

**REVISED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS
AND RESTRICTIONS**

RIO VIRGIN RV PARK
A Residential Subdivision
and

**A COMMUNITY INTENDED FOR AND MANAGED FOR HOUSING OF OLDER PERSONS
ST. GEORGE, UTAH**

THIS DECLARATION of Covenants, Conditions and Restrictions of Rio Virgin RV Park, a Residential Subdivision, is made and executed this _____ day of _____, 19____ in St. George, Washington County, State of Utah. Properties within the RV Park may be designated, as provided in Article VII, Section 2, subparagraph j, as R.V. Lots or Home Lots.

RECITALS AND DECLARATION

WHEREAS, Developer and other owners are the Owner or equitable owner under certain contracts to purchase the real property described in Article II of this Declaration and desires to create thereon a community known as Rio Virgin RV Park, a Residential Subdivision, with permanent open spaces and other common facilities for the benefit of the said Rio Virgin RV Park, a Residential Subdivision; and

WHEREAS, Developer desires to provide for the preservation of the values and amenities in said community and for the maintenance of said open spaces and other common facilities, and to this end, desires to subject the real property described in Article II together with such additions as may hereinafter be made to the covenants, restrictions, easements, charges, and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each Owner thereof; and

WHEREAS, Developer has deemed it desirable for the efficient preservation of the values and amenities in said community to have a Homeowners Association to which is delegated and assigned the powers of maintaining and administering the community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Developer has caused under the laws of the State of Utah, an Association known as RIO VIRGIN HOMEOWNERS ASSOCIATION, for the purpose of exercising the functions aforesaid; all in accordance with Utah State Law; and

WHEREAS, Developer has formed a Limited Liability Company and all rights of the Developer herein shall be deemed to include and inure to the benefit of the Limited Liability Company; and

WHEREAS, Developer intends that the Limited Liability Company will, for the purposes of administering and maintaining the park properties and facilities and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created, convey and surrender its liability, accountability and custody of the common properties as recorded on the Official Plat Map in the Office of the Recorder of Washington County to the Homeowners Association upon completion of the Development as hereinafter described; and

WHEREAS, the policies and procedures governing the Development as stated herein demonstrate (i) the intent to provide housing for persons fifty-five (55) years of age or older per Living Unit; and (ii) that at least 80% of the Living Units shall be occupied by at least one person fifty-five (55) years of age or older as a single family,

October 2, 1997

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FOR: RIO VIRGIN HOMEOWNERS ASSOCIATION

NOW THEREFORE, the Developer declares that the real property described in Article II, and such additions thereto as may hereafter be made pursuant to Article II, Section 2, hereof, is and shall be held, transferred, sold, conveyed, and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereafter set forth. This is for the purpose of protecting the value and desirability of said Property. This declaration and the Official Plat Map(s) shall be construed as covenants of equitable servitude which shall run with the land and shall be binding upon 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.

ARTICLE I

Definitions

The following words when used in the Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

a. "Association" or "Homeowners Association" or "HOA" shall mean and refer to RIO VIRGIN HOMEOWNERS ASSOCIATION, its successors and assigns.

b. "The Properties" or "The Park" or "The Community" shall mean and refer to all such existing properties and additions thereto, as are subject to this Declaration under the provision of Article II hereof.

c. "Lot" shall mean and refer to any plot of land which is shown upon any recorded subdivision or Plat Map of the Properties with the exception of Common Properties and areas dedicated to the use of the general public and which is intended for the location of a Recreational Vehicle and/or Living Unit as hereafter defined.

d. "Common Properties" or "Common Areas" shall mean and refer to those non-exclusive areas of land owned by the Association or hereafter acquired, shown on any recorded subdivision plat of the Properties, intended to be devoted to the common use and enjoyment of the Association, and not dedicated for use by the general public.

e. "Living Unit" shall mean and refer to any home, R.V. and/or park model situated upon the Properties, designated and intended for the use and occupancy of a single family of no more than three persons.

f. "Owner" shall mean and refer to the owner of record, whether one or more persons or entities of the fee simple title, and the equitable owner, whether one or more persons or entities, by virtue of a purchase contract to any Lot of the Properties. Notwithstanding any applicable theory, if a mortgagee has acquired title pursuant to foreclosure of any proceeding in lieu of foreclosure, the mortgagee shall be considered an Owner only as long as the mortgagee continues its right to possession. The Developer shall be the Owner within the meaning of this paragraph of any Lot for which he is, at the date of execution of these covenants and restrictions, the equitable owner upon a contract for the purchase of any Lot or Living Unit. The contract seller for such contract or those having an interest merely as security for the performance of an obligation shall not be deemed an Owner.

g. "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article III, Section 1, thereof.

h. "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. Section 3601, et seq. and shall include any future changes or amendments.

1. "Familial Status" shall mean and refer to:
- A. One or more individuals who have not attained the age of eighteen (18) years being domiciled with:
 - (1) A parent or another person having legal custody of the individual or individuals;
 - (2) The designee of the parent or other person having custody, with the permission of the parent or other person;
 - B. A parent or other person in the process of acquiring legal custody of one or more individuals who have not attained the age of eighteen (18) years; and
 - C. A person who is pregnant.

