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Attorneys for Plaintiffs Pioneer Addition Neighborhood Association, Inc. and Autumn Ridge Homeowners Association, Inc.

If you do not respond to this document within applicable time limits, judgment could be entered against you as requested.

IN THE FOURTH JUDICIAL DISTRICT COURT OF
UTAH COUNTY, STATE OF UTAH

**PIONEER ADDITION
NEIGHBORHOOD ASSOCIATION,
INC.**, a Utah non-profit corporation,
**AUTUMN RIDGE HOMEOWNERS
ASSOCIATION, INC.**, a Utah non-profit
corporation,

Plaintiffs,

vs.

**EAGLE MOUNTAIN PROPERTIES
COMMUNITIES MASTER
ASSOCIATION, INC. D/B/A EAGLE
MOUNTAIN MASTER ASSOCIATION**, a
Utah nonprofit corporation, **MONTE VISTA
RANCH, L.C.**, a Utah limited liability
company,

Defendants.

COMPLAINT

Case No. _____

Judge: _____

TIER 3

Plaintiffs Pioneer Addition Neighborhood Association, Inc. (“Pioneer Addition”) and Autumn Ridge Homeowners Association, Inc. (“Autumn Ridge”), by and through counsel, hereby complain against defendants Eagle Mountain Properties Communities Association, Inc. d/b/a

Eagle Mountain Master Association (the “Master Association”) and Monte Vista Ranch, L.C. (the “Developer”) as follows:

PARTIES, JURISDICTION, AND VENUE

1. Plaintiff Pioneer Addition is a Utah non-profit corporation with a principal place of business in Utah County, Utah.

2. Plaintiff Autumn Ridge is a Utah non-profit corporation with a principal place of business in Utah County, Utah.

3. Defendant Master Association is a Utah non-profit corporation with a principal place of business in Utah County, Utah.

4. Defendant Developer is a Utah limited liability company with a principal place of business in Utah County, Utah.

GENERAL ALLEGATIONS

Pioneer Addition

5. Pioneer Addition is the homeowners association for the Pioneer Addition subdivision located in Eagle Mountain, Utah.

6. Pioneer Addition was developed in several phases, and currently consists of 649 lots.

7. The Pioneer Addition Phase 1 Plat was recorded by the Developer on July 9, 2003. *See* Pioneer Addition Plats, a true and correct copy of which are attached hereto as **Exhibit A**.

8. On the same day the Pioneer Addition Phase 1 Plat was recorded, the Developer recorded the Conditions, Covenants, Restrictions and Easements for Pioneer Addition Phase 1 (the “Pioneer Addition Neighborhood Declaration”), a true and correct copy of which is attached hereto as **Exhibit B**.

9. Within weeks of recording the Pioneer Addition Phase 1 Plat and the Pioneer Addition Neighborhood Declaration, the Developer began selling Pioneer Addition lots.

10. All Pioneer Addition Phase 1 lots were conveyed from the Developer to Providence Development Group, LLC on July 23, 2003. *See* Providence Development Deed, a true and correct copy of which is attached hereto as **Exhibit C**.

11. These lots were then conveyed to different development entities, which began selling individual lots to homeowners in or around 2004. *See* Pioneer Addition Warranty Deeds, a true and correct copy of which is attached hereto as **Exhibit D**.

12. Plats for Phases 2 through 7(B) were recorded between 2005 and 2007. *See* Pioneer Addition Plats.

13. When the plats and neighborhood declarations were recorded, the property in Phases 2 through 7(B) was all owned by Legends Land & Ranch LLC. *See* Pioneer Addition Plats.

14. The plats for Phases 7(C) and 7(D) were recorded in 2016 and 2019 by MVR Management. *See* Pioneer Addition Plats.

Autumn Ridge

15. Autumn Ridge is the homeowners association for the Autumn Ridge subdivision in Eagle Mountain, Utah.

16. Autumn Ridge was developed in two phases consisting of 116 lots.

17. The Autumn Ridge Phase 1 plat was recorded on July 27, 2007 by Homeland Holdings Corp. *See* Autumn Ridge Plats, a true and correct copy of which is attached hereto as **Exhibit E**.

18. A neighborhood declaration for Autumn Ridge was recorded on August 3, 2007. *See* Autumn Ridge Declaration, a true and correct copy of which is attached hereto as **Exhibit F**.

