12741125 3/26/2018 2:10:00 PM \$18.00 Book - 10658 Pg - 9757-9761 ADAM GARDINER Recorder, Salt Lake County, UT RICHARDS LAW PC BY: eCASH, DEPUTY - EF 5 P.

When Recorded, Return to: MILLER HARRISON LLC 50 W. Broadway Ste 450 Salt Lake City, UT 84101

FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF MONTANA VIEW ESTATES

This amendment is made and executed on the date set forth below and shall be effective upon recording.

RECITALS

- A. Certain real property in Salt Lake County, Utah, known as Montana View Estates is subjected to certain covenants, conditions, and restrictions as contained in the Declaration of Covenants, Conditions and Restrictions of Montana Vista Estates, recorded in the Recorder's Office for Salt Lake County, Utah on November 4, 2003 as Entry No. 8879650, in Book 8906, at Pages 7922-7951 ("Declaration");
- B. This First Amendment shall be binding against the property described in "Exhibit A" and the Declaration, and any annexation or supplements thereto;
- C. This First Amendment is intended to establish certain rental restrictions within the Montana View Estates Homeowners Association (the "Association") to prevent higher mortgage and insurance rates, lower property values, higher crime, a higher rate of governing document violations, and the inability to obtain a mortgage, all of which are associated with communities with a high level of investor owned Dwelling Units / Lots;
- D. The Association deems a rental restriction in the best interest of the Owners, their health, safety, and welfare and also deems a rental restriction necessary to preserve the pool of prospective buyers by ensuring the qualification of the Project for financing, preserving the aesthetic appeal of the community, and ensuring competitive appreciation of the Dwelling Units / Lots;
- E. Pursuant to Article XII, Section 4 of the Declaration, owners representing not less than sixty-seven percent (67%) of the voting interest in the Association have approved this First Amendment;
- NOW, THEREFORE, the Association by and through the Board of Trustees, hereby amends the Declaration as follows:

Article XI, Section 5 of the Declaration is hereby deleted in its entirety, and is replaced as follows:

- 5.0 <u>Leases.</u> Notwithstanding anything to the contrary contained in the Declaration, the leasing or renting of any Dwelling Unit within the Project shall be governed by this Section. Any lease agreement between an Owner and a lessee respecting a Lot or Dwelling Unit shall be subject in all respects to the provisions of the Amended Declaration, the Articles, and Bylaws, and any and all future amendments thereto, and any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All such lease agreements shall be in writing, and shall include terms that bind the lessee to the provisions contained in the Amended Declaration, Articles, and Bylaws.
- 5.1. <u>Definition of "Lease" and "Rent".</u> As used in this First Amendment, the terms "Lease" or "Rent" shall mean allowing another the right to occupy the Dwelling Unit, whether or not there has been an exchange for something of value.
- 5.2. Rental / Lease Cap, Eligibility, and Lease Term. Subject to Section 5.4 below, no Owner shall rent or lease his/her Dwelling Unit or Lot within the Association if such rental or lease shall cause the total number of rented / leased Dwelling Units or Lots to exceed 10% of the total number of Dwelling Units or Lots within the Association. No Owner shall be entitled to rent or lease a Dwelling Unit or Lot until that Owner has lived in said Dwelling Unit or Lot for at least two (2) years, and no rental or lease shall be allowed for a term of less than twelve (12) consecutive months.
- 5.3 <u>Grandfathered Dwelling Units</u>. As of the date of recording this First Amendment, any Owner currently renting or leasing a Dwelling Unit ("Grandfathered Owner") may continue to rent or lease their Dwelling Unit until such time as the Grandfathered Owner no longer has an interest in the Dwelling Unit, or when the Grandfathered Owner occupies the Dwelling Unit. Such Grandfathered Dwelling Unit shall be counted as part of the 10% rental cap, as described in Section 5.2 above. The successor in interest to the Dwelling Unit that is subject to this Section 5.3 has no rights under this Section and is subject to the restrictions of Sections 5.2 and 5.5 herein. This Grandfather Exception applies to each and every provision within this First Amendment,
- 5.4 Owner Occupancy and Rental-Lease Cap Exceptions.
- (a) <u>Immediate Family Exception</u>. Occupancy by the immediate family members of an Owner is not to be counted as a rental or lease. As used in this Section 5, "immediate family members" means an Owner's spouse, child, parent, or sibling.
- (b) <u>Military Deployment Exception</u>. An Owner of a Dwelling Unit who is deployed with the military. Military personnel, not deployed, are otherwise subject to the requirements and restrictions of Sections 5.2 and 5.5 herein.
- (c) Employment Relocation Exception. An Owner of a Dwelling Unit whose employer has relocated the Owner for no less than two (2) years.
 - (d) <u>Trust or Entity for Estate Planning Exception</u>. If the trust or estate planning entity was

