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FOR: HUGHES & READ

ADDENDUM TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
VISTA RIDGE ESTATES
A PLANNED UNIT DEVELOPMENT
A COMMUNITY INTENDED FOR AND MANAGED FOR
HOUSING OF OLDER PERSONS
(AMENDS AND REPLACES SUMMER HILL ESTATES
SUMMER HILL ESTATES AMENDED AND
VISTA RIDGE ESTATES AMENDED)

This Declaration of Covenants, Conditions and Restrictions, hereafter "Declaration," is made and executed in St. George, Washington County, State of Utah, this 26th day of March, 1999, by Vista Ridge Estates Homeowners' Association, hereinafter called "Declarant".

WITNESSETH

WHEREAS, Declarant, Developers and lot owners are owners of certain property in the County of Washington, State of Utah, which is more particularly described as follows:

The North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 15, Township 42 South, Range 16 West, Salt Lake Base and Meridian and being further described as follows:

Beginning at the East $\frac{1}{4}$ corner of Section 15, Township 42 South, Range 16 West, Salt Lake Base and Meridian; thence South 89°28'20" West, 1,342.35 feet; thence South 0°17'16" East, 668.15 feet; thence North 89°24'37" East, 1,342.18 feet; thence North 0°16'21" West 666.70 feet to the point of beginning. Containing 20.57 acres more or less.

WHEREAS, the property herein described has heretofore been platted and developed under

the name of Summerhill Estates Phase I and Summerhill Estates Phase I Amended, Vista Ridge Estates Phase I Amended, and Vista Ridge Estates Phase II, said official plats having been recorded in the office of the Washington County Recorder, respectively at Book 408, Page 937; Book 413, Page 712; Book 511, Page 377; and Book 543, Page 318.

WHEREAS, it is the desire and intent of the Declarant as well as the lot owners of the property described herein in this Declaration, to amend, substitute, modify, and replace the Declaration of Covenants, Conditions, and Restrictions which was previously recorded in the office of the Washington County Recorder on the 11th day of December, 1989, As Entry No. 0357786 Book 0543, Pages 0514-0536 and as mentioned thereafter; and

WHEREAS, said Declaration heretofore filed is hereby amended, modified and it is intended that these Vista Ridge Estates Declaration of Covenants, Conditions and Restrictions replace and supersede the prior Declaration with the execution of same; and

WHEREAS, Declarant, Developer, and members are now the owners of certain townhomes, lots, and other improvements theretofore constructed or hereafter to be constructed upon the property; and

WHEREAS, Declarant, Developer, and members will hereafter convey the said property subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth;

NOW, THEREFORE, Declarant, Developer, and members hereby declares that all of the said property shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of said property and which shall be construed as covenants of equitable servitude, which shall run with the real property and shall be binding on all parties having any right, title or interest in the described property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

NOW, THEREFORE, the undersigned representing seventy-five percent (75%) of all lot owners of Vista Ridge Estates Townhome project, have approved the forgoing Addendum to Declaration of Covenants, Conditions and Restrictions of Vista Ridge Estates Townhomes to establish a community intended for and operated for residents 55 years of age or older as defined in the Fair Housing Act, 42 U.S.C. §§ 3601 *et. seq.* As such Vista ridge Estates Homeowners Association shall maintain a policy of prohibiting residence of person under 18 years of age as permitted by the Fair Housing Act.

ARTICLE I

DEFINITIONS

Section 1. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions applicable to the property recorded in the office of the Recorder of Washington County, Utah.

Section 2. "Declarant" shall mean and refer to Vista Ridge Estates Homeowners Association, its successors and assigns, a nonprofit corporation; being the sole entity to file and record this "Declaration." Declarant also recognizes Developers rights to develop, build and erect living units and accomplish all that is necessary to complete Vista Ridge Estates.

Section 3. "Developer" shall mean and refer to Orvin P. Nielsen, his successors and assigns if such successors and assigns should acquire more than one undeveloped lot for the purpose of development.

Section 4. "Homeowners Association" shall mean and refer to the Vista Ridge Estates Homeowners Association, its successors and assigns, a Utah nonprofit corporation.

Section 5. "Board of Trustees" shall mean and refer to the governing board of the Homeowners Association defined above.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the property, including contract sellers, but excluding those having such interest merely as a security for the performance of an obligation until such party has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.

Section 7. "Member" shall mean and refer to every person who or entity which holds membership in the Association.

Section 8. "Property" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Homeowners Association.

Section 9. "Lot" shall mean and refer to any of the separately numbered and individually described parcels of land shown on the recorded Plat, not including any Common Area.

Section 10. "Common Area" shall mean and refer to all real property which is not included with in the Lots, (including all improvements thereto) now owned by the Homeowners Association and currently platted for the common use and enjoyment of the members and not dedicated for use by the general public other than utilities lines now or hereafter constructed or located thereon.

Section 11. "Townhome" shall mean and refer to a single family dwelling unit constructed by Developer on a lot.

Section 12. "Living Unit" shall mean and refer to conveyance of a structure or portion of a structure which is designed and intended for use and occupancy as a single-family residence, together with all improvements located on the lot concerned which are used in conjunction with such residence.

Section 13. "Conveyance" shall mean and refer to actual conveyance of fee title to any Lot to any owner by a warranty deed or other document of title and shall not mean the mere execution of an installment sales contract.

Section 14. "Act" shall mean and refer to the provisions of Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, 42 U.S.C. §§ 3601 *et. seq.*

Section 15. "Person" shall mean and refer to one or more individuals, corporations, limited liability companies, partnerships, associations, labor organizations, trustee, trustees in case under the United States Bankruptcy Code, receivers, and fiduciaries.