19. The Autumn Ridge Phase 2 plat was recorded on April 30, 2014 by Wren Holdings, LLC. *See* Autumn Ridge Plats.

Master Association

20. The Master Association is the master homeowners association for several sub-associations in Eagle Mountain, Utah.

21. The Master Association purports to be the master association for Pioneer Addition and Autumn Ridge.

22. The Master Association was incorporated in 2008. *See* Articles of Incorporation, a true and correct copy of which is attached hereto as **Exhibit G**.

23. The Articles of Incorporation for the Master Association state that “[t]he purpose of the Corporation is to provide for the regulation and administration of the Property and Common Areas located in the Eagle Mountain Ranch community, and additions and areas annexed thereto, according to the ‘Declaration for Covenants Eagle Mountain Ranch’ and the subdivision plats recorded or to be recorded in Eagle Mountain City, Utah County, Utah[] [p]ursuant thereto.” *See id.*

24. The Master Declaration of Covenants for Eagle Mountain Properties Communities Master Association was recorded on October 29, 2009 (the “Master Declaration”), a true and correct copy of which is attached hereto as **Exhibit H**.

25. The Master Declaration was signed only by the Developer. *See id.*

26. No other person or entity signed the Master Declaration. *See id.*

27. The Master Declaration was recorded against Pioneer Addition and Autumn Ridge. *See id.*

28. The following language appears at the end of the legal description of the Master

Declaration:

LESS AND EXCEPTING FROM ALL PARCELS ABOVE ANY LANDS LYING WITHIN THE BOUNDS OF CITY OR COUNTY ROADS, AND ANY OTHER PUBLICLY OWNED LANDS, AND ANY OTHER LAND DEEDED TO OTHERS PRIOR TO THE DATE OF RECORDING OF THIS DOCUMENT, BUT NOT SPECIFICALLY DETAILED HEREIN.

See id.

29. Based on the provisions of the Master Declaration, the Master Association has been collecting assessments from owners in Pioneer Addition and Autumn Ridge.

30. The Master Declaration establishes a period of administrative control that ends on December 31, 2108 — nearly a century after the Master Declaration was recorded — or when 40,001 units receive certificates of occupancy and are not owned by the Developer, whichever occurs first. *See id.* § 2.1.

31. The Master Declaration gives the Developer the right to appoint all members of the Master Association Board of Directors during the period of administrative control. *See* Bylaws of Eagle Mountain Properties Communities Master Association, Inc. (the “Master Bylaws”), attached as Exhibit C to the Master Declaration, at § 3.2.

32. During the period of administrative control, the Developer has the right to veto any action of the Master Association Board of Directors. *See id.* § 3.3.

33. During the period of administrative control, the Developer may unilaterally amend the Bylaws, the Design Guidelines, and certain provisions the Master Declaration. *See id.* § 7.6; Master Declaration §§ 5.3(a), 20.2.

34. During the period of administrative control, the Master Declaration cannot be amended without the approval of the Developer. *See* Master Declaration § 20.2(b).

35. The Master Bylaws provide that the Developer has the right to unilaterally amend

the Master Bylaws even after the period of administrative control has ended so long as the Developer owns any property within the Master Association. *See* Master Bylaws § 7.6.

36. During the period of administrative control, the Developer is entitled to five votes for each lot or unit it owns and fifteen votes for each acre of land owned by the Developer but not platted, while owners are entitled to one vote per lot. *See* Master Declaration §§ 4.1(b), 4.2.

37. The Master Association has the sole right and authority to select and appoint a professional management company for each Sub-Association and to direct the manager for each Sub-Association. *See* First Amendment to Master Declaration, a true and correct copy of which is attached hereto as **Exhibit I**.

38. The Master Declaration was never disclosed to or approved by lot owners or purchasers in Pioneer Addition or Autumn Ridge.

39. The Master Declaration was recorded at a time when the Developer no longer owned any property within Pioneer Addition or Autumn Ridge.

40. During this control period, the Master Declaration gives the Developer the right to appoint all directors of the Master Association, to veto any action of the Board, to exercise supervoting rights, and to unilaterally amend key governing documents.

41. The Master Association exercised this right to amend the Master Declaration almost immediately after recording of the Master Declaration in order to give itself the sole right and authority to appoint the management company for each Sub-Association, and to direct the activities of that management company.

