

**WHEN RECORDED RETURN TO**

Black Ridge KD-DAI, LLC  
14034 South 145 East, Suite 204  
Draper, Utah 84020

**DEED RESTRICTION**

THIS DEED RESTRICTION (the "Restriction") is made and effective as of the 26th day of July, 2022, ("Effective Date") by limited liability company, whose address is 14034 S. 145 E. Suite 204, Draper, Utah 84020 ("Owner"), for the benefit of St. George City, a body corporate and politic of the State of Utah, whose address is, 175 East 200 North, St. George, Utah 84770 (the "City"). Owner and City may be referred to herein as a "Party" and collectively as the "Parties".

**RECITALS**

A. Owner owns certain real property located at 933 W. Capaldi Drive which is situated within the municipal boundaries of the City and is more fully described on Exhibit "A" attached hereto and incorporated herein (the "Property").

B. The Property was created as an individually platted lot within the Black Ridge subdivision ("Subdivision") that is set apart for private ownership within a larger homeowner's community (the "Community") and is not part of the common area of the Community.

C. Owner intends to construct a Community clubhouse and amenity (collectively the "Amenity") on the Property for use by the residence of the Subdivision as required by City. Owner anticipates that the Amenity will be owned, operated, and maintained by either Owner or a third party private entity, for the intended benefit of the Community.

D. The Parties recognize that the Amenity is required by the City's ordinances and is a critical component of the Community.

E. In order to protect the potential of future loss of the use of the Amenity by the Community, City is requiring this Restriction to ensure that the Property and Amenity are in continual use by the Community and that the Property cannot be sold and used for any residential or other uses.

NOW, THEREFORE, in consideration of the covenants, restrictions, and other conditions set forth herein, Owner hereby deed restrict the Property as follows:

**RESTRICTION**

1. Deed Restriction; Perpetual Amenity. Owner, along with any of Owner's successors in interest, heirs or assigns, agrees to restrict any and all uses of the Property other than as an Amenity for the Subdivision, to preserve the use of the Property as an Amenity in accordance with the City-approved plans for the Amenity.

2. Nature of Restriction. The Restriction shall run with the land and shall be binding upon the successors, assigns and beneficiaries of the Parties.

3. Term. The term of this Restriction shall commence as of the Effective Date and shall continue in full force and effect in perpetuity unless voided sooner by the unanimous written agreement of the Parties.

4. Enforcement. The City may enforce this Restriction through any proceeding at law or in equity, against the Owner or its successors or assigns, in the event of a violation or threatened violation of the Restriction.

5. Third Party Beneficiary. It is the intent of the Parties that the property owners within the Subdivision be the third-party beneficiaries of the Amenity and this Restriction.

6. Mortgage Protection. None of the Parties shall take any action or exercise any remedies under this Restriction, at law, in equity or otherwise, without the consent of any holder of a secured obligation on the Property, to the extent that such actions or remedies shall have a material adverse impact upon the security, equity position, and/or other material rights of that secured obligation holder. Likewise, any holder of a secured obligation shall not take any foreclosure or other action against or on the Property without prior written notice to the City. Notice to the City shall be directed to the City Attorney, 175 East, 200 North, St. George, Utah 84770.

7. Choice of Law. The Restriction will be governed and construed in accordance with the laws of the State of Utah.

8. Counterparts. This Agreement may be signed in counterparts and each such counterpart shall constitute an original document and all such counterparts, taken together, shall constitute one and the same instrument. Any signature on this Agreement transmitted by facsimile, electronically in PDF format, or by other generally accepted means of conveying digital signatures (e.g., DocuSign), shall be deemed an original signature for all purposes and the exchange of copies of this Agreement and of signature pages by any such transmission, or by combination of such means, shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original for all purposes.

9. Modifications. Any modifications of this Restriction must be in writing and signed by both Parties. The Modification will be effective only when recorded with the Washington County (Utah) Recorder.

10. Recordation. Upon execution and delivery by the Parties, this Restriction shall be recorded against the Property and filed in the official records of Washington County, Utah.

*[signatures on following page]*



**EXHIBIT A**

*Legal Description of  
Property*

Unit 248 - CLUBHOUSE LOT, FINAL PLAT FOR BLACK RIDGE COVE PHASE 2, 4, & 6 as recorded  
as Entry Number 20220041159 with the Washington County Recorder.