2. "Occupant" shall mean and refer any person residing in a Living Unit.

k. "Approved Occupant" shall mean and refer to any person who has met the minimum age requirements, who has submitted all the necessary age verification documents. An approved occupant is not necessarily a member.

l. "Renter" or "Tenant of Owner" shall mean and refer to any person who rents or leases a Lot or Lot and Living Unit from an Owner.

m. "Single Family" shall mean and refer to not more than three (3) Approved Occupants. Multiple family dwellings are not included in this definition and are not allowed in the Development.

n. "Board of Trustees" shall mean and refer to the governing board of the Association.

o. "Developer" shall mean and refer to the Rio Virgin Development, LLC, a Utah Limited Company, its successors and assigns, if such successors or assigns (1) by written agreement shall be given Developers rights and (2) acquire more than one undeveloped Lot from the Developer for the purposes of development.

p. "Home" shall mean and refer to any single-family residential dwelling, park-model house, or Recreational Vehicle placed on a Lot within the Development.

q. "Mortgagee" shall mean and refer to any person or entity named as a mortgagee or beneficiary, owner or holder of a deed of trust, or the seller in a contract of sale.

r. "Plat" or "Plat Map" shall mean and refer to plats prepared and recorded in the office of the County Recorder of Washington County, Utah, as the same may hereafter be modified, amended, supplemented, or expanded in accordance with the provisions of this Declaration or supplements to this Declaration.

s. "Utilities" shall mean and refer to public utilities, including, but not limited to sewer, water, drainage, natural gas, telephone, electricity, and cable television.

t. "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.

u. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions applicable to the Properties, recorded in the office of the Recorder of Washington County, State of Utah.

ARTICLE II

Property Subject to this Declaration and Additions Thereto

Section 1. Existing Property.

The real property, including any permanent Living Unit located upon any Lot, which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located in St. George, Washington County, State of Utah, and is more particularly described in Exhibit 'A' attached hereto, all of which real property shall hereinafter be referred to as "Existing Property."

Section 2. Expansion.

From time to time the Developer may pursue additional phases of the Development which may involve annexation of additional property, as may be purchased and approved by appropriate public authority. At such time as any of said additional properties are subdivided for purposes as evidenced herein by a duly approved and recorded subdivision plat, such additional properties, if so designated by the Developer, shall be henceforth deemed to be included in the definitions of Article I, subparagraphs b, c, and d and shall be subject to these covenants, conditions and restrictions.

ARTICLE III

Membership and Voting Rights in the Association

Section 1. Membership.

Every person or entity who is an Owner, as defined in Article I, subparagraph f, of any Lot which is subject by covenants of record to assessment by the Association shall be a member of the Association, however, any such person or entity who holds such ownership merely as security for the performance of an obligation shall not be a member.

Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Voting Rights.

The Association shall have two classes of voting membership.

Class A.

Class A members shall be those Owners as defined in Section 1 of this article, with the exception of the Developer. Class A members shall be entitled to one vote for each Lot in which they hold the interests required for membership by Section 1 of this article. When more than one person holds such interest or interests in any Lot, all such persons shall be members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

A vote cast at an Association meeting by any of such co-owners, whether in person or by proxy, shall be conclusively presumed to be attributable to the Lot concerned unless written objection is made prior to said meeting, or unless verbal objection at said meeting is made by another co-owner of the same Lot. In the event an objection is made, the vote involved shall not be counted for any purpose except to determine whether a quorum exists.

Class B.

Class B member(s) shall be the Developer. The Class B member(s) shall be entitled to three votes for each Lot in which it holds the interest required for membership in Section 1 of this article, provided that the Class B membership shall cease and become converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

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(a) on the 1st day of August, 1998, or

(b) at such earlier date as the Developer in his discretion considers the Development seventy-five percent (75%) or more completed and so notifies the Owners in writing.

From and after the happening of these events, whichever, occurs earlier, the Class B member shall be deemed to be a Class A member entitled to one vote for each Lot in which it holds the interest required for membership under Section 1 of this article.

ARTICLE IV

Property Rights in the Common Properties

Section 1. Members' Easements of Enjoyment.

Subject to the provisions of Section 3 of this article, every member shall have a right and easement of enjoyment in and to the Common Properties including the Roadrunner park and clubhouse privileges and such easement shall be appurtenant to and shall pass with the title to every Lot.

Section 2. Title to Common Properties.

The Developer shall convey the Common Properties and Limited Common areas to the Association. The Developer retains and reserves the right to use, go upon, and improve the Common Properties until such time as it has completed improvements thereon and until such time as the Association is able to maintain the same. Said conveyance shall be made free and clear of any mortgage or other encumbrance upon the Common Properties.

Section 3. Alienation of Common Properties.

The Common Properties may not be alienated without the approval of all holders of mortgage upon any of the properties subject to assessment.

Section 4. Extent of Members' Easements.