42. These provisions are procedurally unconscionable because they were imposed unilaterally by the Developer and/or the Master Association without owner knowledge, consent, or meaningful choice.

43. These provisions are also substantively unconscionable because they impose extreme, one-sided obligations on Pioneer Addition, Autumn Ridge, and their members while preserving near-total control for the Developer for a period of almost one-hundred years.

44. On May 20, 2010, the Master Association recorded a Notice of Reinvestment Fee Covenant (the “Notice”), a true and correct copy of which is attached hereto as **Exhibit J**.

45. The Notice notifies owners of a reinvestment covenant recorded as part of the Master Declaration. *See id.*

46. The Notice obligates buyers or sellers of property within the Master Association to pay to the Master Association a “community enhancement fee” equal to 0.5% of the gross sales price upon the sale of the property. *See id.*

47. The Notice was recorded against Pioneer Addition and Autumn Ridge. *See id.*

48. The Master Association has been collecting reinvestment fees from owners within Pioneer Addition and Autumn Ridge for over ten years. *See* Master Declaration § 12.11 (Community Enhancement Fee).

49. Since the Master Declaration was recorded, the Developer and/or the Master Association have recorded eight (8) amendments to the Master Declaration (the “Amendments”).

50. All of the amendments were recorded against Pioneer Addition and Autumn Ridge.

51. The defendants did not own any part of Pioneer Addition or Autumn Ridge at the time the Master Declaration, the Notice, or the Amendments (together, the “Master Association Documents”) were recorded.

52. No statute or recorded instrument authorized the annexation of Pioneer Addition or Autumn Ridge into the Master Association.

53. The defendants knew or should have known that they did not own any of the

Pioneer Addition or Autumn Ridge property at the time the Master Association Documents were recorded.

54. None of the Master Association Documents are expressly authorized by statute or by a court order.

55. Accordingly, the Master Association Documents were wrongfully recorded against Pioneer Addition or Autumn Ridge.

56. Because the Master Association Documents were wrongfully recorded, the Master Association has wrongfully subjected Pioneer Addition and Autumn Ridge to the collection of assessments and reinvestment fees from Pioneer Addition and Autumn Ridge for over ten years.

57. On January 27, 2023, Pioneer Addition and Autumn Ridge sent the Master Association and the Developer a written demand to remove the Master Association Documents. *See Demand Letters*, a true and correct copy of which is attached hereto as **Exhibit K**.

58. More than ten days have passed since the Master Association and the Developer received these written demands, but the Master Association and Developer have not caused the Master Association Documents to be removed from Pioneer Addition or Autumn Ridge.

59. The Master Association does not provide any services to Pioneer Addition or Autumn Ridge.

60. The Master Association does not own, operate, manage, or maintain any common area within Pioneer Addition or Autumn Ridge.

61. Pioneer Addition and Autumn Ridge are responsible for maintaining their own common areas.

62. Upon information and belief, the Master Association does not provide any services to Pioneer Addition, Autumn Ridge, or any other sub-associations.

63. Upon information and belief, the only common area owned, operated, managed, or maintained by the Master Association is a so-called clubhouse, under construction since at least January 2022 and completed in 2024.

64. The clubhouse has been promoted to homeowners as an amenity but in practice functions primarily as an event space rented out for substantial fees.

65. The upper level of the clubhouse contains four office suites that are currently vacant.

66. On September 23, 2025, during a Master HOA meeting, representatives of the Master Association stated that they are considering renting three of the four office suites to Eagle Mountain City.

67. At that meeting, the Master Association stated that the office suites were never intended for use by EMMA or ACS operations.

68. During the clubhouse construction phase, then-Board member Karl informed homeowners that the office suites would be used for EMMA and ACS offices.

69. When questioned on September 23, 2025, about this inconsistency, the Master Association stated that the use of those offices had been discussed early in development but that the offices were later designated as available for homeowners to rent and for Board use free of charge.

70. Prior to the September 23, 2025 meeting, neither homeowners nor Board members had been informed that the office suites were available for homeowner rental or that Boards could use the clubhouse facilities free of charge.

71. Upon information and belief, the Master Association made these statements in response to issues raised during mediation, where its president acknowledged that Boards could

use clubhouse rooms for meetings and other activities free of charge without signing any forms or agreements.

