



When Recorded, Return To:
Jake Bracken
Sand Hollow Development Group L.L.C.
5662 W Clubhouse Dr.
Hurricane, Utah 84737

Sand Hollow Resort Home Owners Association Nightly Rental Rules and Policies

(Adopted November 15, 2017 with these Amended and Restated Rules to be effective January 1, 2018 – the "Effective Date")

1. PURPOSE AND INTENT:

The purpose of these Nightly Rental Rules and Policies is to promote the health, safety and general welfare of the residents of the Sand Hollow Resort (the "Resort") by establishing zoning regulations and zoning standards for short term leases of residential properties within the Resort and all corresponding property (which is described on Exhibit A attached hereto) so as to ensure:

1. Protection of the environment of the Resort, including use compatibility among the various neighborhoods, existing residences and amenities and facilities,
2. Preserving the existing character and property values of the Resort by assuring appropriate uses,
3. Establishment of appropriate governance procedures to plan and oversee short term leases of residential properties to promote the interests and welfare of the Resort and to otherwise protect the name and reputation of the Resort by ensuring consistency in experience for those staying in any residential unit within the Resort (hereinafter a "Unit") on a short-term basis; and
4. Promote peace and safety within neighborhoods of the Resort.

Capitalized terms not otherwise defined herein shall be as defined in the Master Declaration of Sand Hollow Resort.

2. APPLICABILITY AND AUTHORIZATION OF SHORT TERM RENTALS:

These Nightly Rental Rules and Policies apply to Short Term Rentals within the following neighborhoods of the Resort: The Vacation Villas and The Retreat (the "Authorized Short Term Rental Neighborhoods"). The Dunes neighborhoods prohibits short term rentals at anytime.

"Short Term Rental" means the authorized occupancy of a residence by someone other than the owner within the Resort (by lease or otherwise) where the term of occupancy is for twenty nine (29) consecutive calendar days or less, for direct or indirect remuneration.

Short Term Rental of a residence is authorized subject to compliance with these Nightly Rental Rules and Policies within the Authorized Short Term Rental Neighborhoods. Short Term Rental of a residence is prohibited for any other neighborhood of the Resort. Any Owner offering a Unit or room for Short Term Rental within an Authorized Short Term Rental Neighborhood may have its privilege

or authorization to engage in Short Term Rental revoked for violation of these Rules, as determined by the Master Association.

3. REQUIRED PROCEDURES PRIOR TO OFFERING UNIT FOR SHORT-TERM RENTAL

Any Owner within an Authorized Short Term Rental Neighborhood, prior to offering a Unit or room for Short Term Rental, must first comply with the following:

1. Provide to the Master Association a copy of the Owner's business license required by Hurricane City Ordinance Section 3-10-11.
2. Provide to the Master Association a copy of the agreement between Owner and a property management company that the Sand Hollow Resort Master Owners Association (the "Master Association") has approved to manage Short-term Rentals "Approved Property Management Company."
3. Complete and provide to the Master Association the Short-Term Rental Information Package in the form required by the Master Association and pay the initial application and inspection fee of \$100.00.
4. Pass an inspection by the Master Association to verify compliance with these Rules.
5. Pass a fire inspection with the Hurricane Valley Fire Marshall.
6. Be properly insured for nightly rentals and hold a 1 million dollar liability policy.

Applicability to existing Units: Owners that are currently leasing their Units as Short-term Rentals within the Resort shall have a grace period of 30 days after the Effective Date set forth above to comply with the requirements set forth in this Section 3.