The rights and easements of enjoyment created hereby shall be subject to the following:

a. the right of the Developer and the Association, in accordance with these covenants, its Bylaws, and with the approval of two-thirds (2/3) of each class of membership, to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties, the rights of such mortgage in said property to be superior to the rights of the Owners hereunder; and

b. the right of the Association to take such steps as are reasonably necessary to protect the above-described Common Properties against foreclosure; and

c. the right of the Association, as provided in its Bylaws, to suspend the voting rights of a member and to deny said member his/her enjoyment rights for any period during which any assessment against his/her Lot remains unpaid past thirty (30) days, and to suspend his/her voting rights for infractions of its published park rules and regulations, if such infractions are not corrected within a reasonable length of time after proper notification of such infractions; and

d. the right of the Association to charge reasonable admission and other fees for the use of Common Properties; and

e. the right of the Developer and/or the Association to specify easements for installation, maintenance and inspection of lines and appurtenances for public or private utilities, drainage facilities and ingress and egress as shown upon the recorded plat. Within these easements no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow or drainage channels in the easements or which may impede ingress and egress. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, or by contracted maintenance companies, except for those improvements for which a public authority or utility company is responsible; and

f. the right of the Association to seek to abandon, partition, encumber, or transfer the Common Properties owned, directly or indirectly, by the Association for the benefit of the Members when, and if, the Association needs to do so. The granting of an easement for public utilities or other public services consistent with the intended use of the Common Properties is not a transfer within the meaning of this clause. No such abandonment, partition, encumbrance, or transfer shall be effective unless (1) all Owners consent in writing to such abandonment, partition, encumbrance, or transfer or (2) an instrument has been signed by two-thirds (2/3) of the members of both classes and the legislative body of the City of St. George approves the plat change necessitated by the abandonment, partition, encumbrance, or transfer at a public hearing held in accordance with Utah Code Ann. Section 10-9-801 et seq. (1953, as amended); and

g. with Owner approval as provided below, the right of the Association to exchange, hypothecate, alienate, encumber, dedicate, release or transfer all or part of the Common Properties to a public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. The granting of easements for public utilities or other public purposes consistent with the intended use of such Common Properties by the Association shall not be deemed a transfer within the meaning of this clause. No such dedication or transfer shall be effective unless (1) all Owners consent in writing to the dedication or transfer or (2) an instrument has been signed by two-thirds (2/3) of the members of both classes, agreeing to such dedication or transfer and the legislative body of St. George City approves the Plat change that is necessitated by the dedication or transfer at a public hearing held in accordance with Utah Code Ann. Section 10-9-801 et seq. (1953, as amended); and

h. the right of the Association to make, disseminate, post or otherwise publish and enforce reasonable rules pertaining to the regulation and use of all Common Properties by Owners, guests, invitees and tenants of Owners, including but not limited to, establishing reasonable swimming pool use restrictions; and

i. the terms of this Declaration; and

j. the right of the Association, with approval of two-thirds (2/3) of each class of Owners, to enter into agreements or leases which provide for use of the Common Properties and facilities by a similar association in consideration for use of the Common Properties and facilities of the other association; and

k. the right of the Association, with approval of two-thirds (2/3) of each class of Owners, to enter into agreements or leases which provide for use of the Common Properties and facilities by non-profit organizations or for charitable purposes; and

l. the right of the City of St. George and any other governmental entity or quasi-governmental body having jurisdiction over the property to access and to have the right of ingress and egress over open spaces and Common

Properties contained within the Properties for purposes of providing police and fire protection and providing any other governmental or municipal services.

Section 5. Delegation of use.

Any Owner may delegate his right of enjoyment to the Common Properties or facilities to the members of his family, his tenants, or contract purchasers who reside on the property subject to the provisions of the 65-and-older act.

Section 6. Rules.

The Board of Trustees shall have the authority to promulgate rules and regulations for the governance of the Properties, and persons within the Properties. These rules of the Association shall be available for inspection and copying by the members during reasonable hours with reasonable notice and by appointment.

ARTICLE V

Covenants for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessment.

The Developer for each lot owned by him within the Properties hereby covenants and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association

- (1) regular assessments or charges;
- (2) special assessments for capital improvements;
- (3) other assessments, such assessments to be fixed, established, and collected from time to time as hereinafter levied or charged by the Association or Board of Trustees pursuant to this Declaration; and
- (4) interest costs of collection and a reasonable attorney's fee, as hereinafter provided.

The regular special, and other assessments, together with such interest thereon and the costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person or persons who were the Owners of such Lot at the time when the assessment fell due. The personal obligation for assessments shall not pass to his/her successors in title unless expressly assumed by them. Assessments will normally be prorated at time of closing by the title company or escrow agent. The Association may elect from time to time any remedy with regards to the defaults by Owners without regard to any rule of law concerning the election of remedies.

Section 2. Purpose of Assessments.