ARTICLE II

HOUSING FOR OLDER PERSONS

The policies and procedures governing the project as stated herein demonstrate the intent to provide housing for person 55 years of age or older per living unit; that all of the living units shall be occupied persons 55 years of age or older, with the following exceptions:

1. A spouse of a resident who is 55 years of age or older,
2. A person who is at least 40 years of age, and is a child of a resident who is 55 years of age or older, and who has been approved for residency by the Board of Trustees,
3. A live-in Home Health Aide who has been approved for residency by the Board of Trustees, and that there shall exist significant facilities and services specifically designed to meet the physical or social needs of older persons. The policies and procedures of the project are as housing for older person and exempt the project from regulation under the Act as provided by Section 3607 thereof. Thus, to this end, all owners shall be bound by and the Homeowners Association shall manage the project, in compliance with this Amended Declaration and specifically in compliance with this Article.

Section 1. Advertising, Marketing and Sales. All advertising, marketing and sales materials or displays of any kind shall reflect that the Project is intended for "housing for older persons." All print advertisements shall contain the following language: "The Vista Ridge Estates Townhome project is intended and operated for residents 55 years of age or older as defined in the Fair Housing Act. As such it is the policy of the Vista Ridge Estates Homeowners Association to not provide residence of persons under 55 years of age, with the following exceptions:

4. A spouse of a resident who is 55 years of age or older,
5. A person who is at least 40 years of age, and is a child of a resident who is 55 years of age or older, and who has been approved for residency by the Board of Trustees,
6. A live-in Home Health Aide who has been approved for residency by the Board of Trustees.

Section 2. Approved Occupancy. The project is intended to be managed for the occupancy by person 55 years of age or older, as set forth in the Act and regulations relating thereto. Sec. 24 C.F.R. §§ 100.304. Under the Act providing housing for older persons exempts the project from the prohibition against discrimination on the basis of familial status and thus permits the following restriction: "NO LIVING UNIT MAY BE OCCUPIED BY ANY PERSON UNDER FIFTY-FIVE YEARS OF AGE, EXCEPT

1. A SPOUSE OF A RESIDENT WHO IS 55 YEARS OF AGE OR OLDER,
2. A PERSON WHO IS AT LEAST 40 YEARS OF AGE, AND IS A CHILD OF A RESIDENT WHO IS 55 YEARS OF AGE OR OLDER, AND WHO HAS BEEN APPROVED FOR RESIDENCY BY THE BOARD OF TRUSTEES,
3. A LIVE-IN HOME HEALTH AIDE WHO HAS BEEN APPROVED FOR RESIDENCY BY THE BOARD OF TRUSTEES;
4. PERSONS UNDER FIFTY FIVE MAY BE PERMITTED TO VISIT FOR REASONABLE PERIODS NOT TO EXCEED FOUR CONSECUTIVE WEEKS ON ANY ONE OCCASION OR THIRTY DAYS IN ANY CALENDAR YEAR." In order to assure that the project meets the age requirements for occupants set forth in the Act, the Homeowners

Association shall be responsible for enforcing and carrying out the terms of this Amended Declaration, specifically including the following:

a. **Approved Occupant Status.** No person shall be permitted to occupy a living unit in the project unless such person is an "Approved Occupant: in accordance with the terms and provisions hereinafter set forth. If it is determined that an occupant has not obtained "Approved Occupant" status, the Homeowner Association may pursue any remedies available to them under the Amended Declaration, including imposition of fines against a violator — fines to be set by Trustees.

b. **Visitors.** Persons who are not "Approved Occupants" shall not be permitted to occupy any living unit within the project; however, visitors do not have to be approved as occupants and shall be permitted to visit for such reasonable periods of time, and upon such reasonable conditions, as provided for from time to time by the majority of the Trustees, subject to the specific limitations regarding visits by persons under eighteen years of age as hereinabove set forth.

c. **Procedure for Approving Occupants.** Person may become "Approved Occupants" based on the following terms and conditions:

(i) A person desiring to become an "Approved Occupant" shall submit to the Trustees, a written "Association Membership Application and Age Verification" form which is attached thereto as Exhibit 1 and shall request issuance of an "Approved Occupant's Identification Card".

(ii) Within (15) days of receipt of such written application for an "Approved Occupant", the Trustees, shall determine whether such occupancy is consistent with the intent to manage the project as housing for older persons, and, if such occupancy were permitted, whether the project would continue to meet the requirements of the exemption under Section 3607(b)(2)(C) of the Act, and regulations relating thereto. See 24 C.F.R. §§ 100.304; see also Preamble, 54 Fed. Reg. at pp. 3254.56. If such exemption requirements would continue to be met, the occupancy shall be approved, if not, the occupancy shall be denied.

(iii) Within said fifteen (15) day period, the Trustees shall issue written notification to the Applicant, and to the potential seller or lessor of the living unit the Applicant desires to purchase or lease as to the outcome of the Trustee's determination as set forth in Paragraph (ii) above.

(iv) Within ninety (90) days of the issuance of an approval by the Trustee of an Application for and "Approved Occupant, the Approved Applicant must request the issuance of an "Approved Occupant's Identification Card", which request must be accompanied with written proof of said Applicant's legal right to occupy the townhome, either by virtue of a recorded Deed conveying simple title, and executed lease, or other document indicative of said Applicant's right of occupancy, which may be due to gift, devise, inheritance or other transfer document recognized under the laws of the State Of Utah for transferring occupancy rights. Upon such timely request by the "Approved Applicant" and timely receipt of appropriate documentation, the Trustees shall issue, or cause to be issued, and "Approved Occupant's Identification Card."

(v) If an Approved Applicant fails to timely request an Approved Occupants Identification Card, and timely submit appropriate documentation, then such person shall not be permitted occupancy of the Unit. Said person must again apply to become an "Approved Occupant" in accordance with the Provisions as set forth in Subsections (i) through (iv) above. An extension of the (90) day period may be granted by the Trustees under such circumstances as reasonably determined by the Trustees.

(vi) Within fifteen (15) days after written request by the Owner, Mortgage or an other person who has been approved for occupancy, the Trustee shall, without charge, provide a statement that such person is listed on the Homeowners Association records as an "Approved Occupant" fro such Unit as set forth in the Homeowners Association's records.

