terms as are used herein include, without limitation, the easements herein created, and shall run with the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the GMSRLA and/or the Owner of any Lot subject this Declaration, their respective legal representatives, heirs, successors and assigns.

4. Covenants to Run With the Land. This Declaration and all its provisions shall constitute covenants to run with the land or equitable servitudes, and shall be binding upon, and inure to the benefit of, GMSRLA and all parties who acquire interest in a Lot or in the Common Areas. Said parties shall be subject to the terms of this Declaration and the provisions of any rules, regulations, agreements, instruments and determinations contemplated by this Declaration. By acquiring any interest in a Lot or in the Common Areas, the party acquiring such interest agrees to be bound by each and every provision of this Declaration.

5. Applicability. All provisions of this Declaration shall be binding upon and shall inure to the benefit of any party who acquires any interest in a Lot or Property.

IV. BOARD OF TRUSTEES

1. Board of Trustees. The governing body of GMSRLA shall be the Board of Trustees. The Board shall administer the affairs of the Association pursuant to this Declaration. The Board must act within the rules set forth in herein, but is authorized to make prudent business decisions in any areas where this Declaration is incomplete or unclear.

(a) The Board shall consist of 5 persons elected by the membership.
(b) Board Members must be Members in Good Standing of GMSRLA.
(c) Board Members shall be elected to a 3-year term. Election shall be decided by simple majority vote. A Board Member may serve consecutive terms.

(d) Should a Board position become vacant before the end of the 3-year term, the remaining Board Members may appoint a replacement to serve until the next annual Board election.

(e) The Board may consist of fewer than 5 persons if sufficient volunteers cannot be found.

(f) The Board shall have the discretion to appoint various officers, such as (but not limited to) President, Vice-President, Secretary, Treasurer, and any other positions they may deem necessary.

2. Annual Meeting. The Board shall call an annual general meeting of Members at a time of its choosing. The date and time of the meeting shall be announced at least 30 days in advance. Its agenda shall include:

- (a) Establish and approve a budget for the upcoming year.
- (b) Discuss the status of the Reserve Account.
- (c) Count Votes to elect Board Members.

3. Rules and Regulations. The Board shall have the authority to promulgate and enforce such reasonable rules, regulations and procedures as may be necessary or desirable to aid the Association in carrying out any of its functions, or to ensure the Property is maintained and used in a manner consistent with these Declarations. Such rule-making authority shall include the ability to levy and collect fines in the same manner as an unpaid assessment.

4. By-Laws. The Board shall have the authority to create or modify By-Laws of the Association unless the Utah Revised Nonprofit Corporation Act, as amended, reserves the power exclusively to the Members in whole or in part or otherwise prohibits the Board from amending the By-laws to add, change, or delete a provision.

5. Recall of Board Member. A Recall Vote shall be initiated within fifteen days of the Board receiving a petition for removal of a Member of the Board of Trustees, signed by at least 20% of Voting Interests. The remaining Board Members, by majority vote, may, at their discretion, temporarily suspend the Board Member in question until the votes are counted. Votes shall be counted within 35 days of the presentation of the petition. A Board Member shall be recalled upon affirmative vote by 3/5 majority of Voting Interests who cast ballots. If the Recall is successful, the Board Member shall be removed immediately. If the Recall is unsuccessful, the Members who signed the petition shall be constrained from signing further petitions to remove that Board Member for a period of 12 months from the date of the vote-counting.

V. MEMBERSHIP AND VOTING INTERESTS

1. Membership. Every Owner with an ownership interest in a Lot or Property in the GMSRPD shall be a Member of the GMSRLA. Membership in the Association shall be mandatory, shall be appurtenant to the Lot or Property in which the Owner has the necessary interest, and shall not be separated from the Lot or Property to which it appertains. Tenants, lessees, and renters are not Members.

2. Voting Interests. Voting Interests are tied to paid assessments, and are set as one vote per Lot or Property in all GMSRLA Community matters. Multiple Members who share an ownership interest in a single Lot or Property have only one vote. Members who own more than one platted Lot or Property and pay standard assessments for each will have one vote for each.

(a) Each "User," as defined in Article VIII below, paying at least 50% of a standard assessment is granted one vote in all Association elections.

(b) Individuals who own multiple properties and pay multiple assessments will receive a commensurate number of votes.

(c) No Voting Interests or other membership privileges accrue when no assessments are due (such as under temporary waivers).

(d) No Voting Interests or other membership privileges accrue when assessments are delinquent.

(e) There shall be no voting classes (all Class A, B and C voting classes have been eliminated).

(f) With the exception of Article XIII (3) and (4), all voting policies that previously mandated a quorum are hereby changed to the stated majority specified within that section, calculated using actual votes cast, not a percentage of total Voting Interests.

(g) Unless otherwise specified within the individual section, all votes shall be decided by simple majority.

(h) The Board may implement voting via Internet or other electronic means, so long as the authenticity of each vote can be assured.

(i) All official votes or elections within GMSRLA shall be done by Secret Ballot unless, in the Board's opinion, special circumstances exist which would make a Secret Ballot inadvisable or unnecessary, such as (but not limited to) when a public vote is taken in an open meeting, or when the quickest possible vote may be needed.

3. Multiple Ownership. In the event there is more than one Owner or Member of a particular Lot or Property, the Voting Interest relating to such Lot or Property shall be exercised as such Members or Owners may determine among themselves. A vote cast at any Association meeting or election by any such Owners or Members shall be conclusively presumed to be the vote attributable to the Voting Interest of the Lot or Property concerned. Any dispute between the Owners of a particular Voting Interest which is not resolved at the time of the call for votes shall disqualify that vote.