The use made by the Association of funds obtained from assessments may include payment of the cost of, and in particular for, the improvement, operation and maintenance of the Common Properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Properties, perimeter subdivision fences, garbage collection, the payment of water fees for the Properties as they become due, payment of insurance premiums for Common Properties and facilities as they become due, and at the option of the Association, of the additions thereto, and for the costs of labor, equipment, materials, utilities, property taxes, management, and supervision thereof, establishing and funding a reserve to cover major repair or replacement of improvements within the Common Properties, streets, sewer mains, or other facilities, and any expense necessary or desirable to enable the Association to

perform or fulfill its obligations, functions, or purposes under these covenants and restrictions.

Section 3. Regular Assessments.

The regular monthly assessments shall be one hundred percent (100%) of the actual monthly costs of maintenance and operation of the Common Properties and other facilities, payment of insurance premiums for the Common Properties and other facilities, and the estimated monthly water fees for the Properties, and may include a management fee.

The Board of Trustees of the Association may, after consideration of the current maintenance costs and future needs of the Association, provide for accumulation of reserves to meet projected needs or unexpected expenditures.

Section 4. Special Assessments for Capital Improvements.

In addition to the regular assessments authorized by Section 3 of this article hereof, the Association may levy special assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of described capital improvements, including the necessary fixtures and personal property related thereto, provided that any such special assessment exceeding three thousand dollars (\$3,000) of improvement costs shall be by the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Other Assessments.

In addition to the regular assessments and special assessments for capital improvements authorized herein, the Association shall levy such assessments as may be necessary from time to time for the purpose of repairing and restoring the damage to streets and other common areas due to normal usage and wear and tear or disruption resulting to streets or other Common or Limited Common areas from the activities of the City of St. George or other utility companies in maintaining, repairing or replacing utility lines and facilities thereon.

Section 6. Water, and Garbage Removal.

The Association shall pay for all water services, sewer pump station expenses, and garbage removal services furnished by means of centralized garbage dumpsters. Each Lot Owner shall pay for all utility services which are separately billed or metered, such as sewer fees, electrical service, natural gas service or television receiving service, to individual Lots by the utility or other party furnishing such services.

Section 7. Quorum for Any Action Authorized under Section 4 (Capital Improvements).

The quorum required for any action authorized by Section 4 of this article shall be as follows:

At the first meeting called, as provided in Article VIII, Section 2, the presence of the meeting of members, or of proxies, entitled to cast fifty percent (50%) of all votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, the meeting may be continued subject to the notice requirements set forth in Section 4 of this article, and the required quorum at any such continued meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 8. Assessment Period.

The assessment period for regular assessments shall be one month. All regular assessments shall be fixed at a monthly rate and may be adjusted by

the Board of Trustees to reflect current costs of maintenance and operations. All assessments must be fixed at a uniform rate for all Lots.

Section 9. Date of Commencement of Regular Assessment; Due Dates.

The regular assessments provided for herein shall commence on, and become due and payable on the first day of each month beginning on the month of the closing of the purchase of any Lot. Assessment amounts paid by the seller in the month of sale of any Lot shall be prorated by the title company or escrow agent to the first of the following month.

The due date of any special assessment under Section 4 of this article hereof shall be fixed in the resolution authorizing such assessment.

Section 10. Duties of the Board of Trustees.

The Board of Trustees of the Association shall fix the date of commencement and the amount of the assessment against each Lot for each assessment period, and shall, at that time, prepare a roster of the Lots and assessments applicable thereto and keep books of account showing receipts and disbursements which shall be kept in the office of the Association and shall be open to inspection by the Owners at reasonable times, with reasonable notice and by appointment.

Written notice of the assessment, or changes in the amount of the assessment, and of any special meeting called for the purpose of taking any action authorized under Section 4 of this article, shall be sent to all Owners not less than thirty (30) days, nor more than sixty (60) days, in advance of the beginning of the assessment.

Section 11. Effect of Non-Payment of Assessment; The Personal Obligation of the Owner; The Lien; Remedies of Association.

If the assessments are not paid within thirty (30) days after the due date (being the dates specified in Section 9 of this article hereof), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then existing Owner, his heirs, personal representatives and assigns. The personal obligation of the then existing Owner to pay such assessments, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them, in which case such obligation shall be joint and several.

If the assessments are not paid by the tenth (10th) of the month, a late fee shall be charged and added to the assessment amount, and in addition to the late fee, if the assessment is not paid within thirty (30) days after the due date, the assessment, together with the additional late fee, shall bear interest from the due date at the rate of eighteen percent (18%) per annum, and the Association shall be entitled to (1) bring action at law against the Owner personally obligated to pay the same without waiving the lien or assessment, or (2) foreclose the lien against the Lot in accordance with the terms of these covenants. There shall be added to the amount of the such assessment the cost of preparing and filing the complaint in such judicial action, arbitration, sale or foreclosure, expenses directly or indirectly related to the delinquent payment, including reasonable attorney's fees, and shall be charged to the Lot Owner. In the event a judgment is obtained, such judgment shall include interest on the assessment as above, to be fixed by the court, together with the costs of the action.

