

3.1 Reinvestment Fee on Sale or Transfer of Lot or Condominium Unit. Each time legal title to a Lot transfers from one Owner to another Owner, the new Owner of such Lot or Condominium Unit shall pay to the Association a Reinvestment Fee in an amount set by the Board as follows:

(a) The Reinvestment Fee shall be less or equal to the maximum percentage of the sale price of the Lot or Condominium Unit as allowed for under Utah Law, in addition to any other required amounts. The Reinvestment Fee may be set by the Board, by adoption of a Rule. Unless and until the Board sets a different Reinvestment Fee it shall be one half of one percent (0.5%) of the sale price. The Reinvestment Fee shall be due within thirty (30) days after the effective date of the deed or similar instrument transferring title. The Reinvestment Fee shall constitute an Assessment against the Lot or Condominium Unit.

(b) The Reinvestment Fee may be used by the Association to pay costs directly related to the transfer of the burdened property as well as: (a) common planning, facilities, and infrastructure; (b) obligations arising from an environmental covenant; (c) community programming; (d) resort facilities; (e) open space; (f) recreation amenities; (g) charitable purposes; or (h) Association expenses.

(c) The Reinvestment Fee is not due and may not be enforced against: (a) an involuntary transfer; (b) a transfer that results from court order; (c) a bona fide transfer to a family member of the seller within three degrees of consanguinity who, before the transfer, provides adequate proof of consanguinity; (d) a transfer or change of interest due to death, whether provided in a will, trust, or decree of distribution, or similar court order; (e) a transfer between an entity and a principal of the entity created or structured for estate or tax planning purposes; and (f) the transfer of burdened property by a financial institution, except to the extent that the reinvestment fee covenant requires the payment of a common interest association's costs directly related to the transfer of the burdened property, not to exceed \$250.

(d) The Association shall have the authority to record any notice required by law to effectuate this provision.