VI. PROPERTY RIGHTS and COMMON AREAS

1. Common Areas, Acquisitions/Annexations. The Common Areas included within the GMSRPD are those identified in the Planned Development filings and plats for the various phases of the project, including the Runway Clear Zones. The airstrip is understood to be the current property of Grassy Meadows Airport Inc. GMSRLA Members are understood to have the right to use the airstrip pursuant to the terms of a lease agreement with the Owner, dated November 25, 1990. The GMSRLA may choose to exercise their first right to purchase the Runway, as described in that lease, or such additional lands as may be deemed necessary and advisable for said Association to hold as Common Areas or common property. The Board shall be authorized to purchase, sell, or exchange property for the benefit of the Association once said transaction has received 2/3 majority of votes cast in a Community vote. In the event the Association acquires property, the property shall be Common Area, and shall be owned by the GMSRLA. The Board is authorized to borrow funds to complete any purchase, to place a mortgage on said property, and/or to elect any other means to finance such an acquisition. The cost of such purchases or loan payments, if necessary, will be shared in the form of Assessments.

2. Taxiway Alpha Reciprocal License. On June 3, 2011, GMSRLA entered into an agreement entitled "Reciprocal Use License," whose lengths of term are the same as the Runway Lease, wherein GMSRLA granted Phase 6 a non-exclusive license to use the Runway and Common Area facilities under its authority granted by the Runway Lease. In return, Phase 6 granted GMSRLA a non-exclusive license to use the eastern portion of Taxiway Alpha located on their Property. Upon the initial conveyance of any Lot within that parcel of land described in, and subjected to, the Reciprocal Use License, as owned by Phase 6 at the time of the execution of the Reciprocal Use License, after such parcel of land is subdivided, such Lot will automatically become permanently subject to this Declaration, and that Owner will become a Member of GMSRLA as provided in Article V herein.

3. Easement of Enjoyment. Each Member in Good Standing shall have a right and easement of use and enjoyment including, but not limited to, the right of ingress and egress to and from his Lot and to any Common Areas or common Property. In some cases adjacent Property Owners own the land underlying the Taxiways leading to the Runway and this land has easements that apply. All other paved areas within the Community that are generally accepted to be aircraft tie-down areas, aprons, ramp areas or Taxiways, except those within the boundaries of individual Lots, are considered to include easements for aircraft access to the Runway and as such, all Members in Good Standing are allowed free and unrestricted access to them. Such right and easement shall be appurtenant to and shall pass with title to each Lot, and in no event shall it be separated therefrom.

VII. 5C HANGAR AREA

1. RECITALS: A "Supplemental Declaration Grassy Meadows Sky Ranch Phase 5C" and a Plat of Phase 5C was recorded by Sky Ranch Development Inc. on April 10, 1996, and amended May 17, 2002. It annexed Grassy Meadows Sky Ranch Phase 5C into GMSRPD and subjected the property to the Association and its Declaration.

(a) It encompasses approximately 10.29 acres, and consists primarily of Hangar Units and their associated Taxiways.

(b) HU-1 through HU-320 are ten-foot wide Hangar Units designed to be built out as Hangar Blocks.

(c) CU1-CU3 are non-residential Commercial Lots.

(d) All Hangar Unit Owners are Members of GMSRLA.

(e) The 5C Hangar Area is primarily intended to provide Hangars and Commercial Lots for the Owners and Members of 5A as well as other Lot Owners whose Lots do not have direct Taxiway access to the Runway. Notwithstanding the above, other Residents or non-Residents may purchase Hangar Units.

2. 5C Operation:

5C is composed of a combination of privately-owned properties and common utilities, access and facilities.

(a) Pursuant to Section IX (2) below, the Association will maintain the common areas in 5C, including its Taxiway.

(b) 5C Owners may adopt additional rules and regulations unique to the 5C area. Such rules are subject to Board approval and must be in conformance with this Declaration.

(c) Hangar Owners may form private groups for the common maintenance of Hangar Blocks.

(d) The responsibility of completing the 5C Common Area infrastructure (including, but not limited to grading, paving, utilities) remains with the Declarant, as previously defined, described, written, agreed to, or otherwise detailed in previously filed plats, Declarations, contracts, and commitments to governmental entities (either in writing or as presented to public authorities to obtain approval for development, platting and selling of Lots in the Community) or any other documents pertaining to the Declarant's obligations relative to the improvements of 5C. Pursuant to Recitals "D," all obligations of Declarant shall continue.

(e) All construction in 5C must be approved by the GMSRLA Architectural Control Committee.

VIII. ASSESSMENTS

1. Purpose of Assessments. Assessments levied by the Association shall primarily be used to promote the maintenance, health, safety, and welfare of Residents and the Runway, Taxiways and Common Areas of the Community. The Association may use Assessment funds to pay for all legitimate expenses of running the Association. These expenses may include, but are not limited to: Taxes, maintenance and repair of Common Areas and Facilities, Runway Lease or purchase, Insurance, Legal Costs, Equipment and Supplies, Mail, office costs, the Annual Membership Meeting, a Reserve for major Runway repair, and any expense necessary or desirable to enable the Association to perform or fulfill its obligations, functions or purposes under the Declaration or its Articles of Incorporation and By Laws. This includes any matter required to comply with applicable federal, state and local laws, ordinances, rules and regulations.

