



When Recorded Return to:

Desert Color St. George, LLC
205 E Tabernacle, #2
St. George, UT 84780

NOTICE OF THE COVE CONDO ROOFTOP BENEFITTED AREA

This NOTICE OF THE COVE CONDO ROOFTOP BENEFITTED AREA ("**Benefitted Area Notice**") is executed and adopted by Desert Color St. George, LLC, a Utah limited liability company ("**Declarant**") and agreed to by the Cove Condominium Association, a Utah nonprofit corporation.

RECITALS

A. This Benefitted Area Notice, and all information provided herein, is subject to the Amended and Restated Declaration of Covenants, Conditions, Restrictions, Easements, Terms and Reservations for Desert Color Community recorded with the Washington County Recorder's Office on July 29, 2020 as Entry No. 20200039512 ("**Declaration**").

B. The initial Declaration of Covenants was recorded against the Subject Property on December 20, 2018 as Entry No. 20180050210.

C. The real property subject to this Benefitted Area Notice is identified on Exhibit A ("**Subject Property**") attached hereto.

D. Desert Color St. George, LLC is the Declarant as identified and set forth in the Declaration.

E. Under the terms of the Declaration, Declarant reserved the right to assign Lots to Benefitted Areas within the Desert Color Community and to allocate costs incurred for benefits or services provided to Lots within a Benefitted Area that are not provided to all Lots in the Community.

F. Declarant desires to create the "**Cove Condo Rooftop Benefitted Area**" and to confirm that the Subject Property shall be part of such Benefitted Area pursuant to the terms as hereinafter provided for.

G. Unless otherwise defined herein, all capitalized terms shall have the meanings defined in the Declaration.

TERMS AND RESTRICTIONS

NOW THEREFORE, in consideration of the recitals set forth above, the Declarant hereby declares and certifies as follows:

1. Submission. Declarant hereby confirms that all of the real property identified on Exhibit A attached hereto, together with (i) all buildings, improvements, and structures

situated on or comprising a part of the above-described real property, whether now existing or hereafter constructed; (ii) all easements, rights-of-way, and other appurtenances and rights incident to, appurtenant to, or accompanying said real property; and (iii) all articles of personal property intended for use in connection therewith (collectively referred to herein as the "**Subject Property**") is subject to the Declaration. The Subject Property shall hereinafter be held, transferred, sold, conveyed, and occupied subject to the covenants, restrictions, easements, charges, and liens set forth in the Declaration, this Benefitted Area Notice, and all supplements and amendments thereto.

2. Benefitted Area Creation. Declarant hereby confirms that all Lots, Residences, buildings, improvements, and structures situated on or comprising a part of the Subject Property shall hereinafter be considered the "**Cove Condo Rooftop Benefitted Area**" ("**Benefitted Area**"). Declarant reserves the right to add additional Lots and/or Plats to the Benefitted Area.

3. Purpose. The Benefitted Area is established to govern the operation and maintenance of facilities and Amenities unique to the Benefitted Area, or any other Limited Common Areas reserved for the exclusive use and access of Benefitted Area Owners.

4. Amenities. The initial "Amenities" of the Benefitted Area shall include the common area rooftops of the Cove Condominium buildings containing the "Promenade, Surf and Sand" structures, and all related improvements, and facilities located within the Cove Condominium plats, including, but not limited to, spa, fire pits, cooking station, tables, chairs, raised deck, furniture, shade structures, elevators, and all related equipment for the Amenities. Additional Amenities may be added to the Benefitted Area through resolution of the Cove Condominium Association, acting as the "Manager" pursuant to that certain Joint Use, Cost Allocation, and Easement Agreement recorded in the office of the Washington County Recorder as entry number 20220040701, or through the recordation of an additional or amended Benefitted Area Notice.

