



BEAR HOLLOW VILLAGE

Bear Hollow Village Homeowners Association Your Vote Is Needed: Reinvestment Fee Amendment

October 7, 2026

Dear Bear Hollow Village homeowners,

Enclosed is a ballot on a proposed amendment that would increase the Association's reinvestment fee from 0.25% to 0.50%. The full legal packet is enclosed, and we know that 14 pages of recording language is nobody's idea of light reading, so this letter covers what you need to know. Please read it, vote, and return your ballot by 5:00 p.m. on Tuesday, December 1, 2026.

What is a reinvestment fee?

A reinvestment fee is a one-time fee paid by the buyer at closing when a home in Bear Hollow Village sells, and every dollar of it goes to the Association's reserve fund. Bear Hollow has had a 0.25% reinvestment fee since 2022. At that rate, the buyer of a home selling for \$1,000,000 pays \$2,500, and under the proposed amendment that buyer would pay \$5,000. The fee does not change your monthly dues, and current owners do not pay it unless they buy another home in the neighborhood.

What the amendment does

- **Increases the fee to 0.50%** of the sales price, which is the maximum Utah law currently allows.
- **Lowers the fee automatically** if Utah ever reduces the maximum, without another vote.
- **Updates the exemptions** to match current state law, such as transfers to family members, transfers at death and court-ordered transfers.
- **Keeps deed-restricted affordable units exempt**, as they are today.

Why the board is proposing it

Over the next several years, the Association has about \$1.3 million in planned reserve projects, led by the phased rebuild of the Bobsled retaining wall at about \$495,000 over 2027 through 2029. Even with the 5% dues increase in the 2027 budget, the reserve fund is projected to drop to about \$55,000 by the end of 2027. The reinvestment fee currently brings in roughly \$28,000 to \$31,000 a year, and doubling the rate would roughly double that amount, which helps fund these projects without relying as heavily on larger dues increases or a special assessment.

Why your ballot matters, even if you vote no

The amendment passes only if owners holding at least 51% of all votes in the Association vote yes. That is measured against every home in the neighborhood, not just the ballots we receive,

so a ballot that is never returned has the same effect as a no vote. Whichever way you vote, please send it back.

How to vote

- **Online:** complete and sign your ballot through Adobe Sign at knkhoa.com/bhv-reinvestment.
- **Email:** send your signed ballot to proxy@knkpm.com.
- **Mail or drop off:** Bear Hollow Village Homeowners Association, c/o K&K Property Management, 345 W 600 S Ste 151, Heber City, UT 84032.

Ballots must be received by 5:00 p.m. Mountain Time on Tuesday, December 1, 2026. Please submit only one ballot per home; if a home has more than one owner, the owners need to agree on a single vote.

Questions

Everything in this packet, along with the charts behind these numbers, answers to owner questions and a place to ask your own, is at bhv.knkpm.com. You can also call K&K Property Management at 435-200-4713 or email owners@knkpm.com, and you are welcome to bring questions to the annual meeting on Monday, November 16. We can explain how the amendment works, but neither the board nor the Association's attorney can tell you how to vote.

Thank you for taking the time to read this, and for voting.

K&K Property Management

On behalf of the Bear Hollow Village Homeowners Association Board of Trustees

Enclosures: Notice of Vote by Written Ballot; proposed Fifth Amendment; proposed Amended and Restated Notice of Reinvestment Fee Covenant; Written Ballot