72. Notwithstanding those statements, the clubhouse has continued to operate as a fee-based rental venue, and homeowners have been charged fees to use the facility.

73. The Master Association requires owners who want to use the clubhouse to sign a form representing that they are members of the Master Association and subject to and bound by the Master Declaration.

74. The Master Association collects assessments through its sub-associations; it does not send separate statements, invoices, or bills to owners.

75. The Master Association's only expenses are administrative expenses and expenses related to the clubhouse.

76. The Developer has been using fees collected from the Pioneer Addition, Autumn Ridge, and the other sub-associations to subsidize the construction of the clubhouse and other infrastructure for the Eagle Mountain master planned community.

77. The Master Declaration defines "Association Expenses" and sets out the budgeting and allocation framework for those expenses (corresponding to "common expenses" under Utah Code Ann. § 57-8a-102(6)). *See* Master Declaration §§ 12.1-12.2.

78. The clubhouse is not identified as a Common Area in the Master Declaration, nor is its construction or financing, or the construction or financing of other development infrastructure, included within the permissible scope of Common Expenses.

79. Under Utah Code Ann. § 57-8a-102(6), a "common expense" means only costs incurred by an association to exercise powers provided in its governing documents, and under § 57-8a-201, owners are only obligated to pay assessments for their proportionate share of common

expenses.

80. Accordingly, the use of assessments from Pioneer Addition and Autumn Ridge to subsidize construction of the clubhouse and other infrastructure was not authorized by the Master Declaration or the Community Association Act.

81. In the alternative, if the Master Declaration is deemed enforceable against Pioneer Addition and Autumn Ridge, Defendants breached the Master Declaration by levying and expending assessments for purposes not authorized as Common Expenses, including but not limited to the construction and furnishing of the clubhouse and other infrastructure for the Developer.

82. Upon information and belief, the Master Association has used assessments collected from Pioneer Addition, Autumn Ridge, and other sub-associations to pay or otherwise compensate members of the Master Association Board of Directors.

83. Such payments include, but are not limited to, stipends and other monetary or in-kind benefits, and purported 'reimbursements' that were not tied to documented, actual expenses, none of which were authorized under the Master Declaration, the Master Bylaws, or any other governing document.

84. Under Utah Code Ann. § 16-6a-811, a nonprofit board may authorize and fix director compensation unless the bylaws provide otherwise.

85. Section 3.13 of the Master Bylaws expressly prohibits directors from receiving any compensation for their service unless approved by Voting Members representing a majority of the total votes of the Association at a duly noticed meeting.

86. Section 3.13 allows only reimbursement for actual expenses or compensation for a separate role, neither of which applies here.

87. The Master Declaration and Master Bylaws therefore contain no provision authorizing director compensation to be funded as Association Expenses/common expenses or to be assessed to owners. *See* Master Declaration §§ 12.1–12.2; Bylaws § 3.13.

88. Upon information and belief, no board resolution complying with applicable notice, voting, and record-keeping requirements, and no member approval, was adopted to authorize compensating directors or charging such compensation to assessments.

89. These payments were made from general association funds derived from assessments levied on Pioneer Addition and Autumn Ridge owners.

90. Even if director compensation could be set in the abstract, using assessed funds to pay director compensation is not authorized as an Association Expense/common expense under the Master Declaration §§ 12.1–12.2 or Utah Code Ann. § 57-8a-102(6); accordingly, the payments constitute an unauthorized expenditure and misuse of assessment funds.

91. Upon information and belief, some or all such payments were made while the Developer maintained voting and veto authority, constituting a “conflicting interest transaction” under Utah Code Ann. § 16-6a-825(1).

92. No disclosure, disinterested approval, or member ratification occurred as required by § 16-6a-825(4), rendering the payments voidable and evidencing self-dealing and breach of the directors’ duty of loyalty.

93. Upon information and belief, many homeowners did not receive copies of any Master Association documents prior to purchasing their lots.

94. Many homeowners within Pioneer Addition, Autumn Ridge, and other sub-associations, did not know that the Master Association existed until recently, and there are many who still do not know of its existence.