Section 12. Subordination of the Lien to Mortgages.

The lien created hereunder upon any Lot shall be subordinate to and not affect the rights of the holder of the indebtedness secured by any mortgage or equivalent security interest on any Lot, made in good faith and for value, recorded prior to the date any such assessment becomes due. Any holder of a

mortgage lien or equivalent security interest on a Lot who comes into possession by virtue of foreclosure, or any purchaser at a foreclosure sale will take said Lot and the improvements appurtenant thereto free of any claims for unpaid assessment charges against said Lot which accrue prior to the time such holder comes into possession of the Lot. A share of expenses or charges resulting from a reallocation of assessment or charges to all Lots including the mortgagee Lot may pass to the mortgagee. Any mortgagee, who obtains title to a Lot in the Development pursuant to the remedies in the mortgage/deed of trust or any other security instrument, shall not be liable for more than six (6) months of the Lot's unpaid dues or charges which have accrued before the acquisition of title to the Lot by the mortgagee through foreclosure. However, no such sale or transfer shall relieve such Lot from liability for any assessments which thereafter become due or from the lien thereof.

Section 13. Exempt Property.

The following property subject to this Declaration shall be exempt from the assessments, charge and lien created herein:

- a. all properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use;
- b. all Common Properties as defined in Article I, subparagraph d hereof;
- c. all properties temporarily exempted by a separate writing during the construction phase of the Development.

Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges or liens.

Section 14. Right to Bring Action.

Each such Owner, by his/her acceptance of a deed to a Lot, hereby expressly grants to the Association, its successors, assigns, or agents the right and power to bring all actions against such Owner 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 Association in a like manner as a mortgage or trust deed lien on real property, and such Owner hereby expressly grants to the Association a power of sale in connection with said lien. The lien provided for in this section shall be in favor of the Association and shall be for the benefit of all other Lot Owners. The Association, acting on behalf of the Lot Owners, shall have the power to bid in an interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage, sell and convey the same.

Section 15. Non-Use and Abandonment.

No Owner may waive or escape personal liability for the assessments provided for herein, nor release the Lot owned by him/her from the liens and charges hereof, by non-use of any Common Properties or abandonment of his/her Lot.

ARTICLE VI

Easements

Section 1. Utilities Easement.

There are no easements in addition to easements set forth on the Plat, unless such easements are specifically negotiated with the Association and become easements of record.

An easement is granted to all police, fire protection, ambulance, trash collection and all similar persons to enter upon Common Properties in the performance of their duties. Should any company furnishing a service conveyed by the general easement herein provided request a specific easement by separate

recordable document, the Developer or Association shall have the right to grant such easement on said property without conflicting with the terms hereof.

Section 2. Easements for Ingress and Egress.

An easement is hereby granted to the Association, its officers, agents, employees and to any management company selected by the Association to enter in or to cross over the Common Properties and any Lot to perform the duties of maintenance and repair of the home, yard and landscape area, or Common Properties provided for herein. The Developer expressly reserves to itself, its successors and assigns, a perpetual easement and right, at their own risk, to cross the Common Properties established or hereafter established on the Properties by the Developer, for the purpose of having access for ingress and egress to such other adjacent property upon which the Developer has or may create additional subdivisions.

ARTICLE VII

Prohibition and Controls

Section 1. Authority to Prohibit and Control.

a. Any person, company, corporation, trust and/or any other entity by virtue of purchase, inheritance, gift or other of any Lot in Rio Virgin RV Park shall be bound to this declaration of Protective Covenants, Conditions and Restrictions (CC&R's).

b. Acquisition of property in Rio Virgin RV Park shall also require all owners to be bound to obey the Park Bylaws and Park Rules and Regulations that may be published from time to time by the Board of Trustees.

Section 2. Architectural Control and Building Restrictions.

Authority is hereby given to the Board of Trustees to appoint an architectural committee as needed, the function of which shall be to ensure that all phases of the Park's architectural restrictions are adhered to, including home construction, plot plans, R.V. requirements and restrictions, landscaping and or other, as further expanded, detailed and specified in the Bylaws and published Park Rules and Regulations. If said committee is not appointed or is not functioning the Board itself may perform the duties of the committee.

Section 3. Vehicle Requirements.

All vehicles remaining semi-permanently positioned on any property and intended to be a Living Unit shall be recreational vehicles. All R.V.'s shall be parked, while in use as a Living Unit, on the designated parking pad and the total length of the R.V. and its towing vehicle shall not exceed the length of the Lot, unless otherwise approved by the Architectural Committee.