2. Reserve Account. The Association should maintain a Reserve Account for the purpose of repair and replacement of Common Area facilities. As required by Utah law, at each annual meeting, the Board shall present a reserve analysis to the homeowners and the homeowners at the meeting shall be given an opportunity to discuss reserves and to vote on whether to fund a Reserve Account and, if so, how to fund it and in what amount.

3. Assessment Determinations.

(a) Applicability. Previous Class A, B, and C status have been and are eliminated. Previous developer and/or Declarant voting and assessment waiver rights under original Class B and any other status in 1990 CC&Rs and all subsequent CC&Rs have expired no later than December 31, 2003.

(b) Assessment Basis. All Users shall pay assessments as provided herein. Assessments shall be uniform for all individual "Users." Beginning fiscal year January 1, 2012, all home Lot Owners will pay one full assessment per each originally platted Lot.

(c) Exceptions. (1) Building Lots greater than 3 acres and constructed Hangars in Phase 5C greater than 50' in width will be assessed pro-rated assessments above those sizes. For example, a 3.3 acre Lot would pay 110% of a single Lot assessment, while a 70' wide Hangar would pay 140% of a single Lot assessment. (2) Each Member in 5A may own one 50' Hangar (or 50' wide undeveloped Hangar Lot, defined as five adjoining 10' wide Hangar Units) in 5C with no additional assessments. Failure of a 5A Owner to purchase a Hangar Lot will not lower their assessment obligation. (3) Undeveloped Hangar Units will be assessed at 1/10 of the full User rate for each 10' wide Hangar Unit. (4) Although the Association will oppose any subdividing of originally platted home Lots, if an existing home Lot is subdivided and approved by Washington County, each new Lot created will thereafter be assessed as a single User. (5) All Commercial/Industrial Lots are assessed at 2 times the single "User" assessment described in 3(b) and 3(c)(1) above. (6) The Board shall be empowered to grant a temporary waiver of assessments to the developer of new house or Hangar Lots. Said waiver shall expire when the Lot is sold to an end-user. (7) These rules shall apply equally to any new Lots brought into the Association.

(d) Grandfathering. (1) Originally platted Lots 26 and 27 as well as 29, 30 and 31 have been combined into single Lots under Washington County tax records. These combined Lots will be treated as one Lot for assessment and voting purposes and will continue to be assessed singly as one "User" (with pro-rated assessments where applicable) until sold or otherwise conveyed by the Owner of record as of the date of recording of this Amended Declaration. Thereafter, each originally platted Lot will be assessed a single full assessment, with a full vote for each Lot assessed. (2) Lots 18, 19, 22 and 23 (which are prior "Class C" Members) are hereby grandfathered in that such Lots shall be obligated to pay 1/2 the standard

assessment until the current Owner either conveys their Property or acquires ownership of a Hangar Lot in 5C. The full assessment will include one 50' Hangar in 5C.

4. Assessment Types. Assessments may be of four types:

(a) Regular Assessments. Regular Assessments or charges are for common expenses, including, but not limited to, maintenance, taxes and insurance, shared costs for Runway Lease payments and other GMSRLA operating costs, as well as reserves. Regular Assessments will be determined on an annual basis by the Board of Trustees, prior to the fiscal year in which the assessment will apply. In unusual or special circumstances the Board may waive dues from an Owner, Class or Member.

(b) Special Assessments. The Board of Trustees may levy Special Assessments for unanticipated or other expenses, which may include legal fees, and repair or purchase of the Runway or Common Areas and any other expense which a Special Assessment is needed to pay for. Any Special Assessment exceeding 50% of a Regular Assessment in any given year must be brought to the Members for a vote and agreed to by 3/5 majority of votes cast. Written notice setting forth the need for a Special Assessment shall be sent to all Members at least 10 days but not more than 30 days prior to the date votes will be counted. Members must receive 30 days written notice before a Special Assessment is due.

(c) Additional Assessments. (1) Additional assessments may be charged against a Member for actual costs incurred by the Association in taking action to maintain Association policy (such as the cost of removing tumbleweeds). Such assessment may be charged 30 days after appropriate written warning. (2) All Assessments regarding change of ownership or change of assessment status will be pro-rated to the date of occurrence.

(d) Fines. Pursuant to Utah Code 57-8a-208 and as a means of enforcing the provisions of this Declaration, The Board of Trustees may impose Assessments (Fines) on individual Members, Lot Owners or Property Owners. Fine schedules may be established by the Board from time to time. If the Board of Trustees determines that a violation has occurred, it shall institute the proceedings as specified in these Declarations, or if not specified, as the Board deems fair and appropriate and in accord with Utah Law for Community Associations. A Member/Owner who violates any provision of this Declaration may be fined or charged an Additional Assessment in the event the Association incurs any costs in addressing or rectifying such non-compliance.

5. Payment of Assessments.

(a) Annual assessments are due January 1, and are delinquent after Jan. 15. The Board may, at its discretion, offer assessment payment plans based on Quarterly or Monthly payment options, as well as offering discounts for early payments. A modest surcharge may be added for Quarterly or Monthly payment options.

(b) At least 30 days prior to the effective date of any change in the amount of any assessment, the Association shall give each Owner written notice of the amount of the new assessment, and the due date of the assessment concerned.

