

**FIRST AMENDMENT TO THE
DECLARATION OF CONDOMINIUM FOR LEHI GATEWAY CONDOMINIUMS**

This First Amendment to the Declaration of Condominium for Lehi Gateway Condominiums (the "First Amendment") is executed and adopted by Edge Gateway, LLC (the "Declarant").

RECITALS

A. The Declaration of Condominium for Lehi Gateway Condominiums was recorded on July 26, 2016 as Entry No. 68346:2016 in the office of the Utah County Recorder (the "Declaration"). The Bylaws for Lehi Gateway Condominiums Owners Association, Inc. are included as Exhibit D to the Declaration (the "Bylaws").

B. This First Amendment affects the real property located in Utah County, State of Utah, described with particularity on Exhibit A, which exhibit is attached hereto and incorporated herein by reference.

C. The Declarant desires to amend the Declaration and the Bylaws as set forth in this First Amendment to impose a cap on the number of allowable leased Units within the project and to modify the Association's quorum requirement.

D. Unless otherwise set forth herein, the capitalized terms shall have their same meanings and definitions as stated in the Declaration.

E. Pursuant to Article 15, Section 15.1(a) of the Declaration, the Declarant has the sole authority to amend the Declaration during the Period of Declarant Control.

F. Pursuant to Article IX, Section 9.1 of the Bylaws, the Declarant has the sole authority to amend the Bylaws during the Period of Declarant Control.

G. As of the date of the recording of this First Amendment, the Period of Declarant Control remains in effect.

AMENDMENTS

NOW, THEREFORE, in consideration of the foregoing Recitals, the Declarant hereby executes this First Amendment, which shall be effective as of its recording date with the Utah County Recorder's office.

(1) Amendment No. 1. Article 9, Section 9.12 of the Declaration shall be deleted in its entirety and shall be replaced by the following:

9.12 Leasing and Non-Owner Occupancy. Notwithstanding anything to the contrary in the Declaration or other Governing Documents, any leasing and Non-Owner Occupancy of a Unit shall be governed by this Section and any rules and procedures adopted as allowed in this Section.

- (a) Definitions. For the purpose of this Section:
- (i) “Non-Owner Occupied Unit” means:
 - (1) For a Unit owned in whole or in part by a natural individual or individuals, the Unit is occupied by someone, but no individual Owner occupies the Unit as the individual Owner’s primary residence; or
 - (2) For a Unit owned entirely by one or more entities or trusts, the Unit is occupied by anyone.
 - (ii) “Family Member” means:
 - (1) The spouse, parent, sibling, or child of an Owner; or
 - (2) In the case of a Unit owned by a trust or other entity created for estate planning purposes, a Person occupying the Unit if the trust or other estate planning entity that owns the Unit was created for the estate of (i) the current Occupant of the Unit, or (ii) the spouse, parent, child, or sibling of the current Occupant of the Unit.
- (b) Maximum Number of Non-Owner Occupied Units. The number of Units permitted to be Non-Owner Occupied shall not exceed fifty percent (50%) of the total Units within the Association. The fifty percent (50%) Unit maximum shall be calculated by including any grandfathered Units and those exempted Units under subsection (d) below. The Board may adopt reasonable rules and reporting procedures to track the number of Non-Owner Occupied Units to ensure consistent administration and enforcement of the leasing restrictions.
- (c) Requirements for Leasing and Non-Owner Occupancy. The Owners of all Leased or Non-Owner Occupied Units must comply with the following provisions:
- (i) Any lease or agreement for otherwise allowable Non-Owner Occupancy must be in writing, must be for an initial term of at least six (6) months, and shall provide as a term of the agreement that the Occupant shall comply with the Governing Documents, and that any failure to comply shall be a default under the lease agreement. If a lease agreement for Non-Owner Occupancy (whether in writing or not) does not include these provisions, they shall nonetheless be deemed to be part of the lease agreement and binding on the Owner and the Occupant.
 - (ii) A Non-Owner Occupant may not occupy any Unit for transient, short-term (less than six months), hotel, resort, vacation, Airbnb, or seasonal use (whether for pay or not). Except as a guest of an Owner, daily and weekly occupancy by Non-Owner Occupants is prohibited (whether for pay or not).
 - (iii) No Owner may lease less than the entire Unit unless the Owner resides in the Unit.
 - (iv) The Board is authorized to adopt further rules related to Non-Owner Occupied Units and the Occupants of those Units. Such rules may include, but are not

limited to: requiring copies of lease or other agreements for Non-Owner Occupancy to be delivered to the Association, requiring informational forms to be filled out by Owners and/or Occupants' identifying Non-Owner Occupants, vehicles, phone numbers, etc., or any other reasonable administrative provisions it deems appropriate to enforce the requirements of this Section and the Governing Documents.