Section 4. Use of Lots.

a. No Owner shall occupy or use his Lot, or permit the same or any part thereof to be occupied or used for any purpose other than as a single family private residence for the Owner and the Owner's family or the Owner's lessee, tenant, or guests.

b. No commercial activities of any kind whatsoever shall be conducted in any residence or on any portion of the Lot.

c. Resident's use of a lot shall not endanger the health or disturb the reasonable enjoyment of any other Owner or resident.

e. No mobile homes, tent trailers, tents or outdoor overnight camping will be allowed on any Lot.

f. Use of any Lot, or portion thereof, or of any Common Properties or facilities by family members, tenants, contract purchasers or guests shall be subject to these covenants and restrictions.

g. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for the Developer to maintain during

the period of construction and sale of said Lots, upon such portion of the premises as the Developer deems necessary, such facilities as in the sole opinion of the Developer may be reasonably required, convenient or incidental to the construction and sale of said Lots, including, but without limitation, a business office, storage area, construction yard, signs, and sales office.

h. Other than on those Lots where a Recreational Vehicle pad has been permitted, in no event shall any Recreational Vehicle, camper, trailer, tent trailer, or motor home be used for a permanent residence in and on the Common Properties of the Development or on any unimproved Lot. Other than as provided above, Recreational Vehicles must be parked in designated Recreational Vehicle parking areas.

No more than one (1) Recreational Vehicle will be permitted or maintained upon any Lot in said subdivision.

j. All Lots shall be used only for R.V. concrete pads, homes built on site or commercially built Recreational Vehicles (R.V.'s) (including Park Model R.V.'s) no more than ten (10) years old at the time of their first use on the Lot. Exceptions to this may be granted by the Architectural Control Committee upon a showing that the R.V. is in a good condition, which determination shall be made in the sole discretion of said committee.

k. No Lot shall be used, occupied or altered in violation of law, which may, or may become, an annoyance or to create a nuisance or interfere with the rights of any Owner or in a way that would result in an increase in the cost of insurance covering the Common Properties.

l. No outdoor burning of trash or other debris shall be permitted. This shall not prohibit the use of a normal residential barbecue or other similar outside grill.

m. No boat trailer, boats, or pickup shall be stored overnight on any Lot within Rio Virgin RV Park. There will be designated storage areas within Rio Virgin RV Park that may be used, first come, first served, and a charge for said use, if any, shall be at the discretion of the Association. Use of storage areas shall be controlled by rules established from time to time by the Board of Trustees.

n. No sign or billboard, temporary or permanent, other than "For Rent" or "For Sale" signs, shall be erected or installed, placed, permitted or maintained on any Lot, except the name and Lot number of the unit unless the sign is that of a realtor, builder, sale by owner and/or property management company.

o. No laundry may be dried in any location on any Lot unless completely enclosed and screened from view from any other said Lot. No outside clothes lines may be erected or maintained.

p. No animals, livestock, fowl, or reptiles shall be raised, bred or kept on the premises except household dog, cat or pet owned by the Owner of the Lot on which they are kept. No animal shall be allowed off the Lot of the Owner EXCEPT ON A LEASH; and no dog, cat, or other pet shall be kept on any Lot by anyone if, in the discretion of the Association, that pet is or becomes a nuisance, threat or otherwise is objectionable to surrounding property Owners. NO DOGS, CATS OR OTHER HOUSEHOLD PETS WILL BE ALLOWED TO REMAIN OUTSIDE THE HOME BETWEEN DUSK AND DAWN, UNLESS ACCOMPANIED AND LEASHED BY THE OWNER AT ALL TIMES. All owners of pets shall be responsible for the clean up of said pet's waste.

q. No elevated tanks, or water supply systems of any kind shall be erected, or placed or permitted on any Lots.

r. No Lot shall be used in whole or part for the storage of rubbish, trash, used or new metal, trucks, automobiles, or machines in whole or in parts. No type of inoperable motor vehicle which is inoperable for any reason shall be permitted to be parked upon any street, Lot, part or portion of the Properties. This clause is expressly intended to prohibit inoperable vehicles, however, it does not prohibit the parking of regularly used and operating vehicles.

s. No personal property, substance, thing or material shall be kept on any Lot or any part thereof that will emit foul or noxious odors, or that will cause any noise that might disturb the peace and quiet of the surrounding property Owners, or will cause the Lot or any part thereof to appear in an unclean or untidy condition.

v. No on-street overnight parking is permitted within the Development except in designated areas as established by the Board of Trustees of the Association.

u. There shall be no obstruction of the Common Properties. Nothing shall be stored in the Common Properties without the prior consent of the Board of Trustees.

v. No drilling, quarrying or mining operations of any kind shall be permitted upon or in any Lot or upon the Common Properties.

w. Nothing shall be altered or constructed, or removed from the Common Properties, except with the written consent of the Board of Trustees.

x. No large television, radio, satellite dishes, or other external antennas or rooftop appliances other than roof mounted heat pumps or coolers, of any type or style shall be erected, placed, or maintained upon any of the Properties, or in front of or at the side of any building constructed thereon without the prior written approval of the Architectural Control Committee and said committee shall have the right to remove or cause removal of the antennas erected, placed, or maintained without said prior approval. This clause prohibits radio or television transmitting stations.

y. Without limiting any other provision of this Declaration, each Owner shall maintain and keep such Owner's Lot at all times in a safe, sound and sanitary condition and repair and shall correct any condition or refrain from any activity which might interfere with the reasonable enjoyment by other Owners of their respective Lots.

z. Any act of omission, whereby any restriction, condition, or covenant as set forth in this Declaration, if violated in whole or in part, is declared to be and shall constitute a nuisance, and may be abated by the Developer or affected property Owners. Any remedy or remedies shall be deemed to be cumulative and not exclusive.