6. Verification of Assessment Status. Upon request by an Owner, prospective purchaser, or encumberancer of a Property, the Association shall issue a certificate or other statement indicating the status of a Member's assessment account or a payoff figure. For this service, the Association may charge up to the maximum allowed under Utah law.

7. Personal Obligation and Lien. Each Owner shall, by acquiring or in any way becoming vested with his interest in a Lot or Property, agree to pay to the Association any and all Assessments, together with the interest and cost of collection. All such amounts shall be, constitute, and remain:

(a) A charge and continuing lien upon the Lot or Property with respect to which such assessment is made.

(b) The personal obligation of the person who is Owner of such Lot or Property at the time the assessment falls due. The personal obligation for delinquent assessments shall not pass to an Owner's successors in title unless expressly assumed by them. Non-use of the Common Areas or abandonment of his Lot or Property does not exempt an Owner from legal responsibility for payment of assessments.

8. Effect of Non-payment. Any assessment not paid when due shall, together with the interest, late fees, and cost of collection, including attorney fees, be and remain, a continuing lien on the Lot or Property in favor of the Association. Owners hereby expressly grant to the Association a power of sale in connection with this lien.

(a) The Association may bring an action at law against the Owner personally obligated to pay the assessments, or foreclose the lien against the Property in the same manner as foreclosures in mortgages or any manner permitted by law, including non-judicial foreclosure as with a deed of trust.

(b) All Membership privileges are automatically suspended, and said Member shall be considered not in Good Standing, when Assessments are delinquent. As such, Voting Interests and the use of Common Areas, even as a guest of another Member, are not permitted until the Member's account is brought current.

9. Collection. The Regular Assessments, Special Assessments, Additional Assessments and Fines, together with interest, late fees, costs of collection and reasonable attorney's fees, shall be a charge on the Property. The person who is the Owner of the Property at the time the assessment falls due shall be personally liable for payments. Delinquent payments will accrue interest at the rate of 12% per annum beginning on the date originally due. Accounts delinquent more than 30 days from the Due Date incur a late payment charge equal to 25% of the late payment, which shall also accrue interest at 12% per annum. Any judgment obtained by the Association shall include reasonable attorney's fees, court costs, and any other expense incurred by the Association in enforcing its rights. The Board shall have the power and right to waive and compromise these amounts.

IX. OPERATION, MAINTENANCE, DAMAGE, AND INSURANCE

1. Maintenance of Lots and Living Units. Each Property, Lot and Living Unit shall be maintained by the Owner or Member so the appearance of the Property shall not cause or create a nuisance, by sight, odor or otherwise which would affect adversely the value or use of any other Lot, Property or Living Unit in the Community. The Association shall have no obligation regarding maintenance or care of private property, Lots or Living Units except as provided in Paragraph 2 below. Failure to maintain a Lot or Property may result in the Board of Trustees imposing a Fine or individual assessment which may be levied against a specific Member, Lot, or Property Owner to reimburse the Association for any extra costs for maintenance and/or repairs the Board of Trustees may deem necessary or advisable to actually undertake to maintain the requirements of this Declaration. The Association has the right to enter a Member's Property for maintenance and/or repairs after written notification.

2. Maintenance by the Association. The Association shall provide for such maintenance of the Common Areas, Taxiways, Runway, and associated lighting, as may be required to keep them clean, functional, attractive and generally in good condition and repair. To this end, the Association shall control weeds in the Common Areas and the Road Front Areas. Notwithstanding the above, it shall be the Owners' responsibility to maintain those Road Front Areas where the Owner has installed their own landscaping. The Association shall maintain 3-rail fencing installed along Common Areas and property lines.

3. Insurance. The Association shall at all times maintain the minimum insurance coverage for the Common Areas, which shall be in accord with the Runway Lease, and show Sky Ranch Development, Inc., as additional insured.

(a) A property insurance policy shall be maintained for the full insurable replacement cost of all improvements comprising a part of the Common Areas, Runway and Taxiways. The name of the insured under each such policy shall be in form and substance similar to: "*Grassy Meadows Sky Ranch Landowners Association for the use and benefit of the individual Members, Lot or Property Owners and Mortgagees, as their interests may appear*".

(b) A commercial general liability policy shall be kept in force. It shall insure the Association and its Board of Trustees, officers, agents and employees against any liability related to said ownership, use, or operation of the Common Areas, Runway or Taxiways, which may arise among themselves, to the public, and any invitees or tenants of the Property or of the Owners. Limits of liability under such insurance shall not be less than \$1,000,000 per claim for personal injury and/or property damage arising out of a single occurrence. Such coverage shall include protection against such other risks as required by law and as are customarily covered with respect to projects similar in construction, location and use.

(c) Said policies may be subject to periodic adjustments, as deemed appropriate by the Board of Trustees. 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 claim of a Member or an Owner in the Community because of negligent acts of the Association or other Member/Owners.

(d) Directors & Officers Fidelity Coverage. The Association shall maintain Directors & Officers liability and fidelity coverage to protect against dishonest acts on the part of Trustees, Officers, Managers, Employees of the Association, and all others (including volunteers) who handle, or are responsible for handling affairs, business, decisions and funds of the Association. Such Directors & Officers Liability Insurance and fidelity bonds shall be in amounts and for terms as the Board shall decide.

(e) Indemnification. The Association shall indemnify all Officers and Directors from personal financial harm arising from the reasonable and proper performance of their duties to the Association.