95. The Master Association did not hold any member meetings or any open Board meetings as required by law until 2017.

96. In 2017, Pioneer Addition began seeking legal opinions regarding the validity of the Master Association.

97. The Developer and the Master Association were notified of the proposed legal action and bases of Pioneer Addition and Autumn Ridge's claims in or around January 2023.

98. The Developer and the Master Association were given a reasonable opportunity to resolve the dispute.

99. The parties engaged in multiple discussions to attempt to resolve the dispute, but no resolution was reached.

100. Pioneer Addition and Autumn Ridge sent owners a notice of intent to file legal action against the Developer.

101. Pioneer Addition and Autumn Ridge held a vote of its respective owners to vote on whether to initiate litigation against the Developer.

102. Both Pioneer Addition and Autumn Ridge satisfied the approval requirements of their respective lot owners to initiate this litigation.

103. Pioneer Addition and Autumn Ridge have satisfied all conditions precedent to bringing this litigation under their respective Neighborhood Declarations and Utah law.

104. Pioneer Addition and Autumn Ridge have received assignments of claims from 576 homeowners to pursue the claims outlined herein on their behalf.

FIRST CAUSE OF ACTION
(Quiet Title, Utah Code Ann. § 78B-6-1301)

105. Plaintiffs incorporate by reference the foregoing paragraphs as though fully set forth herein.

106. A dispute has arisen between the parties regarding an interest in real property.

107. This action is authorized by Utah Code Ann. § 78B-6-1301.

108. The Defendants recorded the Master Association Documents against Pioneer Addition and Autumn Ridge.

109. At the time of recording, the Defendants did not own any land within Pioneer Addition or Autumn Ridge.

110. At the time of recording, the Defendants did not obtain signatures or approval from the owners of the affected property.

111. The Master Association Documents purport to make Pioneer Addition and Autumn Ridge members of the Master Association and to obligate them to pay assessments and reinvestment fees.

112. Defendants' recording of the Master Association Documents was wrongful and created a cloud on title to the lots, units, and parcels within Pioneer Addition and Autumn Ridge.

113. Plaintiffs are entitled to an order of the Court:

- a. quieting title to the lots, units, and parcels in Pioneer Addition and Autumn Ridge in favor of Plaintiffs and the respective property owners; and
- b. quieting title to any common area within Pioneer Addition and Autumn Ridge in favor of the Plaintiffs.

114. Plaintiffs further seek a declaration that the Master Declaration, the Notice, and all subsequent amendments are void and of no effect as to Pioneer Addition and Autumn Ridge.

115. Plaintiffs have no adequate remedy at law and therefore seek equitable relief in the form of quiet title.

SECOND CAUSE OF ACTION
(Declaratory Judgment, Utah Code Ann. § 78B-6-401)

116. Plaintiffs incorporate by reference the foregoing paragraphs as though fully set forth herein.

117. A dispute has arisen between the parties regarding their respective rights, obligations, and legal relationship.

118. Specifically, the parties dispute whether Pioneer Addition and Autumn Ridge are subject to the Master Association Documents and the jurisdiction and authority of the Master Association.

119. The Master Association Documents are void as to Plaintiffs because they were recorded by the Developer when it did not own any of the land within Plaintiffs' subdivisions.

120. The Master Association Documents are further void as to Plaintiffs because none of the actual property owners signed or approved them.

121. The Master Declaration is procedurally unconscionable because it was imposed without disclosure to or approval by lot owners, was not presented to buyers before purchase, and was recorded at a time when the Developer no longer owned any property in Plaintiffs' subdivisions.

122. The Master Declaration is substantively unconscionable because it imposes a 99-year period of administrative control, grants the Developer super-voting rights, grants the Developer unilateral amendment rights, and grants the Developer veto power over all board actions.

123. For clarity, the Master Declaration term "recoverable association expenses" corresponds to what the Community Association Act defines as "common expenses."

124. The clubhouse is not identified as a Common Area in the Master Declaration, nor

is its construction or financing included within the permissible scope of Association Expenses/common expenses or authorized assessments.

125. Under Utah Code Ann. § 57-8a-102(6), a “common expense” means only costs incurred by an association to exercise powers provided in its governing documents.

126. Under Utah Code Ann. § 57-8a-201, lot owners are obligated to pay assessments only for their proportionate share of such common expenses.