created for (i) the estate of a current resident of the Dwelling Unit; or (ii) the parent, child, or sibling of a current resident of the Dwelling Unit, the entity or trust will be allowed to continue renting until an officer, owner, member, trustee, beneficiary, director, or other person holding a similar position of ownership or control of an entity or trust that holds an ownership interest in the Lot, occupies the Dwelling Unit.

- (e) <u>Hardship Exception</u>. If an Owners application to lease their Dwelling Unit is denied by the Board of Trustees, to avoid undue hardships or practical difficulties such as the Owner's death, job relocation, charitable service, extended vacation, disability, or difficulty in selling the Dwelling Unit due to market conditions in the area or other similar circumstances, the Board of Trustees has discretion to approve an Owner's hardship application to temporarily rent or lease the Owner's Dwelling Unit. However, the Board may not approve a hardship application to rent or lease a Dwelling Unit under this Section for a time period of more than two (2) years.
- 5.5 <u>Application and Approval</u>. Prior to renting or leasing any Dwelling Unit or Lot, under either Section 5.2 or 5.4 herein, an Owner shall apply to the Board of Trustees for approval. The Board shall review the application and make a determination of whether the Owner meets the criteria of Section 5.2, or one of the exceptions in Section 5.4. The Board of Trustees shall:
- (a) Approve the application if it determines that the Owner applicant meets the criteria of 5.2, or of a specific exception in 5.4 under which the Owner applicant makes the application.
- (b) Deny the application if it determines that the Owner applicant does not meet the requirements of Section 5.2, or the criteria of the specific exception in Section 5.4 under which the Owner applicant makes the application.

5.6 Remedies.

- (a) If an Owner rents or leases a Dwelling Unit in violation of this Section 5, or violates other Rules and Regulations imposed by the Board of Trustees, including leasing a Dwelling Unit after the Board denies such application, the Board may:
 - i. Assess fines against the Owner and Owner's Dwelling Unit in an amount to be determined by the Board.
 - ii. Regardless of whether any fines have been imposed, proceed with any other available legal remedy, including, without limitation, an action to require the Owner to terminate the rental or lease agreement and remove the tenant.

5.7 Costs and Attorney Fees.

(a) Fines, charges, and expenses incurred by the Association in enforcing the Declaration, amendments thereto, the Bylaws and any Rules and Regulations in connection with any action involving Section 5 herein, including reasonable attorney fees, are assessments against the Owner and Dwelling Unit which may be collected and foreclosed by the Association as provided in the Declaration and pursuant to Utah State law.

- (b) The Association is also entitled to recover from an Owner determined to be in violation of this Section 5 its costs and attorney fees incurred for enforcement, regardless of whether any lawsuit is filed against the Owner and / or the Dwelling Unit, and such costs shall be an assessment as provided in the Declaration and pursuant to Utah State law.
- 5.8 <u>Utah Landlord-Tenant Code Not Applicable.</u> Nothing in this Section 5 may be construed to impose on the Association the duties, responsibilities, or liabilities of a landlord under Utah Code.

EXECUTED this 16 day of 18	2017 9 , 2018.
	Montana View Estates Homeowners Association By: The President

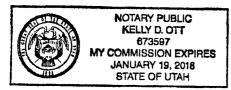
STATE OF UTAH

)SS:

COUNTY OF Salt Jake)

On the le day of May , 2017

On the le day of May , 2016 personally appeared before me , who by me being duly sworn, did say that he/she is the President of the Montana View Estates Homeowners Association and that the foregoing amendment was approved by at least 67% of the total votes of the Association.



otary Public

EXHIBIT A

LEGAL DESCRIPTION

ALL LOTS AND COMMON AREAS in Montana View Est PUD, according to the plat thereof as recorded in the Salt Lake County Recorder.

Consisting of 44 numbered lots; Parcel Number 34083260170000 for lot 1 through Parcel Number 34083260310000 for Lot 44, and Area Parcel Number 34083260370000.