4. RESORT FEES:

Each Owner shall charge and collect from the Short-term Rental tenant a facility use fee ("Resort Fee") in the amount of \$10 per night per bedroom such tenant occupies or has the right to occupy within the Owner's Unit (e.g. if the Owner's Unit has 3 bedrooms, then the Resort Fee will be \$30 per night). The Owner will immediately remit the Resort Fee to, or direct its tenant to pay the Resort Fee directly to, the Approved Short Term Rental Management Company who will then remit such Resort Fee as directed by the Association. The Owner must pay the Resort Fees directly to the Association if the Owner fails to collect such Resort Fee and deliver it to the Approved Short Term Rental Management Company. The foregoing Resort Fee is based on the estimated costs that may be incurred, including additional costs related to amenities and privileges made available by the Association (including discounts and privileges with respect to the Golf Course and related amenities) as well as the additional costs to the Association resulting from the Short-term Rental of such Lot, including the additional burden and costs for security, enforcement of Governing Documents, and cleaning and maintaining the Common Areas and amenities that may result from such Short-term Rentals. The Resort Fee is subject to change by the Board upon 30 days prior notice to the Owners.

5. LOCAL ON-SITE MANAGER REQUIRED:

Any Owner within an Authorized Short Term Rental Neighborhood who decides to rent their Unit as a Short-term Rental must designate and retain a local on-site property management company

approved by the Master Association. To receive approval from the Master Association, the local property management company must:

1. Maintain an office located within the Resort that remains continuously open and staffed while guests are registered or present.
2. Be available twenty four (24) hours per day to respond to Master Association, tenant and neighborhood questions or concerns.
3. Comply with all city and state regulations and ordinances, including but not limited to, business license, sales tax, transient room tax (or any other hospitality tax), rental application and any other compliance rules and regulations.

The Master Association Approved Short Term Rental Management Company is as of the date hereof:

**Exquisite Rentals at Vacation Villas, LLC 5662 W Clubhouse Dr., Hurricane, Utah 84737
435.656.4653 (contact Adam Jasperson)**

Each Short Term Rental property shall have a clearly visible sign within the Unit containing the following the name and phone number of the Approved Short Term Rental Management Company, and the maximum occupancy of the Unit, and the day of garbage pick-up.

6. DISCLOSURE OF AVAILABLE ROOMS:

Each Owner offering a Unit or room for Short Term Rental shall disclose to the Master Association and Approved Short Term Rental Management Company the current number of rooms available and/or held out for public accommodation or, in the event the entire Unit is offered for Short Term Rental, the total number of people the Unit can safely accommodate. Any changes in the number of such available rooms or accommodation of guests must be reported within 72 hours to the Master Association and Approved Short Term Rental Management Company.

7. GUEST REGISTER:

Each Owner shall conduct all Short Term Rental activity through the Approved Short Term Rental Management Company, and cooperate in a manner sufficient to allow the Approved Short Term Rental Management Company to maintain a register of all guests with the following information about each guest for which the Short Term Rental affords accommodations:

- Name and permanent address.
- Number of guests.
- Dates of arrival and departure.
- License plate number, state of licensure, make, type and color of all motor vehicles.
- Verification of a form of picture identification, including, but not limited to, driver's license, passport, or state issued identification card showing current name, address, and age of person registering.

8. OCCUPANCY

It shall be unlawful for any Short Term Rental Unit to be occupied by a greater number of persons than that which it is designed or furnished to accommodate. Occupancy of the property will be the lesser of the following: (a) the maximum occupancy allowed by the Hurricane Valley Fire Marshal or (b) the maximum occupancy allowed by the Master Association. The Master Association currently

determines occupancy by multiplying the number of parking stalls available in the driveway and garage by (4) four.

9. RESPONSIBILITY FOR GUESTS:

No Short Term Rental Unit shall be rented or registered to any person under the age of eighteen (18) years. Each Owner offering a Unit or room for Short Term Rental is responsible for each guest and actions of said guest, including any violation by such guest of these Rules, the Master Declaration, any applicable Neighborhood Declaration, or any corresponding rules and regulations of the Master Association or any applicable Neighborhood Association.

10. LENGTH OF STAY:

No Short Term Rental Unit shall be occupied by a guest or tenant for more than twenty-nine (29) consecutive days.

11. SANITARY FACILITIES:

Each Owner offering a Unit or room for Short Term Rental shall comply with the following:

1. Ensure that the Short Term Rental Unit complies with the minimum rules established by the Utah Department of Health (including rules regarding smoking).