127. The use of assessments from Pioneer Addition and Autumn Ridge to subsidize the clubhouse was not authorized as Association Expenses/common expenses under either the Master Declaration or the Community Association Act.

128. The Master Association further used assessment funds to pay or otherwise compensate members of its Board of Directors in violation of Bylaws § 3.13 and Utah Code Ann. § 16-6a-811, without member approval or lawful authorization.

129. Such payments constituted a “conflicting interest transaction” under Utah Code Ann. § 16-6a-825(1), made without disclosure, disinterested approval, or member ratification as required by § 16-6a-825(4), rendering them voidable and evidencing self-dealing and breach of fiduciary duty.

130. Plaintiffs are entitled to an order of the Court declaring that the Master Association Documents, including the Master Declaration and all amendments, are null and void with respect to Plaintiffs and their members.

131. Plaintiffs are also entitled to an order declaring that Pioneer Addition and Autumn Ridge are not members of the Master Association and are not subject to or bound by the Master Declaration or any other Master Association Documents.

132. Declaratory relief is necessary to resolve this controversy and prevent ongoing

uncertainty regarding the rights and obligations of the parties.

THIRD CAUSE OF ACTION
(Breach of Contract, in the Alternative)

133. Plaintiffs incorporate by reference the foregoing paragraphs as though fully set forth herein.

134. Plaintiffs deny that the Master Declaration and related documents are valid or enforceable against them.

135. In the alternative, if the Court determines that the Master Declaration is enforceable against Plaintiffs, then the Master Declaration constitutes a contract between the Master Association and Plaintiffs and their members.

136. The Master Declaration refers to “Association Expenses” (§§ 12.1–12.2). These correspond to what the Utah Community Association Act defines as “common expenses” (§ 57-8a-102(6)). For consistency, Plaintiffs refer to both terms.

137. The Master Declaration sets out the budgeting and allocation framework for Association Expenses. *See* Master Declaration §§ 12.1–12.2.

138. The clubhouse is not identified as a Common Area in the Master Declaration, nor is its construction or financing, or the construction or financing of other infrastructure by the Developer, included within the permissible scope of recoverable expenses or authorized assessments.

139. Utah Code Ann. § 57-8a-102(6) defines “common expense” as costs incurred by an association to exercise powers provided in its governing documents, and § 57-8a-201 obligates owners to pay only their proportionate share of such common expenses.

140. Defendants breached the Master Declaration by levying and expending assessments for purposes not authorized as Association Expenses/common expenses, including the

construction, furnishing, and operation of the clubhouse or the construction of other infrastructure.

141. As a direct and proximate result of Defendants' breach, Plaintiffs and their members have been damaged in an amount to be proven at trial, including but not limited to:

- a. restitution of assessments wrongfully levied and expended, together with interest; and
- b. expectation and consequential damages arising from Defendants' misuse of funds and failure to comply with the Master Declaration.

142. Defendants further breached the Master Declaration and governing law by expending assessment funds to pay or otherwise compensate members of the Master Association Board of Directors in violation of Bylaws § 3.13 and Utah Code Ann. § 16-6a-811, without the member approval required therein.

143. Such payments were unauthorized expenditures and conflicted with Utah Code Ann. § 16-6a-825, constituting self-dealing and misuse of association funds in violation of the governing documents.

144. Plaintiffs are entitled to recover their damages, costs, and reasonable attorney fees as permitted by the Master Declaration and applicable law.

FOURTH CAUSE OF ACTION
(Breach of Utah Code Ann. § 57-8a-502, in the Alternative — Against Developer)

145. Plaintiffs incorporate by reference the foregoing paragraphs as though fully set forth herein.

146. At all relevant times, Developer was the "Declarant" and/or persons exercising control over the Master Association within the meaning of Utah Code Ann. §§ 57-8a-102 and 57-8a-502.

147. During the period of administrative control, Developer was required by Utah Code Ann. § 57-8a-502(5) to:

- a. use reasonable care and prudence in managing and maintaining the common areas;
- b. establish a sound fiscal basis for the association by imposing and collecting assessments and establishing reserves for maintenance and replacement of common areas;
- c. for any service the association is or will be obligated to provide, disclose to lot owners the amount of money the declarant provides for or subsidizes for that service;
- d. maintain records and account for the financial affairs of the association from its inception;
- e. comply with and enforce the terms of the governing declaration, including design controls, land-use restrictions, and the proper collection and expenditure of assessments; and
- f. disclose to lot owners all material facts and circumstances affecting
 - i. the condition of the property that the association is responsible for maintaining and
 - ii. the financial condition of the association, including any interest of the declarant or its affiliates in any contract, lease, or other agreement entered into by the association.