Section 6. Advertising, Marketing and Sales.

Any advertising, marketing or sales materials must contain language that reflects that Rio Virgin RV Park is intended for "housing for older persons age 55 or older."

Section 7. Approved Occupancy.

a. Approved Occupant Status.

The Rio Virgin RV Park is a 55 years of age or older housing facility and anyone who, by virtue of acquiring any property in the Rio Virgin RV Park bound by these Covenants, Conditions and Restrictions (CC&R's), shall be obligated by law, to adhere to all requirements that the Developer and or Homeowners Association has set forth in the CC&R's, Bylaws, and Rules and Regulations as published by the Homeowners Association.

b. Visitors.

Persons who are not "Approved Occupants" shall not be permitted to permanently occupy any Living Unit within the Rio Virgin RV Park, however, such persons may be considered as visitors. As set forth in the Housing for Older People Act (HOPA) the Park is exempt from prohibition against discrimination on the basis of "Familial Status" (see Article I,i) and this permits the following restriction "NO LIVING UNIT MAY BE OCCUPIED BY ANY PERSONS UNDER EIGHTEEN YEARS OF AGE", except that such persons under eighteen may be permitted to visit for reasonable periods as the Homeowners Association shall set forth in the Bylaws and/or Park Rules. Adult visitors shall be allowed to visit for reasonable times.

c. Records.

The Homeowners Association shall file, maintain, update and retain all verification of age documents and shall be able to produce these records on the filing of a discrimination complaint and/or a request of any person, see paragraph 100-307 of HOPA. These inspections shall normally require reasonable notification and shall be by appointment.

Section 8. Occupancy by at Least One Person Fifty-Five (55) Years of Age or Older per Living Unit.

To maintain the exemption under the Act for housing of older persons, at least eighty percent (80%) of the Living Units must be occupied by at least one person fifty-five (55) years of age or older. The primary purpose for permitting twenty percent (20%) of the units to be occupied by persons younger than fifty-five (55) is: (1) the individual is the surviving spouse or cohabitant of a former occupant; (2) the individual inherited the property from a former occupant; (3) the individual has relatives in the Development who would benefit from their residence nearby; (4) the individual is a nurse or other medical professional whose presence would be beneficial to a resident. It is expressly provided that the Association shall not set aside a certain number of Living Units for persons under fifty-five (55) years of age. Persons under fifty-five (55) years of age who were residing in any Living Unit when the 55-and-older declaration was made shall not be required to move and owners of any property in Rio Virgin RV Park shall not be required to sell if the property was occupied or owned prior to the date of the Park verification letter.

Section 9. Resale or Rental; Obligation of Owner; Contents of Agreements.

All property owners desiring to rent, lease or sell their property, including "For Sale by Owners" are required to have their prospects complete the age verification document and verify the ages with some form of formal proof of age document.

Any sale and rental agreement forms shall be in writing and shall be compatible with the intent of the Park to be operated as a 55-and-older facility. Lease or rental forms shall (1) provide that occupancy of the property shall be subject to the provisions of this Declaration of CC&R's, Bylaws and Rules and Regulations of the Association and (2) contain language similar to the following:

"The Rio Virgin RV Park Development is intended and operated for residents fifty-five (55) years of age or older as defined in the Fair Housing Act. As such it is the policy of the Rio Virgin Homeowners Association to prohibit permanent residence of persons under eighteen (18) years of age as is permitted under an exemption of the Act."

Sales contracts, by Utah State law, have to be on state approved forms. Notwithstanding this, some form of FULL DISCLOSURE must be made to a client as to the status of the Park as a 55 years of age or older facility and sales persons shall have age verification forms completed with some form of proof of age or affidavit attached at the time an offer is made.

Section 10. Miscellaneous Prohibitions.

a. Repairing Cars.

No major repairing or overhauling of cars or trucks is permitted on the streets, driveways, or parking lots of the community.

b. Additional Prohibitions.

Such other actions deemed from time to time by the Association to constitute a nuisance.

Section 11. Professional Management.

The Board of Trustees may employ a manager or contract with an independent contractor or management agent to perform all of or any part of the duties and responsibilities of the Association which are properly the subject of delegation. The manager shall be responsible for managing the Properties for the benefit of the Association and the Owners, and shall, to the extent permitted by law and the terms of the agreement with the Association, be authorized to perform any of the functions or acts required or permitted to be performed by the Association itself, including, but not limited to the fiscal responsibilities of collection of dues and assessments and the payment of bills as they become due.

ARTICLE VIII

General Provision

Section 1. Duration

The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot and subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the Owners of two-thirds (2/3) of the Lots has been recorded, agreeing to change or rescind said covenants and restrictions in whole or in part.

Section 2. Notices.

