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Monarch Property Management
152 East Riverside Drive C-5
St. George, UT 84790

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Restrictive Page 1 of 2
Russell Shirts Washington County Recorder
03/17/2009 10:54:18 AM Fee \$ 14.00
By MONARCH PROPERTY MANAGEMENT



THE HILLS

A UTAH NON-PROFIT CORPORATION

*SG-HILLS-1
SG-HILLS-2
The Hills 1, 2, + 3
Lots 1-34
P. 2
1/2*

Resolution of the Board of Directors

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 VIII of the Declaration provides that the Association shall, at the expense of the Lot Owner, provide exterior maintenance upon each Lot;

WHEREAS, many repairs that may be necessary to the exterior of a Lot are latent and not discoverable from the exterior of any Unit and only becomes manifest on the interior of the Unit;

WHEREAS, the Association has many Owners within the Property that are absent from their Lot for extended periods during the year, which Owners could prevent further damage to the Units, both exterior and interior, if they were either residents of the Property or arranged for frequent inspections of the Property;

WHEREAS, the Board of Directors deems it necessary and in the best interest of the Association to adopt a policy pursuant to the Declaration that will preserve the benefit of Association maintenance of the exterior of Lots while simultaneously avoiding preventable exposure of all Owners within the Association to increased and unnecessary risks of liability to repair Unit interiors or personal property after significant damage has already occurred, by placing on an Owner that is often absent from their Lot an affirmative duty to report problems with a Lot's exterior that are discoverable by a resident Owner, but not by the Association.

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, Amended + Ext. + phase three of the Hills Subdivision*

Duty of Absentee Owner.

Pursuant to Article VIII, Section 8.1 of the Declaration, the Association shall, in addition to maintenance upon the Common Area and Limited Common Area, provide exterior maintenance upon each Lot, including but not limited to the following: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, fences, street signs, lights, mailboxes, trees, shrubs, grass, walks, driveways and other exterior improvements. Notwithstanding the foregoing, each owner shall be solely responsible for maintenance to glass, doors and screens on his Lot.

However, due to a unique problem within the Property, namely that many Owners of Units are often absent from their Lot(s) for extended periods of time without making arrangements for the proper inspection of the interior of the Unit, which failure to inspect may facilitate and lead

to increased damage to the interior of a Unit and/or the personal property of the Owner and, due to the fact that the Unit interior is enclosed and inaccessible to the Association, the Owners of a Unit are in the best position to discover and report necessary maintenance which manifests itself through damage or intrusion to the interior of a Unit, the Board has determined that such Owners must bear financial responsibility for damage that could have been avoided if the Owner had arranged for proper and reasonable inspection of their Unit in their absence or was personally in residence to discover and prevent further damage to the interior of the Unit or to personal property.

Therefore, in order to preserve the benefit of Association maintenance of the exterior of Lots and to avoid exposing all Owners within the Association to increased and unnecessary risks of liability to repair the interiors of Units or damage to personal property caused by latent defects to the Lot exterior in need of repair and which cause significant damage due to the Owners failure to report such manifestation, the Association deems it necessary that all Owners shall have placed upon them an affirmative duty to report to the Board any defects, necessary repairs, or damage to such exteriors that have led to interior damage, or any other discoverable interior manifestation, to the Unit or personal property within a reasonable period of time after a reasonably prudent resident Owner should have discovered any such manifestation. In addition to and without limitation of the above duty and standard provided above, the Owner shall also, at a minimum, cause the premises to be inspected every thirty (30) days.

Failure to timely report such problems, defects, or damage with the exterior that begins to cause damage to the interior of a Unit or the personal property of its Owner, if discoverable by a reasonably prudent resident Owner, shall relieve the Association from any maintenance obligation or liability for the interior of a Unit or any personal property of the Owner, and the Owner agrees to hold the Association harmless, for any damage caused by such defect or necessary repair.

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

DATED this 10 day of March, 2009.

ATTEST

Ann Schneider
President, The Hills

[Signature]
Secretary, The Hills

STATE OF UTAH)
)
:ss.
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this 10 day of MARCH 2009, by Ann Schneider and Cassandra Cordova as an authorized Member of the The Hills.

Susan E. Stucki
NOTARY PUBLIC
Residing at: 352 E. Riverside Dr, Suite 2-5 St George UT 84790
My Commission Expires: 3/29/2011

