

After Recording Return To:
The Ridge Townhome Association
628 Ridge View Drive
St. George, Utah 84770

00977217 Bk 1800 Pg 1890
RUSSELL SHIRTS * WASHINGTON CO RECORDER
2005 OCT 11 11:05 AM FEE \$16.00 BY SW
FOR: THE RIDGE TOWNHOMES ASSOC

**SECOND AMENDMENT TO
THE AMENDED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
OF THE RIDGE AT ST. GEORGE, A PLANNED UNIT DEVELOPMENT
PLATS A THROUGH M**

This Second Amendment to the Amended Declaration of Covenants, Conditions and Restrictions of The Ridge at St. George, A Planned Unit Development (the "Declaration") that established The Ridge at St. George community is made this 11th day of OCTOBER, 2005 by The Ridge at St. George Townhome Association (the "Association").

RECITAL

- A. Certain real property in Washington County, Utah, known as The Ridge at St. George was subjected to certain covenants, conditions, and restrictions pursuant to a Declaration dated November 17, 1993 and recorded as Entry No. 449712, Book 772, Pages 415-458 in the Recorder's Office for Washington County, Utah;
- B. This second amendment shall be binding against all of the property described in the Declaration and any annexation, amendment, expansion or supplement thereto.
- C. A "first amendment" to the aforementioned Declaration was recorded on July 23, 2001 as Entry No. 728956, Book 1418, Page 2378. This second amendment shall be binding upon all Owners in addition to the first amendment.
- D. To avoid the communal ills, including among other things, rules violations, abuse and destruction of community and private property and the consequent increase in insurance premiums, and the diminished safety of the owners, associated with a high levels of tenancy, the Association deems restricting and regulating the manner of leasing and number of leases within the community necessary and in the best interest of all owners;
- E. Pursuant to Article XII of the Declaration, owners representing more than sixty-six and two-thirds percent (66-2/3 %) of the voting rights have approved this Amendment. Notice was sent to all holders of first mortgage liens in accordance with Article XII of the Declaration.

NOW, THEREFORE, The Association, by and through its Board of Directors, hereby amends Article II, Section 4(n) of the Declaration entitled "Leases" in its entirety to read as follows"

Section 4(n). Leasing of Townhomes. The leasing of Townhomes by Owners shall be in accordance with this Section. "Leasing" a Townhome means the granting of a right to use or occupy a Townhome for a specific term or an indefinite term (with lease payments stated on a periodic basis), in exchange

for the payment of rent (money, property or other goods or services of value); but shall not mean and include joint ownership of a Townhome by means of joint tenancy, tenancy-in-common or other forms of co-ownership.

(1) Lease Limit. Owners, Lots and Townhomes shall be subject to the following restrictions:

(i) No Owner may lease less than the entire Townhome and no Owner may lease any Townhome for a period of less than six (6) consecutive months. Occupancy of any leased unit shall be in accordance with the St. George City housing ordinance.

(ii) No Townhome may be leased if the lease results in more than twenty percent (20%) of the Townhomes in The Ridge at St. George (the "**Lease Limit**") being leased at any given time, except as provided in Subparagraph 4 (n)(3) below.

(2) Twelve Month Ownership Requirement / Application and Approval. Prior to leasing any Townhome, an Owner shall have owned their Townhome for twelve (12) consecutive months (the "**Ownership Requirement**") and shall apply to the Board of Directors for approval. Owners by gift, inheritance or foreclosure shall be deemed to have met the Ownership Requirement if the immediate previous Owner had met said requirement. The Board shall review the application and make a determination of whether the Owner has met the twelve month Ownership Requirement and whether the proposed lease will exceed the Lease Limit expressed above. The Board shall:

(i) Approve the application if it determines that the Owner meets the Ownership Requirement and that the lease will not exceed the Lease Limit; or

(ii) Deny the application if it determines that the Owner does not meet the Ownership Requirement or that the lease of the Townhome will exceed the Lease Limit.

(3) Hardship Exemption. Notwithstanding Subparagraphs 4(n)(2)(i) and (ii), to avoid undue hardships such as the Owner's job relocation, disability, military service, charitable service, or other similar circumstances, the Board of Directors shall have discretion to approve an Owner's application to temporarily lease the Owner's Townhome provided the approval would not result in more than twenty-five percent (25 %) of the total Townhomes being leased at any given time.

(4) Review of Lease Applications. Applications from an Owner for permission to lease may be either written or verbal according to rules established by the Board of Directors, and shall be reviewed and approved or denied by the Board of Directors pursuant to the following:

(i) The Board of Directors shall review applications for permission to lease in chronological order based upon the date of receipt of the application. Within ten (10) business days of receipt, the Board shall approve or deny an application as provided in Subparagraph 4(n)(2) and shall notify the Owner of the result, and, if permission is not given, the reason for the denial within fifteen (15) business days of receipt of the application.