2. Ensure that the Short Term Rental Unit provides to the guest a minimum of the following.

A complete operable bathroom, including a flush toilet, sink, and bath or shower; a complete operable kitchen, including sink, fridge, oven, and stove.

For each guest, an adequate daily supply of at least the following sanitary supplies:

- Hot and cold running water
- Soap
- Clean Towels
- Toilet Paper
- Clean linen

3. Ensure that the Short Term Rental Unit is cleaned after the departure of each guest and before the arrival of any subsequent guest.

12. INSPECTIONS:

Each Owner offering a Unit or room for Short Term Rental shall comply (and ensure that such Owner's Unit complies) and cooperate with any fire, land use, code enforcement, building, health, or other inspection conducted by municipal officials, with or without notice. An inspection of a rental property for compliance with these regulations can be performed with twenty-four (24) hour notice to the Owner or operator, if deemed necessary by the Master Association.

13. DUTY TO REPORT AND PROVIDE INFORMATION:

Each Owner offering a Unit or room for Short Term Rental shall report promptly to the Master Association any violations of the Master Declaration, a Neighborhood Declaration, or other Master Association rules or any violation of law which he or she has reason to believe was or is being committed on the premises.

Each Owner shall provide upon request of the Association, and each Owner shall also authorize and direct the management company to provide upon request of the Association, all information necessary for the Association to verify proper payment of Resort Fees and compliance with these Rules and with the Master Declaration and any applicable Neighborhood Declaration.

14. PARKING:

Required parking areas and access to parking areas shall be maintained and available for use at all times. The number of available bedrooms must not exceed the number of available parking stalls in the driveway and/or garage. Parking for this use shall be contained on the site, and must be in accordance with City ordinances, the Master Declaration, and Master Association rules and regulations.

15. NOISE:

Each Owner offering a Unit or room for Short Term Rental shall ensure that guests or occupants do not:

- Operate or use outdoor pools, hot tubs or spas between the hours of eleven o'clock (11:00) P.M. and six o'clock (6:00) A.M.
- Create noises that by reason of time, nature, intensity or duration are out of character with noises customarily heard in the surrounding residential neighborhood.
- Disturb the peace of surrounding residential property residents.
- Interfere with the privacy of or trespass onto surrounding residential properties.
- Engage in any disorderly or illegal conduct, including illegal consumption of drugs and alcohol.

A sign informing guests of all regulations shown above must be posted in a prominent location in the Unit or room offered for Short Term Rental.

16. COMPLIANCE WITH CITY ORDINANCES AND LICENSES AND STATE LAWS:

If and to the extent applicable, each Owner offering a Unit or room for Short Term Rental shall comply with Hurricane City Ordinance Section 3-10-11 (titled "Short Term Vacation Rental").

17. FINES AND PENTALTIES:

Rule Violation	Fine Amount
Offering or renting Unit for Short-Term Rental Prior to compliance with requirements of Section 3 above:	\$750 per occurrence
Failure to disclose the current number of rooms available and/or held out for public accommodation or, in the event the entire Unit is offered for Short Term Rental, the total number of people the Unit can safely accommodate	\$100 per occurrence
Failure to properly maintain guest register	\$100 if unintentional (intentional misrepresentation of number of guests \$1,000 fine)

Advertised Occupancy of Short-Term Rental Unit by greater number of persons than that which it is designed or furnished to accommodate.	\$250 per person over the number for which the Unit is designed or furnished to accommodate (e.g. if the Unit is designed or furnished to accommodate 6 people, and 10 people occupy the Unit, then the fine will be \$1,000).
Failure to comply with the minimum rules established by the Utah Department of Health (including rules regarding smoking).	\$250 per occurrence
Failure to provide the minimum sanitary facilities and items required by Section 11 subitem 2 above	\$250 per occurrence
Failure to insure the Short Term Rental Unit is cleaned after the departure of a guest or before the arrival of any subsequent guest	\$250 per occurrence
Failure to provide or allow an inspection of a rental property for compliance with these regulations as required by Section 12 above	\$50 per day delay in permitted inspection
Parking violations	\$125 per vehicle per violation
Operate or use outdoor pools, hot tubs or spas after eleven o'clock (11:00) P.M. and before six o'clock (6:00) A.M.	\$125 per person per violation
Noise violation - create noises that by reason of time, nature, intensity or duration are out of character with noises customarily heard in the surrounding residential neighborhood	\$125 per occurrence
Interfere with the privacy of or trespass onto surrounding residential properties	\$750 per occurrence
Disturb the peace of surrounding residential property residents	\$750 per occurrence
Engage in any disorderly or illegal conduct, including illegal consumption of drugs and alcohol	\$750 per occurrence

A violation of these rules may also result in revocation of Unit nightly rental privileges.