(vii) The Homeowners Association shall retain all documents and records relating to its consideration of an application for "Approved Occupant" status.

Section 3. Resale or Rental

a. Obligation of Owner; Contents of Agreements. Should a current resident wish to sell or rent his or her living unit, the same procedure described above in Section 2 will be followed. The prospective buyer or renter will be required to complete a Membership Application and Age Verification form. Review of this form will be done pursuant to Section 2. Owners shall inform all prospective buyers or renters of this procedure and shall provide the Trustees with the information required in subsection (b)(i). A copy of all leases must be provided to the Trustees and must be for an initial term of not less than six months.

Any sale and rental agreement shall be in writing and shall (1) provide the occupancy of the Property subject to the provisions of this Amended Declaration, the Articles of Incorporation, Bylaws and Rules and Regulations of the Homeowners Association and (2) state the following: "The Vista Ridge Estates Townhome project is intended and operated for residents 55 years of age or older as defined in the Fair Housing Act. As such it is the policy of the Vista Ridge Estates Homeowners Association to prohibit permanent residence of persons under 55 years of age as is permitted under and exemption of the "Act", with the following exceptions:

1. A spouse of a resident who is 55 years of age or older,
 2. A person who is at least 40 years of age, and is a child of a resident who is 55 years of age or older, and who has been approved for residency by the Board of Trustees,
 3. A live-in Home Health Aide who has been approved for residency by the Board of Trustees.
- In addition rental agreements and deeds of thrust shall provide that failure by the lessee or trustor to comply with the terms of this Amended Declaration, the Articles of Incorporation, Bylaws and Rules and Regulation of the Homeowners Association shall be in default under the agreement.

b. Records. The Homeowners Association shall maintain the following:

(i) A log or other accounting of all persons making inquiry with respect to the sale or the rental of a living unit. This record shall reflect, for each inquiry, the name(s) of such person(s), current address, the age of each respective occupant, and the date of inquiry.

(ii) For all persons who execute a purchase or lease agreement with an owner, the name of each such person(s), their current address and prospective address in the project the age of each proposed occupant of the dwelling together with a copy of the documents provided to verify their ages, and the date of the agreement.

(iii) A log or other record of all persons occupying a living unit. Such record to be updated quarterly and shall include names, addresses, and ages.

(iv) For each subsequent transfer of a living unit, a long or other record identifying the transferor, the transferee, the address of the dwelling, the names and ages of the new occupants, the documentation provided to verify those ages, the method of transfer (sale, lease, devise, etc.), and

the date the transfer was approved and by whom.

(v) For the sale, lease or other transfer of a living unit rejected by the Homeowners Association, a log identifying the persons involved in the proposed transfer and their current addresses, the ages of the prospective occupants, the reasons for the rejection, and the date of the rejection.

Section 4. Occupancy by at Least One Person 55 years of Age or Older per Living Unit.

The Homeowners Association will not approve any applicant if the granting of "Approved Occupant" status will defeat the primary purpose of the project which is to provide housing of older persons within the meaning of the Act or is done pursuant to a policy of setting aside a certain number of housing units under 55 years of age. To maintain the exemption under the Act for housing of older persons, at least 80% of the living units must be occupied by at least one person 55 years of age or older. The primary purpose for permitting 20% of the units to be occupied by persons younger than 55 is to prevent the disruption of the lives of surviving spouses and cohabitants under age 55 when the over age 55 member of the household dies or otherwise leaves the living unit. The Department of Housing of Urban Development (HUD), has indicated in the preamble of its regulations that so long as 80% rule is not violated, occupancy of a living unit can be approved, in the following situation, where there is no occupant over age 55: the individual is the surviving spouse or cohabitant of a former occupant. It is expressly provided that the Homeowners Association shall not set aside a certain number of living units for persons under 55 years of age.

Section 5. Applicability. The provisions of this Article shall not apply to prohibit the occupancy of any person presently occupying a living unit in the project before the date of this amendment or prohibit the occupancy by any child born to such occupant while that occupant is a resident of the project, so long as the 80% rule is not violated. Any sale or rental of the living unit by such occupant, however, must be in accordance with the provisions of this Amended Declaration, specifically including this Article.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Living Unit is subject to assessment and shall be a member to the Homeowners Association. Membership shall be appurtenant to and may not be separated from ownership of any living unit which is subject to assessment. Each living unit shall be entitled to one vote per living unit. When more than one person owns an interest in any living unit, all such persons shall be members. The vote for such living unit shall be exercised as they determine, but in no event shall more than one vote be cast with respect to one living unit.

ARTICLE IV

PROPERTY RIGHTS

PROPERTY RIGHTS

Section 1. Ownership of Common Area. Title to the Common Area in Phase I and Phase ii has been deeded to the Homeowners Association. The Common Area is not and shall not be dedicated to the public or any public agency, authority, or utility, except as provided by Article I, Section 10 of this Declaration. A covenant to maintain the Common Area in good repair and condition at all times and to operate the same at its own expense in accordance with high standards, which shall be deemed to run with the land and shall be binding upon the Homeowners Association, its successors and assigns.

Section 2. Easement of Enjoyment. Each member shall have a right and easement of use and enjoyment in and to the Common Area, including the common parking area. Such right and easement unit and in no event shall be separated therefrom nor shall any right of partition exist with regard thereto. Any member may delegate the right and easement of use and enjoyment described herein to any family member, household guest, tenant, lessee, contract purchaser or other person who resides on such member's lot. All such use by a family member, tenants, contract purchasers, or guests shall be subject to this Declaration, the Bylaws and the rules and regulations to be promulgated by the Board of Trustees.