- (d) Exemptions. The following Units may be Non-Owner Occupied and are not subject to the cap on Non-Owner Occupied Units set forth in subsection (b) above:
- (i) A Unit being rented at the time this First Amendment is recorded in the Salt Lake County Recorder's office shall be grandfathered and permitted to lease or allow a Non-Owner Occupant to reside in the Unit until: (i) the Unit Owner occupies the Unit, or (ii) the ownership of the Unit, as evidenced by the records at the County recorder, changes in any way. Upon a change of ownership or occupation by an Owner, the Unit's qualification for this exception irrevocably terminates.
 - (ii) A Unit owned by a Person in the military for the period of the Owner's deployment.
 - (iii) A Unit occupied by a Unit Owner's spouse, parent, child, or sibling.
 - (iv) A Unit whose Owner is relocated by the Owner's employer for a period of no less than two (2) years in accordance with Utah Code § 57-8-10.1(2)(a)(III) as amended.
 - (v) A Unit owned by a trust or other entity created for estate planning purposes if the trust or other estate planning entity was created for: (1) the estate of a current Occupant of the Unit; or (2) the parent, child, or sibling of the current Occupant of the Unit.
- (e) Joint and Several Liability of Owner and Non-Owner Occupants. The Owner of a Unit shall be responsible for the Non-Owner Occupant's or any guest's compliance with the Governing Documents and shall be jointly and severally liable for any violations thereof.
- (f) Violations.
- (i) If a Unit is leased in violation of this Section, the Board may assess fines against the Owner pursuant to a schedule of fines adopted by the Board.
 - (ii) If a Unit is leased in violation of any provision of this Section, (regardless of whether any fines have been imposed) the Board may proceed with any available legal remedies, including, without limitation, an action to require the Owner to terminate the lease agreement and remove the tenant.
 - (iii) If the Board determines that a Non-Owner Occupant has violated a provision of the Governing Documents, the Board may require an Owner to terminate a lease agreement with such Occupant.
 - (iv) In addition to any other remedy for non-compliance, after reasonable notice, the Association shall have the right to initiate an action and obtain a forcible entry and unlawful detainer order from the court, or similar action, with the purpose of removing the offending Non-Owner Occupant. The Association, the Board, and

the Manager shall not have any liability for any action taken pursuant to this subsection and the Owner shall indemnify and pay the defense costs of the Association, the Board, and the Manager arising from any claim related to any action taken in good faith by any of them pursuant to this subsection.

- (v) Fines, charges, and expenses incurred in enforcing the Association's Governing Documents with respect to a Non-Owner Occupant, and for any costs incurred by the Association in connection with any action under this Section, including reasonable attorney fees (regardless of whether any lawsuit or other action is commenced), shall be an individual assessment against the Owner and Unit which may be collected and foreclosed on by the Association.

(2) **Amendment No. 2.** Article III, Section 3.7 of the Bylaws shall be deleted in its entirety and shall be replaced by the following:

3.7 **Quorum.** At any Owner meeting properly noticed as provided herein, the number of Owners present, either in person or by proxy shall constitute a quorum for the transaction of business.

(3) **Conflicts.** All remaining provisions of the Declaration and Bylaws and any prior amendments not specifically amended in this First Amendment shall remain in full force and effect. In the case of any conflict between the provisions of this document and the provisions of the Declaration and Bylaws, or any prior amendments, the provisions of this document shall in all respects govern and control.

(4) **Incorporation and Supplementation of Declaration.** This document is supplemental to the Declaration and Bylaws, which by reference are made a part hereof, and all the terms, definitions, covenants, conditions, restrictions, and provisions thereof, unless specifically modified herein, are to apply to this document and are made a part hereof as though they were expressly rewritten, incorporated, and included herein.

IN WITNESS WHEREOF, Declarant has executed this First Amendment this 16 day of July, 2018.

Edge Gateway, LLC
A Utah limited liability company

By: Steve Maddox

Its: Manager

State of Utah)
) ss.
County of Utah)

On the 16 day of July, 2018, personally appeared before me Steve Maddox who by me being duly sworn, did say that she/he is an authorized representative of Edge Gateway, LLC, and that the foregoing instrument is signed on behalf of said corporation and executed with all necessary authority.

Notary Public Shelley King

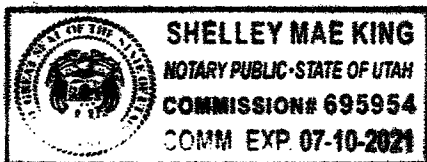


EXHIBIT A
Legal Description

All of **Lehi Gateway Condominiums Phase 1**, according to the official plat on file in the office of the Utah County Recorder as Entry No. 68345:2016.

Parcel Numbers: 45:596:0001 through 45:596:0038

All of **Lehi Gateway Condominiums Phase 2**, according to the official plat on file in the office of the Utah County Recorder as Entry No. 8990:2017.

Parcel Numbers: 45:617:0001 through 45:617:0037