

**THE FIRST AMENDMENT TO THE DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
CASTLE VALLEY RIVER RANCHOS**

This First Amendment to the Declaration of Covenants, Conditions and Restrictions for Castle Valley River Ranchos (the "First Amendment") is effective as of _____, 2011.

RECITALS:

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Castle Valley River Ranchos Units I and II were recorded in the Grand County Recorder's Office as Entry No. 341282 on November 1, 1972, and Entry No. 349027 on May 2, 1974, respectively (the "Original Declaration") relative to certain real property more specifically described upon Exhibit "A" attached hereto and incorporated herein by reference (the "Property").

WHEREAS, in conjunction with the recordation of the Original Declaration, one or more subdivision maps was recorded for each Unit setting forth the subdivision boundary lines, lot lines, etc. for the Property (the "Map").

WHEREAS, in conjunction with the recordation of the Original Declaration, the Castle Valley River Ranchos Property Owners Association (the "Association") together with various sub-committees, etc. were established to assist in administration of the Original Declaration.

WHEREAS, subsequent to the recordation of the Original Declaration, the town of Castle Valley has been incorporated and substantially all of the assets, duties and responsibilities relative to the Property have been assumed by the town of Castle Valley (the "Town"). The Town has adopted rules, regulations, and ordinances pertaining to the ownership, management and maintenance of the Property which supercede, or may otherwise conflict with the restrictions and limitations imposed by the Original Declaration.

WHEREAS, notwithstanding the assumption of duties and responsibilities by the Town and the potential regulatory conflicts, the undersigned owners and members desire to maintain certain aspects of the Original Declaration including but not limited to the Map and designated utility easements, etc.

WHEREAS, the undersigned owners and members, as defined in the Original Declaration, now desire to restate and amend the Declaration to provide for:

1. The elimination of all rights, responsibilities and duties of the Association, the Architectural Control and Planning Committee and all other committees formulated under the Original Declaration;

2. The maintenance of the Map maintaining all subdivision, street and lot lines and public utility easements relative to the Property;

3. The elimination of the Association's ability to assess, lien, collect, any and all dues and assessments relative to the lots within the Property; and

4. The elimination of all contractual, equitable and voting rights by the member/lot owners as provided under the Original Declaration and the Articles of Incorporation for the Association; and,

5. The elimination of non-applicable historical recitals and various administrative changes that will ease and economize the regulation of the Property;

all in accordance with the following terms and conditions.

NOW THEREFORE in consideration of the mutual promises and covenants set forth therein, the receipt and legal sufficiency which are hereby acknowledged, the members/owners agree as follows:

1. Amendments. The following paragraphs of the Original Declaration shall be amended, restated, or eliminated as follows:

a. Paragraph 1. (Term Extensions) The following language shall be eliminated from the single sentence comprising Paragraph 1, namely, "until December 31, 1998 after which time the same shall be extended for successive periods of ten (10) years each."

b. Paragraphs 3 (Architectural Control and Planning Committee), 4 (Size and Placement of Structural Improvements), 5 (General Restrictions and Requirements), 6 (Variances), 7 (Castle Valley River Ranchos Property Owners Association) except paragraphs 8 and 10 pertaining to owners of the Property acquire the Lots subject to the remaining restrictions of the Original Declaration and 8 (Ownership of Streets) shall be deleted in their entirety except as specifically provided.

c. All references to the Association in paragraph 11 shall be deleted in their entirety.

d. The deletion of historical recitals no longer having bearing upon the regulation of the land.

e. All other terms and conditions of the Original Declaration, except as amended hereby, shall remain in full force and effect. The Restated and Amended Declaration of Covenants, Conditions and Restrictions, incorporating each of the foregoing is attached hereto as Exhibit "B" (the Restated Declaration) and shall be recorded with the Grand County Recorder's Office.

2. Compliance with Town Ordinances. All structures, physical improvements and administrative or individual practices existing or being pursued as of the date of recordation of

Property Description

All of lots 1 through 448 of the Castle Valley River Ranchos subdivision as recorded upon the Official Records of the Grand County Recorders Office, State of Utah.

EXHIBIT B
Restated and Amended Declaration