Section 3. Limitation on Easement. Every Lot owner shall have a right an easement of use and enjoyment in and to the common Area which shall be Appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

a. The right of the Homeowners Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area, provided that such fees charged by the corporation shall in no way effect its status as a non-profit corporation.

b. The right of the Homeowners Association to impose reasonable limitations on the number of guests per member, who at any given time, are permitted to use the Common Area or amenities.

c. The right of the Homeowners Association to suspend the voting rights of a Member and to deny said Member use of any recreational facility for any period during which any assessment against his lot remains unpaid, and for a period of not to exceed sixty (60) days for any infraction of its published rules and regulations.

d. With the approval of two-thirds 2/3 of the owners, the right of the Homeowners Association to sell, change, hypothecate, alienate, encumber, dedicate, release or transfer all or part of the Common Area to any public agency, authority, or utility for such purpose and subject to such conditions as may be agreed to by the Members. Granting of easements for public utilities or other public purposes consistent with the intended use of such Common Area by the Homeowners Association shall not be deemed a transfer within the meaning of this clause. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer is signed by two-thirds (2/3) of the Members and has been recorded.

e. The right of the Homeowners Association to take such steps as are reasonably

necessary or desirable to protect the Common Area against foreclosure.

f. The right of the Homeowners Association and Developer to grant and reserve easements and the right-of-way through, under, over and across the Common Area for the installation, maintenance, and inspection of lines or appurtenances for public or private utilities.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant and members for each living unit completed, hereby covenants, and each owner of any living unit by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Homeowners Association: (1) Annual assessments, (2) special assessments, and (3) capital assessments, such assessments to be levied, fixed, established and collected from time to time as hereinbelow provided.

The assessments, together with interest, costs and reasonable attorney's fees, as hereinafter provided, shall be a charge on the living unit against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the owner of such living unit at the time when the assessment became due. The personal obligation for delinquent assessment shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Homeowners Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents of the properties and in particular for the improvement and maintenance of properties and in particular for the improvement and maintenance of properties, services, and facilities devoted to the purpose of providing housing for older persons and for purposes related to the use and enjoyment of the common areas and of the living units situated upon the properties. The assessments must provide for but are not limited to, the payment of taxes and insurance; the payment of the cost of repairing, replacing, maintaining and constructing or acquiring additions to the Common Area and limited common areas; the payment of administrative expenses of the Homeowners Association; insurance deductible amounts; the establishment of a reserve account for repair, maintenance and replacement of those Common and limited Common Areas that the Trustees shall determine to be necessary to meet the primary purposes of the Homeowners Association. The assessments may provide, at the discretion of the Trustees, for the payment of other charges, including maintenance, management, utility, cable television, trash collecting, sewer and water charged.

Section 3. Annual Assessment. As of the date set under Section 7 of this Article, each living unit shall be subject to an annual assessment. Written notice setting forth the purpose of any meeting of the Homeowners Association to set the amount of annual assessments shall be sent to all members within the time frame set under Section 5 of the Article.

a. From and after January 1st of the year immediately following the conveyance of the first living unit to an Owner, the maximum annual assessment may be increased each

year not more than 5% above the maximum assessment for the previous year without a vote of the membership.

b. From and after January 1st of the year immediately following the conveyance of the living unit to an Owner, the maximum annual assessment may be increased above the 5% by a vote of two-thirds (2/3) of the members who are voting in person or by proxy, at the meeting duly called for this purpose.

c. The Board of Trustees may fix the annual assessment at an amount not to exceed of the maximum.

Section 4. Special assessments for Capital Improvements. In addition to annual assessments authorized above, the Homeowners Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum of any Action Authorized Under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast two-thirds (2/3) of all votes of membership shall constitute a quorum. If the required quorum at the subsequent meeting shall be ½ of the required quorum at the preceding meeting. No such subsequent meeting shall be held sixty days (60) following the preceding meeting.

Section 6. Rate of Assessment. Annual, special and capital assessments shall be fixed at a uniform rate for all living units and may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments: Due Dates. Annual assessments provided for herein has commenced as to all living units on the first day of the month starting February 1, 1989. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Trustees shall fix the amount of the assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due date shall be established by the Board of Trustees. The Homeowners Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Homeowners Association setting forth whether the assessments on a specified living unit have been paid. A properly executed certificate of the Homeowners Association as to the status of assessments on a living unit is binding upon the Homeowners Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Homeowners Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate eighteen percent (18%) per annum, or such other rate as the Board of Trustees may establish from time to time. The Homeowners Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property, and interest, cost of suit and reasonable attorney's fees incurred shall be added to the amount of such assessment. Notwithstanding any other remedy provided in the Bylaws for collection of assessments, the Homeowners Association shall receive the right to withhold and interrupt service

of utilities to any such unit to which the assessment is delinquent in excess of thirty (30) days from the due date.

Each such owner, by his acceptance of the deed to a living unit, hereby expressly grants to the Homeowners Association, his successors, against, or agents, the right and power to bring all actions against such owners personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Homeowners Association in a like manner as a mortgage or deed or trust lien on real property, and such owner hereby expressly grants to the Homeowners Association a power of sale in connection with said lien. The lien provided for in this section shall be in favor of the Homeowners Association and shall be for the benefit of all other living unit owners. The Homeowners Association, acting on behalf of the living unit owners, shall have the power to bid an interest and foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

Section 9. Exempt Property.

- d. All properties, if any, dedicated to and accepted by a local public authority.
- e. Common Area.
- f. All lots and townhomes owned by the Developer which have never been occupied as a living unit.

Section 10. Non Use and Abandonment. No living unit owner may waive or escape personal liberty for the assessments provided for herein, nor release the living unit owned by him from the liens and charges hereof, by non use of any Common Areas or abandonment of his living unit.

Section 11. Subordination of the Lien to Mortgages. The lien created hereinunder upon any living unit shall be subject and subordinate to and shall not affect the rights of the holder of the indebtedness secured by any first mortgage (meaning a mortgage with the first priority over other mortgages) or equivalent secured interest on any living unit, made in good faith and for value recorded prior to the date any such assessment becomes due. Any holder of a first mortgage lien or equivalent secured interest on a living unit who comes into possession by virtue of foreclosure of a mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale will take said living units and improvements appurtenant thereto free of any claims for unpaid assessment charges against said living unit which accrue prior to the time such holder comes into possession of the living unit, except for the claims for a share of such expenses or charges resulting from a reallocation of such assessment or charges to all living units including the mortgaged living unit.