(f) Individual Property Insurance. Each Owner is responsible for their own property insurance. The Association shall have no duty or responsibility to procure or maintain any fire, liability, extended coverage or other insurance covering any private Lot or Living Unit, or for acts and events occurring thereon.

4. Runway Lease. The Grassy Meadows Sky Ranch Landowners Association has entered into an exclusive lease agreement with Grassy Meadows Airport Inc. for the use of the Runway and Taxiways as described in said Lease dated 25 November 1990.

5. Delegation of Management Authority. The Board of Trustees may designate, hire, or terminate persons as it deems necessary to carry out Association functions or business.

6. Repair of Damage. Should any damage be caused to Association-owned property, Common Areas, Runway, or Taxiways, by any Member/Owner, his Tenants, Guests, Invitees, or Pets, it shall create an assessable debt owed by such Member/Owner to the Association. If the Member/Owner does not adequately repair the damage, the Association has the right to repair it, and charge as an assessment to the Property Owner.

7. Aircraft Storage. Owners shall provide sufficient parking and tie-down facilities for all aircraft operated or used by said Owner, his guest or invitees.

8. Compliance. All persons using the facilities of GMSRPD shall be subject to the provisions of this Declaration, the Bylaws and any rules and regulations promulgated by the Association. In case of a breach thereof by any person, the Member initially granting the right of use shall be held responsible.

9. Financial Harm. Should any financial harm be caused to the Association by any Member/Owner, his Tenants, Guests, Invitees, or Pets, it shall create an assessable debt owed by such Member/Owner to the Association, and may be charged to the responsible Member as an assessment.

10. Attorney Access. The Association may retain an attorney to handle its legal affairs. Only Board Members or others specifically authorized by the Board may contact the Association's attorney. Unauthorized contact with said attorney will create an assessable debt and/or fine.

X. USE RESTRICTIONS

1. Use of Common Areas. The Common Areas shall be used only in a manner consistent with their community nature. No admission fees, charges for use, leases, or other income-generating arrangement of any type shall be employed or entered into with respect to any portion of the Runway or other Common Areas, unless approved by the Association. The Association has the right to impose reasonable limitations on the number of guests per Member who at any given time are permitted to use the Common Areas.

2. Use of Lots and Living Units. The Association respects that Owners have property rights and the freedom to use their property as they see fit. However, no nuisance, obnoxious odors, safety issues or other interfering uses that cause an imposition upon other properties within the Community shall be allowed. All Lots or Property other than Hangar Units and Commercial Lots are to be improved with Homes and are restricted to such use. Hangar Units or Hangar Lots may not be used for building Living Units.

3. Runway. The Runway may be used by the Member, his guests, lessees and invitees solely for the taxiing, take-off and landing of aircraft. The Runway and safety areas are intended only for the use of aircraft and airport maintenance vehicles and personnel.

It is the Member's/Owner's responsibility to make each user aware of any rules governing the size, weight and noise limits on aircraft operated from the UT47 Grassy Meadows Sky Ranch Runway. Jet aircraft may not operate out of Grassy Meadows unless granted prior approval by the Board. The Board may from time to time establish and amend the size, weight, and noise limits or grant waivers.

When operating an aircraft into or out of UT47 it is the responsibility of the pilot-in-command to abide by all safety rules, operating limitations and performance standards applicable to their aircraft. The Association and the Runway Owner assume no legal responsibility for Members or their guests who do not follow these rules.

The Association shall have the authority to limit excessive flight operations that go beyond reasonable casual Member guest invitations.

4. Obstructions. Nothing shall be allowed to obstruct the Runway, Common Areas or any easements.

5. Lease Provisions. Any Owner may lease his Lot, Living Unit, or Hangar, provided such lease agreement is in writing, and conforms to the following:

(a) The terms of the Lease shall in all respects be subject to the provisions of this Declaration, Articles of Incorporation of the Association and its Bylaws and Resolutions, and shall reference the Lessee's adherence to these Declarations in the lease agreement. Lessee's use of the Common Areas shall be as a guest of the Lessor Member Owner.

(b) Any failure of the Lessee to comply with the terms of such documents shall constitute a default under said Lease, and may allow the Association to pursue all legal remedies available under Default as though they were the Member/Lessor.

(c) Owner/Lessor must provide a copy of current GMSRLA CC&Rs to tenant when the lease is signed.

(d) Owner/Lessor must provide a copy of the Lease/Rental agreement to the Association within 10 days of signing. The Lease must contain any pertinent contact information for the Tenant as well as the Owner or property manager.

6. Home Business. Owners are permitted to operate a home office/business as long as the business is confined within the residence and does not create noise or a nuisance that disrupts the quiet enjoyment of other Property Owners. No part of the Property platted as residential shall be used for any other commercial, non-residential purposes. The Board of Trustees may grant variances.

7. Nuisance. No Hangar, residential Lot, Living Unit, or Property may be used, occupied or altered so as to create a nuisance or interfere with the rights of another Owner.

8. Minimum Building Lot Size. Future non-Hangar building Lots in GMSRPD shall have a minimum size of 1 acre.

9. Quiet Enjoyment. No noxious or offensive activity shall be conducted upon any part of GMSRPD, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood, or which shall in any way interfere with the quiet enjoyment by each Owner, or increase his rate of insurance.

10. Weed Control. Excessive and large flammable weeds, especially tumbleweeds, shall not be allowed to grow or otherwise accumulate on any Lot. They diminish the value of the Property and represent a significant fire danger. The Member/Owner is responsible for controlling and regularly removing weeds growing on his property or Lot, or those that may blow onto his property.