18. FAILURE TO ENFORCE:

No provision contained in these Rules shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.

19. EFFECTIVE DATE AND AUTHORITY:

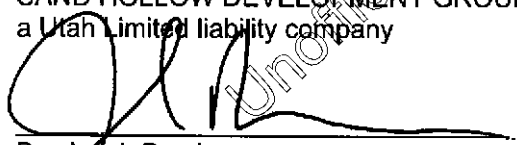
These Amended and Restated Nightly Rental Rules and Policies are adopted by the Declarant pursuant to its rulemaking authority found in Sections 2.8(c) and 12.5(d) of the First Amended and Restated Master Declaration of Sand Hollow Resort and are effective as of the Effective Date set forth above, and at that time amend and restate the prior Nightly Rental Rules and Policies. The Nightly Rental Rules and Policies may be further amended by the Declarant (during the Declarant Control Period) or Board pursuant to the rulemaking authority found in Sections 2.8 and 12.5(d) of the First Amended and Restated Master Declaration of Sand Hollow Resort.

Acknowledgement of Declarant:

IN WITNESS WHEREOF, the undersigned, as the Declarant herein, acknowledges that the foregoing Nightly Rental Rules and Policies were adopted by the Declarant as of the date set forth on the first page hereof.

DECLARANT:

SAND HOLLOW DEVELOPMENT GROUP L.L.C.
a Utah limited liability company



By: Jacob Bracken
Its: Manager

STATE OF UTAH

COUNTY OF WASHINGTON

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) ss.
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On this 15th day of November, 2017, before me personally appeared Jacob Bracken whose identity is personally known to me or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that he is the Manager of SAND HOLLOW DEVELOPMENT GROUP L.L.C., a Utah limited liability company (the "Company") and that the foregoing document was signed by him on behalf of that Company by proper authority and he acknowledged before me that the Company executed the document and the document was the act of the Company for its stated purpose.


NOTARY PUBLIC

Exhibit A

PARCEL A: (H-DSHR- (1 TO 268))

All of Lots 1 to 268, THE DUNES AT SAND HOLLOW RESORT, according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL B: (H-VAS-1-1- (Unit #))

Units A1, B1, C1, D1, E2, F2, G2, H2, J3, and K3, Building #1 THE VILLAS AT SAND HOLLOW PHASE 1, according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

TOGETHER WITH an Undivided Interest in the Common Areas as set forth in the Covenants, Conditions and Restrictions and on the Official Plat(s) thereof.

PARCEL C: (H-VAS-1-2- (Unit #))

Units A1, B1, C1, D1, E2, F2, G2, H2, J3, and K3, Building #2, THE VILLAS AT SAND HOLLOW PHASE 1, according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

TOGETHER WITH an Undivided Interest in the Common Areas as set forth in the Covenants, Conditions and Restrictions and on the Official Plat(s) thereof.

PARCEL D: (H-VAS-2-3-(UNIT #))

Units 101 to 104, 201 to 204, and 301 to 304, Building # 3, THE VILLAS AT SAND HOLLOW PHASE 2, according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

TOGETHER WITH an Undivided Interest in the Common Areas as set forth in the Covenants, Conditions and Restrictions and on the Official Plat(s) thereof.

PARCEL E: (H-VAS-3-4 (UNIT #))

Units 101 to 106, 201 to 206, and 301 to 306, Building # 4, THE VILLAS AT SAND HOLLOW PHASE 3, according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

TOGETHER WITH an Undivided Interest in the Common Areas as set forth in the Covenants, Conditions and Restrictions and on the Official Plat(s) thereof.