Any first mortgagee who obtains title to a living unit in the development pursuant to the remedies in the mortgage/deed of trust or through foreclosure of the mortgage/deed of trust or any other security instrument, shall not be liable for more than six (6) months of the living unit's unpaid dues or charges which have accrued before the acquisition of title to the living unit by the mortgagee through foreclosure. However, no such sale or transfer shall relieve such living unit from liability from assessments which thereafter become due or from the lien thereof.

Section 12. Management Agreements. The Board may employ a manager or other persons who may contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Homeowners Association. Any contract with a person

or firm appointed as a manager or managing agent shall be terminable by the Homeowners Association for cause upon thirty (30) days written notice thereof. Any such contract, and any other contract (except prepaid casualty and/or liability insurance policies or not to exceed three (3) years duration where the policy permits short term cancellation by the insured) with a third person wherein the third person is to furnish goods or services for any Common Area or the Homeowners Association, shall be limited to a duration of one (1) year, provided however, that such contracts may be renewable for successive one (1) year periods with the approval for each such period by a vote or written consent of a majority of Members of the Homeowners Association.

Section 13. Insurance Assessments. The Board of Trustees, or its duly authorized agent, shall have the authority to and shall obtain insurance for all the buildings, including all living units, unless the owners thereof have supplied proof of adequate coverage to the Board of Trustees' complete satisfaction and approval, which shall not be unreasonably withheld, against loss or damage by fire or other hazard, and shall also obtain a broad form public liability policy covering all Common Area and all damage and injury caused by the Homeowners Association or any of its agents. Said insurance may include coverage against vandalism. All fire and extended coverage on the improvements located on the Common Area shall include coverage to cover the replacement value of all such improvements.

Premiums for all such insurance coverage, including insurance on living units obtained by the Board of Trustees, shall be written in the name of the Homeowners Association as Trustee for each of the living unit owners in the same proportions as the square footage of each living unit bears to the total square footage of all living units combined. Insurance on individual living units obtained by the Board of Trustees on living units shall not be part of the common expense, but shall be an expense of the specific living unit or living units so covered and a debt owed by the owners, and shall be collectible by a lawful procedure permitted by the laws of the State of Utah.

In addition, if said debt is not paid within twenty (20) days after notice of such debt, such amount shall automatically become a lien upon such owner's lot and living unit and shall continue to be such a lien until fully paid. This lien shall be subordinate to liens as set forth in Section 11 above, and shall be enforceable in the same manner as any lien created by failure to pay the maintenance assessments. In addition to the aforementioned insurance required to be carried by the owners and/or the Homeowners Association, any owner may if he wishes, at his own expense, insure his own living unit for his own benefit and carry any and all other insurance he deems advisable. It shall be the individual responsibility of each owner at his own expense to provide, as he sees fit, homeowner's liability insurance, theft, and other insurance covering personal property damage and loss.

In the event of damage or destruction by fire or other casualty to any properties covered by insurance written in the name of the Homeowners Association, the Board of Trustees shall, with concurrence of the mortgagee, if any, upon receipt of the insurance proceeds, contract to rebuild or repair such damaged or destroyed portions of the properties to as good as condition as formerly. All such insurance proceeds shall be deposited in a bank or other financial institution, whose accounts are insured by a federal governmental agency, with the proviso agreed to by said bank or institution that such funds may be withdrawn only by a signature of at least one-third (1/3) of the members of the Board of Trustees. The Board of Trustees shall advertise for sealed bids with any licensed contractors, and then may negotiate with any contractors who shall be required to provide a full

performance and payment for the repair, reconstruction, or rebuilding of such destroyed building or buildings.

In the event the insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding to the same condition as formerly, the Board of Trustees shall levy a special assessment against all owners of the damaged townhomes in such proportions as the Board of Trustees deem fair and equitable in light of the damage sustained by such townhomes. Such payments shall be made to all such owners and their mortgages in proportion to their percentage interests.

In the event of damage or destruction by fire or other casualty to any townhome or other property covered by insurance written in the name of an individual owner, said owner shall, with concurrence of the mortgage, if any upon receipt of the insurance proceeds, contract to repair or rebuild such damaged or destroyed portions of the exterior of the townhome in good workmanlike manner in conformance with the original plans and specifications of said townhome. In the event such owner refuses or fails to so repair and rebuild any and all such damage to the exterior of the townhome area within thirty (30) days, the Homeowners Association, by and through its Board of Trustees, is hereby irrevocably authorized by such owner to repair or rebuild any such townhome in a good and workmanlike manner in conformance with the original plans and specifications of the townhome. The owner shall then repay the Homeowners Association in the amount actually expended for such repairs, and the Homeowners Association shall have a lien securing the payment of insurance premiums, and subject to foreclosure as above provided.

ARTICLE VI

OPERATION AND MAINTENANCE

Section 1. Maintenance of Lots and Living Units. Each lot and living unit shall be maintained by the owner thereof so as not to detract from the overall appearance of the development and so as not to affect adversely the value or use of any other lot or living unit. The Homeowners Association shall have no obligation regarding maintenance or care of lots or living units.

Section 2. Operation and Maintenance by Homeowners Association. The Homeowners Association, by its duly delegated representative, shall provide for such maintenance and operation of the Common Area as may be necessary or desirable to make them appropriately usable in conjunction with the lots, and to keep them clean, functional, attractive and generally in good condition and repair. Notwithstanding the regarding Lot and living unit maintenance by owners, in the event an owner of any lot in the property shall fail to maintain his lot or living unit in a manner satisfactory to the Architectural Control Committee or Board, after approval of a majority vote of the Board of Trustees, the Homeowners Association shall have the right, through its agents, employees, or through an independent contractor, to enter upon such Lot and repair, maintain, restore the portion of the lot maintainable by the owner and any other improvements erected thereon (excluding the interior of the living unit). The costs incurred by the Homeowners Association in maintaining, repairing or restoring those portions of the lot maintainable by the owner shall then be added to and become an assessment and lien against the lot as described in Article IV Section 1 of this Declaration.