(ii) If an Owner's application is denied, the applicant may be placed on a waiting list according to the date the application was received so that the Owner whose application was earliest received will have the first opportunity to lease, subject to Subparagraph 4(n)(3).

(5) Approval Process/Waiting List. The application and approval process, a waiting list, and any other rules deemed necessary by the Board to implement this section shall be established by rules adopted by resolution of the Board of Directors consistent with this subsection 4(n).

(6) Written Lease Agreement and Lease Information Form. All Owners shall provide the Board of Directors with a copy of a written Residential Lease Agreement ("Lease Agreement"), and Lease Information Form, which shall be kept on file with the books and records of the Association so that the Association may determine the number of Townhomes being leased.

(7) Violations of Leasing Restrictions. If an Owner fails to submit the required application prior to leasing a unit, fails to submit a copy of the written Lease Agreement and the Lease Information Form, or leases any Townhome after the Board of Directors has denied the Owner's application, the Board of Directors may assess fines against the Owner and the Owner's Townhome in an amount to be determined by the Board pursuant to a schedule of fines adopted by the Board. In addition, regardless of whether any fines have been imposed, the Board of Directors may proceed with any other available legal or equitable remedies, including but not limited to, an action to terminate the Lease Agreement and removal of any lessee.

(8) Recovery of Costs and Attorney Fees. The Association shall be entitled to recover from the offending Owner its costs and attorney's fees incurred for enforcement of this Subsection 4(n), regardless of whether any lawsuit or other action is commenced. The Association may assess such costs and attorney's fees against the Owner and the Townhome as an assessment pursuant to Article IV of this Declaration.

(9) Grandfather Clause. As of the date of recording this amendment, any Owner that is currently leasing a Townhome ("**Grandfathered Owner**") may continue to lease their Townhome until such time as the Townhome is sold or title is otherwise transferred to a new Owner of record or the Townhome is re-occupied as a residence by the Owner. However, notwithstanding the grandfather provision above, if a Grandfathered Owner fails to actively make their Townhome available for lease or otherwise fails to re-let their Townhome within ninety (90) days of the expiration or termination of the Lease Agreement with any tenant, then the Grandfathered Owner and Townhome become subject to the Lease Limit expressed above and shall apply to the Board of Directors for permission to lease the Townhome in accordance with this Subsection 4(n).

(10) Owner Obligation to Inform Tenant and Association. Lease Agreements shall comply with the following:

(i) The Owner shall provide the lessee with a copy of the Rules and Regulations of the Association then in effect and shall take a receipt for delivery of said documents. In the event the Rules and Regulations are amended, revised, changed, or supplemented by the Association, the Owner shall provide the lessee with a copy of the amendments, revisions, changes, or

supplements within ten (10) calendar days of adoption by the Association, its Board of Directors, or its membership.

(ii) Upon the commencement of the lease period, the Owner shall provide the Association with a copy of the written Lease Agreement and a copy of the receipt specified in Subparagraph 4(n)(10)(i). If the Owner fails to provide the receipt, the Association shall provide a copy of the Rules and Regulations to lessee and take a receipt therefor, and shall assess a reasonable charge therefor to the Owner as an assessment pursuant to Article IV of this Declaration.

(11) Termination of Lease Agreement for Violation / Association Standing to Enforce. In addition to any other remedies available to the Association, the Board of Directors may require the Owner to terminate a Lease Agreement if the Board determines that any lessee has violated any provision of this Declaration, the Articles of Incorporation, the Bylaws, or any amendments thereto, or the Rules and Regulations adopted thereto. Notwithstanding anything contained herein to the contrary, the Association shall have legal and equitable standing as a third party beneficiary to enforce the provisions of the Rules and Regulations against an Owner or its lessee, including without limitation, levying fines against the Lot, Owner, and lessee and termination of the Lease Agreement.

IN WITNESS WHEREOF, THE RIDGE AT ST. GEORGE TOWNHOME ASSOCIATION has executed this Amendment to the Declaration as of the 11 day of Oct., 2005, in accordance with Article XII of the Declaration.

THE RIDGE AT ST. GEORGE TOWNHOME ASSOCIATION

Leon T. Kennedy
President

Lowell H. Boman
Secretary

STATE OF UTAH)
)ss
County of Washington)

On the 11 day of Oct., 2005, personally appeared Leon T. Kennedy and Lowell H. Boman who, being first duly sworn, did say that they are the President and Secretary of the Association and that the seal affixed to the foregoing instrument is the seal of said Association and that said instrument was signed and sealed in behalf of said Association by authority of its Board of Directors; and each of them acknowledged said instrument to be their voluntary act and deed.

Trudi J. Stilson
Notary Public for Utah

