

After Recording Return to:
Monarch Property Management
352 East Riverside Drive, Ste C-5
St. George, UT 84790

DOC # 20090009504

Restrictive Page 1 of 3
Russell Shirts Washington County Recorder
03/17/2009 10:54:18 AM Fee \$ 16.00
By MONARCH PROPERTY MANAGEMENT



THE HILLS

A UTAH NON-PROFIT CORPORATION

Resolution of the Board of Directors

SG- HLLS - 1-1
SG- HLLS - 1-2
SG- HLLS - 1-3
The Hills 1, 2, + 3
lots 1-34
p3
L2

WHEREAS, pursuant to Article XII, Section 12.8 of the Amended and Restated Declaration of Covenants, Conditions, Restrictions of The Hills ("Declaration"), the Board of Directors is vested with the authority to promulgate and adopt rules and regulations as the Board deems necessary or desirable to aid it in administering the affairs of the Association and to protect the common interests of all members;

WHEREAS, Article IV of the Declaration provides that all Owners must pay Assessments as they come due;

WHEREAS, the Board of Directors deems it necessary and in the best interest of the Association to adopt a policy pursuant to the Utah Community Association Act, Utah Code Ann. § 57-8a-205, whereby the Association may collect rent directly from the tenants of delinquent Owners.

NOW, THEREFORE, IT IS RESOLVED that the following policy be adopted by the Board of Directors: *Legal description applies to all lots in Phase I, Phase II + Phase III of the Hills Subdivision Amended & Extended*

Future Lease Payments.

If the Owner of a Lot who is leasing such Lot fails to pay an assessment for more than sixty (60) days after the Assessment is due, the Board of Directors, upon compliance with this Resolution, may demand that the tenant pay to the Association all future lease payments due to the Owner, beginning with the next monthly or other periodic payment, until the amount due to the Association is paid.

(a) **Notice to the Owner.** The manager or Board of Directors shall give the Owner written notice, in accordance with the Declaration, Bylaws, or these rules, of its intent to demand full payment from the tenant under this section. The notice shall:

(1) Provide notice to the Owner that the tenant must now make payment of the remaining lease payments to the Association, beginning with the next monthly or other periodic payment, unless the Assessment is received from the Owner within the time period provided in the Declaration, Bylaws, or Association rules. Tenant payments must be paid directly to the Association at the address so designated in the notice;

(2) State the amount of the Assessment due, including any interest or late payment fee; and,

(3) State that any costs of collection, and other Assessments that become due, may be added to the total amount due.

(b) Notice to the Tenant. If the Owner fails to pay the Assessment due by the date specified in the notice described in Subsection (a), the manager or Board of Directors may deliver written notice to the tenant that demands future payments due to the Owner be paid to the Association pursuant to Subsection (c). Notice sent to the tenant shall comply with the following:

(1) The manager or Board of Directors shall mail a copy of the notice described in this Subsection (b) to the Owner.

(2) Content of Notice. The notice provided to the tenant under this Subsection (b) shall state:

(i) That due to the Owner's failure to pay the Assessment within the time period allowed, the Owner has been notified of the intent of the Board of Directors to collect all lease payments due to the Association;

(ii) That until notification by the Association that the Assessment due, including any interest, collection cost, or late payment fee, has been paid, the tenant shall pay to the Association all future lease payments due to the Owner; and,

(iii) That payment by the tenant to the Association in compliance with this Section will not constitute a default under the terms of the lease agreement.

(3) If a tenant makes payments in compliance with this Resolution, the Owner may not initiate an unlawful detainer action against the tenant for non-payment of rent.

(c) All funds paid to the Association pursuant to this Resolution shall be deposited in a separate account and disbursed to the Association until the Assessment due is paid in full. Any remaining balance shall be paid to the Owner within five (5) business days after payment in full to the Association.

(d) Within five (5) business days after payment in full of the Assessment, including any interest, late payment fee, and costs of collection, the manager or Board of Directors shall notify the tenant in writing that future lease payments are no longer due to the Association. The Association shall mail a copy of the notification to the Owner.

NOW, BE IT FURTHER RESOLVED that a copy of this resolution shall be distributed to all owners.

DATED this 24 day of February, 2009

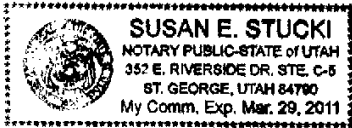
ATTEST

Ann Schneider
President, The Hills

C. [Signature]
Secretary, The Hills

STATE OF UTAH)
)
) :SS.
COUNTY OF Washington)

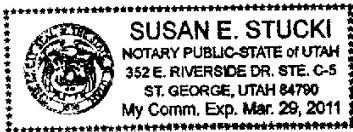
The foregoing instrument was acknowledged before me this 24 day of FEBRUARY 2009, by Ann Schneider, as a Board Member of The Hills Homeowners Association.



Susan E. Stucki
NOTARY PUBLIC
Residing at:
My Commission Expires:

STATE OF UTAH)
)
) :SS.
COUNTY OF Washington)

The foregoing instrument was acknowledged before me this 24 day of February 2009, by Cassandra Cordova, as a Board Member of The Hills Homeowners Association.



Susan E. Stucki
NOTARY PUBLIC
Residing at:
My Commission Expires: 3/29/2011