Section 3. Utilities. The Homeowners Association shall pay for the monthly cable T.V.

service, water, Insurance of the Clubhouse, Insurance on the Common Area, and utilities of the Clubhouse. Each lot owner shall pay for all utility services which are separately billed or metered to individual lots by the City of St. George or other party furnishing such services.

Section 4. Rules and regulations. The Homeowners Association may make reasonable rules and regulations governing the use of the lots, living units, and Common Area, and all parts of the Property; provided, however, that all rules and regulations shall be consistent with the rights and duties established in this Declaration. The Homeowners Association may take judicial action against any Owner to enforce compliance with such rules and regulations or other obligations of Owner arising hereunder, or to obtain damages for non-compliance therewith, as permitted by law. In the event of such judicial action, the Homeowners Association shall be entitled to recover its costs (including reasonable attorney's fees) from the offending Owner.

ARTICLE VII

Use Restrictions

Section 1. Use of the Common Area. The Common Area shall be used only in a manner consistent with its community nature and with the use restrictions applicable to lots and living units.

Section 2. Use of Lots and Living Units. All lots are intended to be improved with living units and are restricted to such use. No lot or living unit shall be used for any purpose other than as a private residence for the owner and the owners family or the owners lessees or guest, occupied, or altered so as to jeopardize the support of any other living unit, so as to create a nuisance with the rights of any owner, or in a way which would result in an increase in any cost of any insurance to the owner thereof.

Section 3. Fee Conveyed. Each lot shall be conveyed as a separately designated and legally described freehold estate, the owner taking title in fee simple, subject to the terms, conditions, and provisions hereof.

Section 4. Exception for Developer. The Developer shall have the right to use any lot or living unit owned by it, and any part of the Common Area reasonably necessary or appropriate, in furtherance of any construction, marketing, sales, management, promotional, or other activities designed to accomplish or facilitate improvement of the Common Area or improvement and/or sale of all lots owned by Developer.

Section 5. Recreational Vehicles. No recreational vehicles may be parked within the Common Area or upon the driveways or a living unit for longer than a seventy-two(72) hour period. In no event shall any recreational vehicle, camper, trailer, tent trailer, or mobile home be used for camping or for overnight accommodations by the Lot owner or by the lot owner's guest in and on the Common Area of the development or on the driveways of the townhome units, except on the property especially designated by the Board of Trustees for this purpose.

Section 6. Household Pets Permitted. No life threatening animals, livestock or poultry of any kind may be raised, bred, or kept on any lot or in the Common Area, except that dogs, cats or other household pets may be kept in the townhomes, or upon any lot, subject to the rules and regulations adopted by the Board of Trustees. All dogs or cats in the Common Area shall be on a leash.

Section 7. Rules and Regulations. Each owner shall comply strictly with all rules and regulations adopted by the association for the governance of the lots, living units, the Common Area the property, and all parts thereof, as such rules and regulations may from time to time be modified, amended and construed by the Homeowners Association acting through its Board of Trustees.

Section 8. Obstruction of the Common Area. There shall be no obstruction of the Common Area. Nothing shall be stored in the Common Area without the prior consent of the Board of Trustees.

Section 9. Prohibited Uses. No noxious or offensive activities shall be carried on in any lot or in the Common Area, nor shall anything done therein which may be or become an annoyance or nuisance to the owners.

Section 10. Oil and Mining Operations. No drilling, coring, or mining operations of any kind shall be permitted upon or in any lot or upon the Common Area.

Section 11. Alterations of the Common Area. Nothing shall be altered or constructed, or removed from the Common Area, except with the written consent of the Board of Trustees.

Section 12. Time sharing Prohibited. Neither the Developer nor the owner of any lot shall allow or permit any form of time-sharing ownership.

Section 13. Leases. Any lease agreement between a townhome owner and a lessee shall be required to provide with the terms of the lease and shall be subject in all respects to the provisions of this Declaration, Articles of Incorporation of the Association, and the Bylaws of said Homeowners Association, and shall not be for less than thirty (30) days, and any failure by lessee to comply with the terms of such document shall be in default under the lease. Furthermore, all leases shall be in writing and a copy of each signed lease shall be left in the office of the Homeowners Association by the homeowner.

Section 14. Signs. All signs for individual lots or townhomes shall conform to all restriction of the sign ordinances of the City of St. George, Utah. Signs or advertising by the homeowners, Developer, or real estate agents for the purpose of selling townhomes or lots shall be limited to six (6) square feet and shall be placed no further than three (3) feet from the townhome. Developer shall be permitted to place project advertising and signs in the Common Area in accordance with the guidelines of the city sign ordinance.

ARTICLE VIII

ARCHITECTURAL CONTROL

Section 1. Architectural Control Committee. The Board of Trustees of the Homeowners Association shall appoint a three (3) member committee, the function of which shall be to insure that all improvements and landscaping within the property harmonize with existing surroundings and structures. The committee shall be composed of Owners and/or Developers. If such a committee is not appointed, the Board itself shall perform the duties required of the committee.

Section 2. Submission to the Committee. No living unit, accessory, or addition to a living unit which is visible from the Common Area shall be constructed or maintained, and no alteration, repainting, or refurbishing of the exterior of any living unit shall be performed by individual owners or by the Homeowners Association unless complete plans and specifications

thereof have first been submitted to and approved by the Architectural Control Committee.

Section 3. Standard. In deciding whether to approve or disapprove plans and specification submitted to it, the Committee shall use its best judgment to ensure that all improvements, construction, landscaping, and alterations on lots within the property conform to and harmonize with existing surroundings and structures. The Board may formulate general guidelines and procedures. The adopted guidelines and procedures shall be incorporated in the Book of Rules and Regulations adopted by the Board, and the Architectural Control Committee or the Board, as the case may be, shall act in accordance with such guidelines and procedures.