148. Developer breached these statutory duties, including their duty under subsection (e) to comply with and enforce the governing declaration, by:

- a. using assessments collected from Pioneer Addition, Autumn Ridge, and other sub-

associations to fund construction and operation of a clubhouse not authorized as a common expense under the Master Declaration or Utah Code Ann. § 57-8a-102(6);

- b. paying or otherwise compensating Master Association directors in violation of Bylaws § 3.13 and without the disclosures, approvals, or ratifications required by law;
- c. failing to maintain and provide accurate records and financial transparency to members; and
- d. continuing to collect and expend assessments under a Master Declaration wrongfully recorded and void as to Plaintiffs, contrary to the duty to comply with and enforce the declaration in good faith.

149. These actions were undertaken in bad faith, in knowing disregard of statutory and governing-document obligations, and for the benefit of the Developer and certain directors rather than the Association and its members.

150. As a direct and proximate result of Developer's violations of Utah Code Ann. § 57-8a-502, Plaintiffs and their members have suffered damages, including misused assessment funds, loss of transparency and control, and impairment of property rights.

151. Plaintiffs are entitled to equitable and monetary relief, including restitution of misused funds, disgorgement of improper benefits, removal of any offending directors, imposition of a constructive trust over funds wrongfully paid, and such further relief as the Court deems just and proper.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for relief as follows:

1. **On the First Cause of Action (Quiet Title):**

- a. Declaring that the Master Association Documents, including the Master Declaration, the Notice, and all amendments, are void and of no effect as to Pioneer Addition and Autumn Ridge; and
- b. Quieting title to the lots, units, parcels, and common areas in Pioneer Addition and Autumn Ridge in favor of Plaintiffs and their respective members.

2. **On the Second Cause of Action (Declaratory Judgment):**

- a. Declaring that Pioneer Addition and Autumn Ridge, and their respective members, are not members of the Master Association;
- b. Declaring that Pioneer Addition and Autumn Ridge, and their respective members, are not subject to or bound by the Master Declaration or any other Master Association Documents;
- c. Declaring that any payments of director compensation or other disbursements made in violation of Bylaws § 3.13, Utah Code Ann. § 16-6a-811, or § 16-6a-825 are void or voidable and ordering that such amounts be disgorged and restored to Plaintiffs or otherwise distributed as the Court deems equitable for the benefit of affected homeowners;
- d. Enjoining Defendants from paying or funding any director compensation from Association assessments absent compliance with Bylaws § 3.13 and applicable law; and
- e. Imposing a constructive trust over any director-compensation payments made in violation of Bylaws § 3.13, Utah Code Ann. § 16-6a-811, or § 16-6a-825, pending restoration to the Association.

3. **On the Third Cause of Action (Breach of Contract, in the Alternative):**

- a. Awarding restitution of assessments wrongfully levied and expended, together with prejudgment and post-judgment interest; and
- b. Awarding expectation and consequential damages proximately caused by Defendants' breaches, including losses from misuse of funds and failure to comply with the Master Declaration.

4. **On the Fourth Cause of Action (Breach of Utah Code Ann. § 57-8a-502 —in the Alternative):**

- a. Awarding restitution of assessments and funds misused or improperly allocated in violation of the Act;
- b. Ordering disgorgement of any improper benefits received by Developer, their directors, or affiliated parties;
- c. Imposing a constructive trust over all funds wrongfully paid or retained;
- d. Ordering the removal or disqualification of any directors or officers found to have acted in violation of the Act or governing documents; and

5. **Attorney Fees and Costs:** Awarding Plaintiffs their reasonable attorney fees and costs as permitted by § 8.4 of the Master Declaration, Utah Code Ann. § 78B-5-826, Utah R. Civ. P. 54(d), and any other applicable contractual or statutory provisions.

6. **Further Relief:** Granting such other and further relief as the Court may deem just and proper.

DATED this 26th day of November 2025.

ROSING DAVIDSON FROST

/s/ Robert S. Rosing

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