11. Garbage and Waste Removal. All rubbish, trash, garbage and animal wastes shall be regularly removed from the Property, and shall not be allowed to accumulate.

XI. ARCHITECTURAL CONTROL COMMITTEE

1. Architectural Control Committee (ACC). The exteriors of all buildings and landscaping within the GMSRPD should harmonize with existing surroundings and structures, assuring a consistent and integrated appearance for the Community. The Board of Trustees may appoint an Architectural Control Committee of 3 or more persons to ensure the specifications and standards as set forth in the GMSRPD Architectural and Appearance Guidelines are met. If such a Committee is not appointed, the Board shall perform the duties required.

2. Submission to the Committee. All plans for any building, remodeling, exterior painting, or landscaping require prior approval by the Architectural Committee.

3. Approval Procedure. Any plans or specifications submitted to the Committee shall be approved or disapproved in writing within 30 days. Approvals by the ACC must be obtained prior to submission to Washington County for a building permit. If a building permit is not issued within one year after the Owner obtains an ACC approval, said ACC approval shall be void. Verbal approvals shall not be effective.

4. Appeal Procedure. An applicant may appeal the ruling of the ACC by filing an appeal with the Board. The appeal should detail the reasons in support of the applicant's appeal. The Board of Trustees shall solicit a response from the ACC, which response shall be filed within 20 days. The Board of Trustees may request additional information, and shall make a final decision within 30 days of the filing of the appeal. Any ruling by the Board shall be final.

5. Amending Architectural Guidelines. The Architectural Guidelines contained in this Declaration serve as a standard for approval of plans or improvements. Amendments to the Architectural Guidelines shall require consent by 2/3 majority.

6. 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 claims 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) The development or manner of development of any Property.

(d) Any defect in approved plans and specifications.

7. Indemnification by Owner. Each Owner, as a condition of obtaining any approval under the Architectural Guidelines, agrees to fully indemnify, protect, defend, and hold harmless the Board of Trustees, the Association, the Architectural Control Committee, and any Members or designated representatives, against and from any and all claims, liabilities, lawsuits and disputes related in any way to any approval or disapproval.

XII. ARCHITECTURAL AND APPEARANCE GUIDELINES

1. Overview. All structures within GMSRPD should fit within the Southwestern Motif, and generally blend with the landscape. Because of the open nature of our Community, all structures must look attractive from all sides, not just the front. Acceptable building styles include Taos and Pueblo. Styles such as Colonial, Modern, or Victorian are not acceptable. Metal exteriors are not acceptable. Roofs may be either flat or tile. Flat roofs shall be hidden by parapet walls. Exterior colors should be earth-tones, to harmonize with the surroundings.

2. Building Setbacks. The setback for buildings located in the Community shall generally be: Front 50', Side 25', Backyard 25' (or 120' when located adjacent to the Runway), and in accordance with County ordinances. However, Lots 28, 29, 34, 35, 40 and 41 have a front setback of 25' due to the courts on the street. Lots 27-30, 33-36, 39-42, and 55-69 have a backyard setback of 55' due to Taxiways.

3. Safety Zones. Adjacent to the Runway a 120' safety zone shall exist, with the following height restrictions: 4' high at the fence line abutting the Runway and then adding 1' of additional height for every 7' setback away from the fence. No landscaping or other item shall exceed the height prescribed above, or be located in such a manner that it blocks the visibility necessary for safe operation of aircraft or vehicles.

4. Minimum Square Footage. The minimum square footage requirements for any Living Unit shall be 1,500 square feet of interior living space on the ground level. Each Living Unit shall be improved with a garage with a minimum of 400 square feet of finished interior space. Hangars in 5C or other similar Hangar areas must be a minimum of 40' in width.

5. Order of Construction. On any Residential Lot, the primary Living Unit shall be built before -- or concurrently with -- any other approved structures.

6. Temporary Structures. No one may construct or occupy a temporary structure, tent, shack, or other out-building, trailer or RV on any Property or Lot at any time, unless specifically approved by the ACC, and only for the duration approved by the ACC.

7. Fences. All fences shall be 3-rail, lodge-pole pine fencing, generally 4' high. Gates shall meet the approval of the ACC.

8. Signage. No sign, billboard or advertisement larger than 15 square feet shall be displayed to the public view on any portion of residential Property, and shall be limited to For Sale, For Rent, or pet warning information. Vehicles or personal property with commercial signage are not to be displayed in public view.

9. Motor Vehicles, Recreational Vehicles, Trailers and Equipment. Non-operable, abandoned, out-of-license and other derelict vehicles or equipment may not be left in open sight. Personal use automobiles and trucks may be parked outside. Trailers or other Recreational Vehicles, farm and other equipment must be parked as unobtrusively as possible.

10. Animals. Horses or other domesticated animals may be kept on only those particular Lots or Property authorized for such by the Architectural Control Committee and must comply with all Washington County Ordinances. Wild, non-domesticated animals are prohibited. Member/Owners shall not allow their animals to become a nuisance or burden on the

Community as determined by the Architectural Committee and/or the Board. Owners of Animals must not allow their Animals on the Runway or Taxiways.

11. Utilities. All utilities, including electrical service shall be installed underground. Items such as Propane storage tanks, Heating and cooling equipment, antennas, and trash receptacles should be screened from view or located in an inconspicuous manner.