PARCEL F: (H-RASH-1-(LOT #))

Lots 101 to 125, THE RETREAT AT SAND HOLLOW RESORT PHASE 1, according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL G: (H-RASH-1A-126 & H-RASH-1A-127)

Lots 126 and 127, THE RETREAT AT SAND HOLLOW RESORT - PHASE 1A, according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL H: (H-RASH-2-(LOT #))

LOTS 201 TO 249, THE RETREAT AT SAND HOLLOW RESORT - PHASE 2, according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL I: (H-RASH-3-(LOT#))

LOTS 301 TO 348, THE RETREAT AT SAND HOLLOW RESORT - PHASE 3, according to the Official Plat thereof, on file in the Office of the Recorder of Washington County, State of Utah.

PARCEL J:

A parcel of land located in Sections 21, 22, 23, 26, 27 and 28, Township 42 South, Range 14 West, Salt Lake Base and Meridian, being more particularly described as follows:

BEGINNING at the Northwest Corner of said Section 23,
Thence North 89° 43'49" East, 1,329.13 feet to the Northeast Corner of the Northwest 1/4 of the Northwest 1/4 of said Section 23;
Thence South 00° 04'32" West, 2,641.78 feet along the 1/16th line to the Southeast Corner of the Southwest 1/4 of the Northwest 1/4 of said Section 23;
Thence South 00° 04'08" West, 2,640.83 feet along the 1/16th line to the Southeast Corner of the Southwest 1/4 of the Southwest 1/4 of said Section 23;
Thence South 00° 08'45" East, 1,396.28 feet along the 1/16th line to a point of a 2,050.00 foot radius curve to the left, the radius point of which bears South 13° 39'19" West;
Thence Westerly, 374.85 feet along the arc of said curve through a central angle of 10° 28'36";
Thence North 86° 49'17" West, 859.00 feet to the point of a 1,750.00 foot radius curve to the right;
Thence Westerly, 553.62 feet along the arc of said curve through a central angle of 18° 07'33";
Thence North 68° 41'44" West, 1,153.85 feet to the point of a 1,850.00 foot radius curve to the left;
Thence Westerly 644.09 feet along the arc of said curve through a central angle of 19° 56'53";
Thence North 88° 38'37" West, 2,109.01 feet to the point of a 1,750.00 foot radius curve to the right;
Thence Northwesterly 1,556.75 feet along the arc of said curve through a central angle of 50° 58'07";
Thence North 37° 40'30" West, 1,132.36 feet to the point of a 1,700.00 foot radius curve to the left;
Thence Northwesterly, 440.11 feet along the arc of said curve through a central angle of 14° 49'59", to a point on the West line of the East 1/2 of the East 1/2 of said Section 21;
Thence North 00° 05'31" West, 1,335.58 feet to the Northwest Corner of the Northeast 1/4 of the Southeast 11/4 of said Section 21;
Thence North 89° 41'32" East, 780.03 feet along the 1/16th line;
Thence North 33° 28'31" East, 973.48 feet to the point on the West line of said Section 22;
Thence North 00° 05'51" West, 1,839.95 feet to the Northwest Corner of the Northwest 1/4 of the Northwest 1/4 of said Section 22;
Thence South 89° 50'09" East, 2,642.31 feet to the North 1/4 corner of Said Section 22;
thence South 89° 44'31" East, 2,645.15 feet to the Point of Beginning.

LESS AND EXCEPTING FROM PARCEL J ANY PORTION LYING WITHIN PARCELS A, B, C, D, E, F, G, H, AND I DESCRIBED ABOVE.

Tax Parcels included in Parcel J:

H-4205-D-3-A

H-4205-D-4

H-4205-D-6

H-4205-D-7

H-4205-D-8-A

H-4205-D-9

H-4205-H

H-4205-H-5

H-4206-H

H-4207-H

H-4208

H-4209

H-4209-H

H-4210

H-4211

H-4212

H-4213

H-4-2-22-220

H-4-2-23-330