5. Easements. The Cove Condominium Association and its owners hereby grant and convey to all other owners that are part of the Benefitted Area a permanent and nonexclusive easement over and across the Amenities and the Common Area parcels located within the applicable condominium plats for the use, access, and enjoyment of all other Benefitted Area owners and their successors and assigns. This easement is granted as a benefit and right appurtenant to ownership of a Lot within the Benefitted Area and shall not be separated therefrom.

6. Benefitted Area Expenses. Benefitted Area Expenses shall include, but shall not be limited to, costs incurred for property insurance on structures and improvements comprising the Amenities, liability insurance, maintenance costs for the Amenities, shared common utilities of the Amenities, administrative costs for the Benefitted Area, and any other actual or estimated expenses the Master Association or the Cove Condominium Association incurs solely for the Amenities of the Benefitted Area, including any reserves for capital repairs and replacements of Amenity improvements.

7. Budget. The Cove Condominium Association shall provide the Master Association documentation of all Benefitted Area Expenses it incurs in performing its Amenity maintenance obligations at intervals determined by the Master Association. The Benefitted Area Expenses incurred by the Cove Condominium Association and the Master Association

(if any) shall be added together to determine the total amounts to be used for Benefitted Area Assessments. Reserve funds for the Benefitted Area Amenities shall be held by the Cove Condominium Association. The Master Association shall have the discretion to set appropriate reserve funding amounts and estimated Benefitted Area Expenses when creating annual budgets for the Benefitted Area.

8. Benefitted Area Assessments. Benefitted Area Assessments shall be allocated equally against all Lots within the Benefitted Area to fund the Benefitted Area Expenses. All amounts collected as Benefitted Area Assessments shall be expended solely for the benefit of the Benefitted Area Owners. In determining assessment amounts, the Master Association shall credit all Cove Condominium Unit Owners their pro rata share of the Benefitted Area Expenses that the Cove Condominium incurs. If the Cove Condominium Association incurs more Benefitted Area Expenses than what is allocated to its unit Owner members, then the Master Association shall use the funds collected from the townhome Owners to reimburse the Cove Condominium Association the excess expenses incurred.

9. Maintenance of Benefitted Area Amenities. The Cove Condominium Association (through hired contractors and agents) shall have the primary responsibility to maintain, repair, and replace the Amenities specific to the Benefitted Area. The Master Association shall have the sole discretion to determine the boundaries of designated Amenities if such boundaries are found ambiguous. If the maintenance responsibility for any item or facility is not specifically identified in this Benefitted Area Notice or subsequent Master Association resolution, then the presumption shall be that the maintenance responsibility of such improvement is not the responsibility of the Benefitted Area. The Master Association shall have the right (but shall have no obligation) to perform the maintenance of the Amenities if it is determined that the Cove Condominium Association has failed to perform its maintenance duties in conformance with Community standards. If the Master Association elects to perform maintenance, then the Master Association shall have the power and authority without liability for trespass, damage, or otherwise, to enter upon any Amenity for the purpose of performing such maintenance or repair. All costs incurred for the maintenance described in this Section shall be part of the Benefitted Area Expenses regardless of the party who incurs the costs.

10. Owner Maintenance. Unless otherwise expressly delegated through a resolution of the Master Association or Cove Condominium Association, Lot Owners shall have no obligation to maintain, replace, or repair any of the Amenities within the Benefitted Area. If maintenance responsibilities are allocated to Owners or a Neighborhood Association, the Master Association shall have the power and authority without liability to the Benefitted Area Owners for trespass, damage, or otherwise, to enter upon any Amenity for the purpose of maintaining and repairing such Amenity if the delegated Owner or Neighborhood Association fails to perform its delegated maintenance responsibilities, in the sole discretion of the Master Association. All costs incurred by the Master Association in remedying Owner or Neighborhood Association maintenance neglect shall be equally allocated to all responsible Benefitted Area Owners as Individual Assessments.