12. Completion of Construction. Once begun, any improvements, construction, or alterations approved by the ACC shall be diligently pursued to completion in strict accordance with the approved plans and specifications. If construction is anticipated to take longer than one year, Owner must apply for a time extension from the ACC.

13. Waivers and Variances. The Board shall have the discretion to grant individual Variances or Waivers to the above Architectural and Appearance Guidelines.

14. Enforcement. If complaints are lodged by 2 or more Members representing different Voting Interests, the Architectural Committee will investigate the alleged infraction. If the Committee determines the Member is out of compliance, they will devise a solution in conjunction with said Member. Any solution so agreed upon will become the official decision of the ACC. Should no agreement be reached, the ACC will decide upon a solution, which shall become final if not appealed to the Board within 30 days. Any such appeal will be decided by the Board within 30 days of receipt. Decision of the Board is final. Costs of compliance as well as applicable fines shall be borne by the non-compliant Member.

XIII. MISCELLANEOUS

1. Notices. It is each Member's responsibility to keep the Association updated with current address and phone information. The Member is encouraged to provide an email address in order to receive timely communications from the Association. Any notice required to be given to any Member shall be deemed to have been properly furnished if delivered by regular United States Mail to the person named as the Member or Owner, at the address on record, or via e-mail if such email address is provided.

2. Records. The Association shall regularly update its records of Member/Owner addresses, email addresses, and phone numbers, and provide a list of same to each Member. Any Member may request the Association withhold part or all of this directory information from distribution to the Community.

3. Amendment. Any amendment to this Declaration will require the affirmative vote of at least 2/3 of the total votes cast after a quorum of 50% of all Voting Interests is established. Written notice setting forth the purpose of the vote, the substance of the amendment proposed, and the date of the open meeting to count the votes shall be sent to all Members at least 10 days, but not more than 30 days, prior to the date of the meeting. Members may cast their votes by mail-in ballot or in-person at the meeting. Proxy and Class B voting are eliminated. The Amendment shall become effective when recorded with the Recorder's Office of Washington County, Utah.

4. Effective Duration. This Declaration shall continue until there is recorded with the Recorder's Office of Washington County, Utah, an instrument directing its termination. Such instrument must be ratified by 2/3 majority of votes cast after a quorum of 50% of all Voting Interests is established.

5. Conflicts. In the case of any conflicts between this Declaration (as amended) and the Articles of Incorporation and Bylaws (as amended) the provisions of this Declaration shall be controlling.

6. Behavioral Issues. The Association is not in the Policing business. All behavioral issues which cannot be resolved by a friendly request should be referred to appropriate local authorities, such as the Sheriff or Animal Control.

7. Attorney Fees. The prevailing party to any action brought to enforce the terms of the Declaration or any supplements or amendments thereto shall be entitled to costs and reasonable attorney fees.

8. Dispute Resolution. Any disputes or controversies between the Association, its Board and the Members, between Members regarding Association issues, or between the former Declarant and the Board, the Association, or any of its Members, except for disputes and controversies related to health and safety, architecture and collections, shall be submitted to binding arbitration to the American Arbitration Association under its Rules for the Real Estate Industry and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The prevailing party shall be awarded its costs of arbitration including any and all fees due the American Arbitration Association or its arbitrator.

9. No Waiver of Rights. The failure of the Association or any unit Owner to enforce any covenant, restriction or other provision of the Act, this Declaration, The Articles of Incorporation, the by-laws or rules or regulations adopted pursuant to said documents, as the same may be amended, shall not constitute a waiver of their right to do so thereafter.

10. Severability. Invalidation of any one of these covenants, conditions, restrictions or amendments by judgment or court order shall in no way affect any other provision, covenant, condition, restriction or amendment, and all remaining provisions shall remain in full force and effect.

Evidenced by their signatures below, the currently elected or constituted Board of Trustees hereby certify that this Declaration was authorized by the Board and voted on in an election of Owners held on the 20th day of AUGUST, 2011 at which time at least sixty six point seven percent (66.7%) of those voting voted affirmatively to adopt this Declaration as binding on the Association and its parties as the official Declaration of Covenants, Conditions and Restrictions for the Grassy Meadows Sky Ranch, a Planned Development.

EXECUTED the day and year first above written. SIGNATURES FOLLOW

GRASSY MEADOWS SKY RANCH LANDOWNERS ASSOCIATION

James R. Petersen 20 Aug 11
James R. Petersen, Trustee/President GMSRLA Date

David V. Black 20 AUG 11
David V. Black, Trustee/Vice-President GMSRLA Date

Jay Erickson 20 AUG 2011
Jay Erickson, Trustee GMSRLA Date

Larry Nemecek 20 Aug 11
Larry Nemecek, Trustee GMSRLA Date

David M Kaatz 20 Aug 11
David Kaatz, Trustee GMSRLA Date

IN WITNESS WHEREOF, the parties have executed this agreement as of the date first set forth above.

GRASSY MEADOWS SKY RANCH LANDOWNERS ASSOCIATION, INC.

By: James R. Petersen
James R. Petersen, Trustee/President GMSRLA

STATE OF UTAH)
)
) :SS
County of Washington)

On the 20 day of August 2011, personally appeared before me James R. Petersen who, being first duly sworn, did that say that s/he is duly authorized to sign the foregoing agreement on behalf of the Association and acknowledged said instrument to be his/her voluntary act and deed.

