

Description of Reinvestment Fee Covenant

Summit Eden

It is anticipated that a reinvestment fee covenant will be imposed on all of the single family lots and condominium units to be developed in the project. The covenant will be included in the master CC&Rs for the project, and will run in perpetuity with project land. The reinvestment fee will apply to all transfers of lots, homes and units, with certain exceptions such as sales by the developer to initial buyers, bulk sales for development purposes, transfers of employee housing units, transfers between family members, and certain other transfers that are excluded by Utah law. The fee amount is anticipated to be 1% of the gross selling price of the applicable real property. It will be collected at closing and paid to the master owners' association established for the project. Notice of the reinvestment fee covenant will be recorded in the Office of the Weber County Recorder, to provide notice of the covenant to all potential purchasers.

Reinvestment fee funds will be used by the master owners' association only for purposes permitted under Utah law, which include the following:

- Common planning, facilities, and infrastructure;
- Transportation features, such as a village shuttle system and other programs to reduce traffic impacts;
- Community activities and programming;
- Common resort facilities and recreational amenities;
- Open space preservation;
- Charitable purposes; and
- Master association expenses.