Any notice required to be sent to any member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of the person who appears as member or Owner on the records of the Association at the time of such mailing.

Section 3. Enforcement.

Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants. In the event the Association or Owner recovers judgment against any person for a violation or threatened violation of any of the covenants herein, the Association or Owner shall also be entitled to recover from such person reasonable attorney's fees. The failure of the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

In the event any covenant, conditions or restriction included herein is inconsistent or in conflict with restrictions set forth in the subdivision, building, zoning, or other ordinances of the City of St. George, the ordinances shall govern so long as the restrictions contained in the ordinances are more restrictive than the terms of this Declaration. However, where the terms of this Declaration are more restrictive than those contained in the ordinances of the City of St. George, Owners shall be subject to the enforcement of the terms of this Declaration.

Section 4. Arbitration

In the event a dispute should arise as to the application, interpretation or effect of these CC&R's either between an owner and the Association or between owners, then to avoid going to court the matter may be submitted to arbitration, with the agreement of all parties, by appointing three (3) arbitrators. One arbitrator to be chosen by the owner or owners, one to be chosen by the Association or opposing owner and the third arbitrator to be chosen by the two chosen arbitrators. A determination of the matter signed by two of the arbitrators shall be binding upon all parties and the cost of such arbitration shall be divided equally between the adverse parties. In the event one party fails to choose an arbitrator within ten (10) days after personal receipt of a request in writing for arbitration from the other party, then that other party shall have the right and power to choose both arbitrators who will in turn choose the third arbitrator.

Section 5. Severability.

Invalidation of any one of these covenants or restrictions by judgment, court order or unenforceability shall in no wise affect any other provision which shall remain in full force and effect.

The Developer and Lot Owners, their successors, heirs and/or assigns shall be bound by other articles, sections, subsections, paragraphs, sentences, clauses and phrases 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 becomes unenforceable.

Section 6. Effectivity.

Upon the approval of two-thirds (2/3) vote of the Owners and upon the recording of this Declaration on the official records of the County Recorder, Washington County, State of Utah, the parties herein expressly repeal, rescind and revoke any and all other previously recorded conditions, covenants and restrictions, except for reservation of easements as shown on officially recorded Plat Maps, on property described in Article II, and in particular those recorded as entry #274250, at Book 373, Pages 558-573, and as entry #448633, at Book 769, Pages 528-544, and as entry #491623, at Book 884, Page 762, and as entry #538105, at Book 1018, Page 127, and as entry #552365, at Book 1061, Page 206 of the Official Records of Washington County, Utah,

Section 7. Gender and Grammar.

The singular wherever used in this Declaration shall be construed to mean the plural and the plural shall be construed to mean the singular when applicable and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 8. Conflicts.

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

Section 9. Lot Owners Right to Amend.

This Declaration may be amended during the first twenty (20) year period by any instrument signed by not less than two-thirds (2/3) of the Lot Owners, which amendment shall be effective upon recording in the Office of the Recorder of Washington County, State of Utah.

ARTICLE IX

Execution

Section 1. Recording.

This Declaration shall not be recorded until (1) at least two-thirds (2/3) of the Lot Owners shall consent to this Declaration, (2) the president of the Association shall execute a Verification that at least eighty percent (80%) of the Living Units of the Development are occupied by at least one person fifty-five (55) years of age or older. This Declaration shall then be effective upon recording.

Section 2. Approval.

The undersigned representing two-thirds (2/3) or more of all Lot Owners of Rio Virgin Homeowners Association have approved this Declaration of Covenants, Conditions and Restrictions (CC&R's) to provide for needed additions, corrections and changes and for the primary purpose of establishing a community intended for and operated for residents fifty-five (55) years of age or older as defined in the Fair Housing Act, 42 U.S.C. Sec. 3601 et seq. As such, the Rio Virgin Homeowners Association shall maintain a policy of prohibiting residence of persons under eighteen (18) years of age as permitted by the Fair Housing Act.

Exhibit A:

Rio Virgin RV Park Phase 1
Rio Virgin RV Park Phase 2
Rio Virgin RV Park Phase 3
Rio Virgin RV Park Phase 3-A
Rio Virgin RV Park Phase 4

IN WITNESS WHEREOF, the undersigned represents (1) that he/she has executed this document on the day and year first above written, (2) that the President of the Association has executed the Verification.

RIO VIRGIN HOMEOWNERS ASSOCIATION

By: [Signature]
H. Leon Blake

[Signature]
Bridle Blake

[Signature]
Gary Davis

Exhibits

A. Legal Property Description of the real property described in Article II of this Declaration.

STATE OF UTAH,)
)
County of Washington) ss

On this 25th day of October, 1997 before me

personally appeared H. Leon Blake and Bridle Blake,
and Gary Davis, whose identities are personally known to or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that the foregoing document was signed by them on behalf of that Association and for its stated purpose.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 25th day of October, 1997.

[Signature]
Notary Public

NOTARY PUBLIC STATE OF UTAH County of Washington HERBERT R. VANVLIET 181 W 950 S #A-10 • St. George, UT 84770