Cola Kelley
Notary Public for Utah



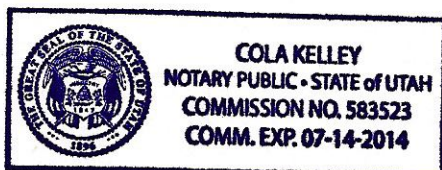
GRASSY MEADOWS SKY RANCH LANDOWNERS ASSOCIATION, INC.

By: David V. Black
David V. Black, Trustee/Vice-President GMSRLA

STATE OF UTAH)
)
) :SS
County of Washington)

On the 20 day of August 2011, personally appeared before me David V. Black who, being first duly sworn, did that say that s/he is duly authorized to sign the foregoing agreement on behalf of the Association and acknowledged said instrument to be his/her voluntary act and deed.

Cola Kelley
Notary Public for Utah



GRASSY MEADOWS SKY RANCH LANDOWNERS ASSOCIATION, INC.

By: Jay Erickson
Jay Erickson, Trustee GMSRLA



STATE OF UTAH)
) :SS
County of Washington)

On the 20 day of August, 2011, personally appeared before me Jay Erickson who, being first duly sworn, did that say that s/he is duly authorized to sign the foregoing agreement on behalf of the Association and acknowledged said instrument to be his/her voluntary act and deed.



Cola Kelley
Notary Public for Utah

GRASSY MEADOWS SKY RANCH LANDOWNERS ASSOCIATION, INC.

By: Larry Nemecek
Larry Nemecek, Trustee GMSRLA

STATE OF UTAH)
) :SS
County of Washington)

On the 20 day of August, 2011, personally appeared before me David Kaatz who, being first duly sworn, did that say that s/he is duly authorized to sign the foregoing agreement on behalf of the Association and acknowledged said instrument to be his/her voluntary act and deed.



Cola Kelley
Notary Public for Utah

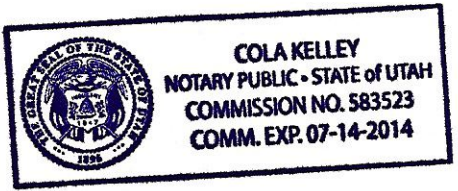
GRASSY MEADOWS SKY RANCH LANDOWNERS ASSOCIATION, INC.

By: David M Kaatz
David Kaatz, Trustee GMSRLA

STATE OF UTAH)
)
County of Washington) :ss

On the 20 day of August 2011, personally appeared before me Larry Nemecek who, being first duly sworn, did that say that s/he is duly authorized to sign the foregoing agreement on behalf of the Association and acknowledged said instrument to be his/her voluntary act and deed.

Cola Kelley
Notary Public for Utah



**EXHIBIT A
LEGAL DESCRIPTION**

The following properties and the legal description as described on the Subdivision Plats recorded in the Office of the Washington County Recorder, State of Utah:

GRASSY MEADOWS SKY RANCH (PHASE 1)

All of the Lots located in the Grassy Meadows Sky Ranch Subdivision, Washington County, Utah, including Lots 1 through 12, 14 through 15, and 17 through 25.

GRASSY MEADOWS SKY RANCH PHASE 2

All of the Lots located in the Grassy Meadows Sky Ranch Subdivision, Washington County, Utah, including Lots 26 through 47.

GRASSY MEADOWS SKY RANCH PHASE 3

All of the Lots located in the Grassy Meadows Sky Ranch Subdivision, Washington County, Utah, including Lots 48 through 55.

GRASSY MEADOWS SKY RANCH PHASE 4

All of the Lots located in the Grassy Meadows Sky Ranch Subdivision, Washington County, Utah, including Lots 56 through 69.

GRASSY MEADOWS SKY RANCH PHASE 5A

All of the Lots located in the Grassy Meadows Sky Ranch Subdivision, Washington County, Utah, including Lots 70 through 98.

GRASSY MEADOWS SKY RANCH PHASE 5C

Commercial units C-1 through C-3. Hangar Units HU-1 through HU-320. Any and all property that may be annexed into the Grassy Meadows Sky Ranch, a Planned Development, located within Sections 28 and 33, Township 42 South, Range 13 West, Salt Lake Base and Meridian.

GRASSY MEADOWS SKY RANCH "FBO/POND" Lot

Parcel Number GMSR-A-HV.

EXHIBIT B

This Exhibit B contains a general, unofficial description of those properties/areas that, at some point and time in the future, may become part of the Grassy Meadows Sky Ranch Planned Development (GMSRPD). At present, the foregoing covenants, conditions and restrictions are not recorded against any of the properties in this Exhibit B. This Exhibit shows the general potential of the continued build-out of the Association and is created for illustrative purposes only.

1. The property commonly known as Phase 6, Parcel Number H-3403-C-5; owned currently by Fernwood, LLC and Sky Ranch Phase 6, LLC.
2. Grassy Meadows Sky Ranch Phase 5B (Adobe Hills), Hurricane, UT.
3. The South 500 feet of the GMSRPD Airstrip, Parcel Number H-3403-C-1.
4. The south "flyover" properties, Parcel Numbers H-3403-D-3-A, and H-3403-U.
5. Taxiways Delta, Echo, and Foxtrot West bordering Parcel Number GMSR-A-HV.
6. The north "flyover" lots, Parcel Numbers 3398-H-HV, and 3397-E-HV.
7. Sky Ranch Development lots, Parcel Numbers H-3403-C-4 and H-3403-C-3.