Section 4. Approved Procedure. Any plans and specifications submitted to the Committee shall be approved or disapproved by it in writing within thirty (30) days after submission. In the event the Committee fails to take any action within such period, it shall be deemed to have approved the material submitted.

Section 5. Construction. Once begun, any improvements, construction, landscaping, or alterations approved by the Committee shall be diligently pursued to completion. If reasonably necessary to enable such improvement, construction, landscaping, or alteration, the persons carrying out the same shall be entitled to temporarily use and occupy unimproved portions of the Common Area and lots in the vicinity of the activity.

Section 6. Disclaimer of Liability. Neither the Architectural Committee nor any member thereof, acting in good faith, shall be liable to the Homeowners Association or any owner for any damage, loss or prejudice suffered or claimed on account of:

- a. The approval or rejection of, or the failure to approve or reject any plans, drawings or specifications;
- b. The development or manner of development of any of the property; or
- c. Any engineering or other defect in approved plans and specifications.

Section 7. Non Waiver. The approval of the Architectural Control Committee of any plans and specifications for any work done or proposed shall constitute a waiver of any right of the Architectural Control Committee to disapproved any similar plans and specifications.

Section 8. Developer's Obligation. Developer hereby covenants in favor of each owner that all townhomes erected by it, or caused to be erected by it, and all improvements of the Common Areas accomplished by it shall be architecturally compatible with respect to one another.

ARTICLE IX

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the living units upon the property and placed on the dividing line between the lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party wall and liability for property damage due to negligence or willful acts or commissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the owners who make use of the wall in proportion to such use.

Section 3. Destruction of Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repair out of the proceeds of same, any owner who used the wall may restore it; and if the other owners therefor make use of the wall, they shall contribute to the cost of restoration thereof in equal proportions without prejudice, however, to the right of any such owners to call for a larger contribution from the others under any rule of law regarding liability for negligence or willful acts of omission. The word "use" as referred to herein means ownership of a living unit of other structure which incorporates such wall or any part thereof.

Section 4. Weather proofing. Notwithstanding any other provisions of this Article, to the extent that such damage is not covered and paid by the insurance provided for herein, an owner who by his negligence or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right of Contribution Run with Land. The right of any owner to contribution from any other owner under this Article shall be appurtenant to the land and shall pass to such owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising on a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and decision be by a majority of all arbitrators. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefore, the Board of Trustees of the Homeowners Association shall select an arbitrator for the refusing party. Cost of arbitration shall be divided equally among the parties.

Section 7. Encroachment. If any portion of a party wall or other part of a building or structure now hereafter constructed upon said property encroaches upon any part of the Common Areas or upon the lot or lots used or designated for use by another lot owner, an easement for the encroachment and for the maintenance of same is granted and reserved and shall exist and be binding upon the Developer and upon all present and future owners of any part of said property for the present and future owners of such encroaching building or structure for the purpose of occupying and maintaining the same; in the event a structure consisting of more than one living unit becomes partially or totally destroyed or in need of repair or replacement, mutual reciprocal easements are granted and reserved upon the Common Areas and in and upon each living unit and lost for the benefit of the Homeowners Association and the adjacent owner or owners to the extent reasonable necessary or advisable to make repairs and replacements; and minor encroachments resulting from any such repairs and/or replacements and the maintenance thereof are hereby granted and reserved for the benefit of the present and future owners thereof. The easements for encroachment herein granted and reserved shall run with the land.

ARTICLE X

EASEMENTS

Section 1. Minor Encroachments. Each lot and Common Area shall be subject to an easement of no encroachment created by construction, repair, shifting, settling or movement, and overhangs as designed or constructed by the Developer. A valid easement for said encroachment

and for the maintenance of same, so long as it stands, and does exist.

Section 2. Utilities Easement. There is hereby granted and conveyed of the City of St. George, Falcon Cable Television, Mountain Fuel Supply Company, and U.S. West Communications, Their Successors and assigns, a blanket easement upon, across, over and under all of the said Common Area for ingress, egress, installation, replacing, repairing and maintaining all utilities at such locations as said utilities deem appropriate. By virtue of this easement, it shall be expressly permissible for the providing electrical, cable television and/or telephone wires, circuits on, across and under the Common Area.

As easement is further granted to all policies, fire protection, ambulance, trash collection and all similar persons to enter upon the streets and Common Area in the performance of their duties. Notwithstanding anything to the contrary contained in this Article, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on said property except as initially planned and approved by the Developer or thereafter approved by the Board of Trustees. Should any company furnishing a service conveyed by the general easement herein provided request a specific easement by separate recordable document, Declarant shall have the right to grant such easement on said property without conflicting with the terms hereof.

ARTICLE XI

INSURANCE

Each owner shall secure and at all times maintain a policy or policies of fire and casualty insurance with extended coverage endorsement, for one hundred percent (100%) of the insurable value (base upon current replacement costs) of the living unit and all improvements comprising a part of the lot. Proceeds received from any such policy shall be used first to restore and rebuild the living unit and improvements to the lost to substantially the same condition in which they existed prior to the damage or destruction, with each living unit having substantially the same vertical and horizontal boundaries as before. Any such restoration or rebuilding shall be first approved as set forth in Article VIII.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Compliance. Each owner shall comply strictly with the provision of this Declaration, the Articles of Incorporation, and Bylaws of the Homeowner Association, rules and regulation promulgated by the Homeowners Association adopted pursuant thereto, as the same may be lawfully amended, modified, or enacted from time to time.

Section 2. Enforcement. The Homeowners Association, or any owner, shall have the right to enforce, by any proceeding at law or in equity, the provisions of this Declaration including all restrictions, conditions, covenants, reservations, liens, assessments, and charges now or thereafter imposed hereunder. Failure by the Homeowners Association or by any owner to enforce any covenant, condition, or restriction herein contained shall in not event be deemed a waiver of the right

to do so thereafter. In any provision hereof, the party against whom enforcement is sought reasonable attorney's fee. The Trustees may levy a fine or penalty not to exceed 100% of the amount of the maximum annual assessment against any owner who fails to refrain from violation of these covenants or a rule of the Homeowners Association, after three (3) days' written notice.