11. Indemnification. The Cove Condominium Association and the townhome Owners shall indemnify, defend, and hold harmless the Master Association and its affiliates, members, managers, agents, tenants, and representatives for, from, and against all claims, damages, expenses (including, without limitation, reasonable

attorneys' fees and reasonable investigative and discovery costs), liabilities, and judgments on account of injury to persons, loss of life, or damage to property resulting from the negligent or willful acts or omissions of the indemnifying party, its members, or permitted users, in the use, administration, maintenance and management of the Amenities and Benefitted Area.

12. Amendment. The information and requirements set forth in this Benefitted Area Notice may be amended by the Master Association or by the Declarant during the Control Period.

13. Scope of Changes. To the extent that the terms or provisions of this Benefitted Area Notice conflict or are inconsistent with the terms and provisions of the Declaration, the terms and provisions of this Benefitted Area Notice shall control. The Declarant hereby ratifies the terms of the Declaration, as amended by this Benefitted Area Notice, and acknowledges that, except as herein modified, the Declaration shall remain in full force and effect in accordance with its terms.

14. Reservation of Declarant's Rights. Pursuant to the Declaration, all rights concerning the Project reserved to Declarant in the Declaration are hereby incorporated and reserved to Declarant with respect to the Subject Property. The exercise of Declarant's rights concerning such Subject Property shall be governed by the terms, provisions and limitations set forth in the Declaration.

15. Effective Date. This Benefitted Area Notice shall take effect upon being recorded with the Washington County Recorder.

IN WITNESS WHEREOF, the Declarant has executed this Benefitted Area Notice this 21 day of March, 2023.

DECLARANT
DESERT COLOR ST. GEORGE, LLC
a Utah limited liability company

By: [Signature]

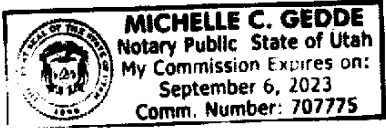
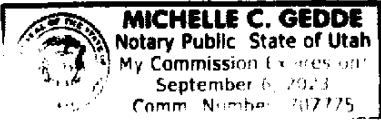
Name: Mitchell Dansie

Title: Manager

STATE OF UTAH)
) ss.
COUNTY OF Washington)

On the 21 day of March, 2023, personally appeared before me Mitchell Dansie who by me being duly sworn, did say that she/he is an authorized representative of Desert Color St. George, LLC, and that the foregoing instrument is signed on behalf of said company and executed with all necessary authority.

Notary Public: [Signature]



IN WITNESS WHEREOF, the Cove Condominium Association hereby consents to the terms and provisions in this Benefitted Area Notice, including the granting of easement and indemnification rights, and has executed the same this 22 day of MARCH, 2023.

COVE CONDOMINIUM ASSOCIATION
a Utah nonprofit corporation

By: [Signature]

Name: Eric Day

Title: VP Land

STATE OF UTAH)
COUNTY OF WASHINGTON) ss.

On the 22 day of MARCH, 2023, personally appeared before me ERIC DAY who by me being duly sworn, did say that she/he is an authorized representative of Cove Condominium Association, and that the foregoing instrument is signed on behalf of said company and executed with all necessary authority.

Notary Public: [Signature]

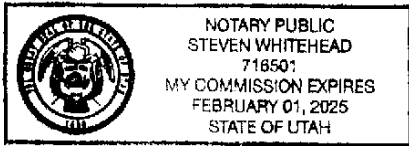


EXHIBIT A
SUBJECT PROPERTY DESCRIPTION

Lots 501 through 529 of DESERT COLOR RESORT PHASE 5, according to the official plat filed in the office of the Washington County Recorder on October 22, 2021 as Entry Number 20210068545.

Parcel Numbers: SG-DCR-5-501 through SG-DCR-5-529

Lot 2 of DESERT COLOR ATKINVILLE RESORT SUBDIVISION, according to the official plat thereof on file and of record in the office of the Washington County Recorder on November 19, 2021 as Entry Number 20210074288.

Parcel Number: SG-DCAR-2

Such Parcel is expected to include 44 total townhome lots following subsequent subdivision