Section 3. Severability: Construction and Validity of Restrictions. All of said conditions, covenants, and reservations contained in this Declaration shall be construed together, but if it shall, at any time, be held that any one of said conditions, covenants or reservation or any part thereof is invalid, or for any reason becomes unenforceable, no other condition, covenant, or reservation, or any part thereof shall be thereby affected or impaired, and the Declarant and lot owners, their successors, heirs and/or assigns shall be bound by each Article, Section, subsection, paragraph, clause and phrase of this Declaration, irrespective of the fact that any Article, Section, subsection, paragraph, sentence, clause or phrase be declared invalid or inoperative or for any reason become unenforceable.

Section 4. Duration and Amendment. The covenants conditions, and restrictions of this Declaration shall run with the land, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first thirty (30) year period by an instrument signed by not less than seventy-five percent (75%) of the lot owners, and thereafter by an instrument signed by not less than two-thirds (2/3) of the lot owners. Any amendment must be recorded in the Office of the Recorder of Washington County, State of Utah.

Section 5. Notices. Any notice required or permitted to be given to any Owner under the provision of this Declaration shall be deemed to have been properly furnished if mailed postage prepaid to the person who appears as an Owner, at the address for tax notices in the Washington County Property Records. Notice to mortgages shall be mailed to the address of such mortgages as shown in the mortgage or to the principal place of business (if known) of such mortgage.

Section 6. Consent in Lieu of Vote. In any case in which this Declaration requires for authorization or approval of a transaction the assent or affirmative vote of a stated percentage of the voters present or represented at a meeting, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from members entitled to cast at least the stated percentage of all membership concerned. The following additional provision shall govern any application of this Section 6:

- a. All necessary consents must be obtained prior to the expiration of ninety (90) days after the first consent is given by any member.
- b. The total number of votes required for authorization or approval under this Section 6 shall be determined as of the date on which the last consent is signed.
- c. Except as provided in the following sentence, any change of a lot which occurs after consent has been obtained from the owner thereof shall not be considered or taken into otherwise result in an increase in the total number of votes outstanding shall, however, be effective in that regard and shall entitle the now owner to give or withhold his consent.
- d. Unless the consent of all members whose memberships are appurtenant to the same lot are secured, the consent of none of such members shall be effective except to determine if a quorum exists.

Section 7. Annexation. Additional residential property and Common Area may be annexed to the property with the consent of two-thirds (2/3) of the lot owners.

Section 8. Covenants to Run with Land. This Declaration, as amended, and all the provisions hereof, shall constitute covenants to run with the land or equitable servitudes, as the case may be, and shall be binding upon and shall inure to the benefit of Vista Ridge Estates Homeowners' Association, all parties who hereafter acquire any interest in a lot or in the Common Area, and their respective grantees, mortgages, lien holders, heirs, devisees, personal representatives, successors and assigns. Each owner or occupant of a lot or living unit shall comply with, and all interest in all lots or in the Common Areas shall be subject to, the terms of this Declaration, as amended, and the provisions of any rules, regulations, agreements, instruments and determinations contemplated by the Declaration, as amended. By acquiring any interest in a lot or in the Common Area, the party acquiring such interest consents to, and agrees to be bound by, each and every provision of this Declaration, as amended.

Section 9. Gender and Grammar. The singular, wherever used in this Declaration, as amended, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply wither to quorums or individuals, men or women, shall in each case be fully expressed.

Section 10. Conflicts. In the case of any conflict between this Declaration, as the same may be amended from time to time, and the Articles of Incorporation, and the Bylaws of the Homeowners Association, as they may be amended from time to time, the provisions of this Declaration shall be controlling.

Section 11. Declarant and Developer's Rights to Amend Plat. Declarant and Developer shall have, and is hereby vested with, the right to unilaterally amend the Plat as may be reasonably necessary or desirable:

- a. To adjust the boundaries of the lot, including adding or deleting Common Areas (by filing an appropriate amended Plat) to adjustment to lot configuration.
- b. To conform to the underwriting guidelines of major secondary market investors in order to facilitate the availability of financing.

Section 12. Payment of Charges by First Mortgages. First mortgagees of lots may jointly or singularly pay taxes or other charges that are in default and that may or have become charges against any Common Area, and pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage for the Common Area in case of lapsed policy.

First mortgagees making such payments are due immediate reimbursement from the Homeowners Association. Entitlement to reimbursement is reflected in a agreement duly executed by the Homeowners Association in favor of all first mortgagees of lots.

Section 13. Waivers. No provision contained in the Restated and Amended Declaration shall be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations which may occur.

Section 14. Topical Headings. The topical headings contained in this Restated and Amended Declaration are for convenience only and do not define, limit or construe contents of the Restated and Amended Declaration.

ARTICLE XIII

INITIAL REGISTERED AGENT AND INITIAL REGISTERED OFFICE

The address of the initial registered office of the Vista Ridge Estates Homeowners Association shall be 1331 North Dixie Downs Road, #158, St. George, Utah 84770. The name of the registered agent at address unit #158, is Judith L. Kempler, in behalf of the Vista Ridge Estates Homeowners Association.

VISTA RIDGE ESTATES HOMEOWNERS ASSOCIATION

By: *Judith L. Kempler*
Judith L. Kempler
President

STATE OF UTAH)
:
COUNTY OF WASHINGTON)

On the 26 day of March, 1999, before me, a notary public in and for the above state and county, personally appeared Judith L. Kempler, who being my first duly sworn, declared to me that she is the person who signed the foregoing document as President of Vista Ridge Homeowners Association (Phase I and Phase II), and that the statements therein contained are true.

In witness whereof, I have hereunto set my hand and seal this 26 day of March, 1999.

Amanda Irene Green-McDonald
Notary Public
My Commission Expires: 4/03/02
Residing at: St. George, Utah

