Recorded at the request of:
Cornerstone Condominiums Homeowners Association

Record against the Property described in Exhibit A

After Recording mail to: JENKINS BAGLEY SPERRY, PLLC Attn: Hope Bringhurst 285 W. Tabernacle, Ste. 301 St. George, UT 84770

# FIRST AMENDMENT TO THE CORNERSTONE CONDOMINIUMS HOMEOWNERS ASSOCIATION AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

As more particularly stated herein, this First Amendment to the Cornerstone Condominiums Homeowners Association Amended and Restated Declaration of Covenants, Conditions and Restrictions of Cornerstone Condominiums Homeowners' Association (hereinafter "Amendment"), amends the following:

- (i) Cornerstone Condominiums Homeowners Association Amended and Restated Declaration of Covenants, Conditions and Restrictions, recorded with the Salt Lake County Recorder on September 23, 2019, as Document No. 13080113, in Book 10834, at Pages 3302–3349; and
- (ii) any and all supplements or amendments to the Declaration prior to the date of this Amendment, whether or not such were recorded in the records of the Salt Lake County Recorder (the foregoing are collectively referred to herein as the "Declaration").

This Amendment is undertaken pursuant to Article III, Section 45, of the Declaration which provides that the Declaration may be amended by "the vote of at least sixty-seven percent (67%) of the Percentage Interests of the Unit Owners in Person or represented by proxy at a meeting of the Association at which a quorum is present."

This Amendment shall take effect upon the date it is recorded in the records of the Salt Lake County Recorder (the "Amendment Date"). All of the Property known as "Phase One Cornerstone Condominium," "Phase Two Cornerstone Condominium," and "Phase Three Cornerstone Condominium" (described in Exhibit A attached hereto and made a part hereof) shall be held, sold, and conveyed subject to the Declaration as amended by this Amendment.

The following amends, wholly replaces, and substitutes for the following sections in the Declaration—all other terms of the Declaration and other governing documents that do not contradict the terms of this Amendment shall remain in full force and effect. In the event of a conflict between this Amendment and the Declaration, the Articles of Incorporation, the Bylaws, or the Rules and Regulations ("Governing Documents"), this Amendment shall control.

#### **Article III, Section 17(a)**

SECTION 17(a) OF ARTICLE III OF THE DECLARATION IS AMENDED AS FOLLOWS (AMENDMENTS ARE IN STRIKEOUTS (DELETED) AND ITALICS (ADDED)) THE REMAINING SECTIONS 17(b) THROUGH (k) SHALL REMAIN UNCHANGED:

#### 17. Use of Condominium and Common Areas

- a) Rental Restrictions Areas Restricted to Single Family (Rentals Limited)

   IN ORDER TO INCREASE THE FUTURE AVAILABILITY OF FINANCING
  FOR THE PURCHASE/SALE OF UNITS WITHIN THE COMPLEX, TO
  PROMOTE THE AVAILABILITY OF INSURANCE FOR THE ASSOCIATION
  AND ITS MEMBERS AT REASONABLE RATES, TO ATTEMPT TO MAXIMIZE
  THE PROPERTY VALUES WITHIN THE COMPLEX, AND/OR TO PROMOTE A
  SENSE OF COMMUNITY BY AND THROUGH OWNER-OCCUPANTS, FROM
  AND AFTER THE AMENDMENT DATE, NONE OF THE UNITS WITHIN THE
  COMPLEX SHALL BE RENTED, EXCEPT AS SPECIFICALLY PROVIDED
  HEREIN. Each of the Units subject to this Declaration is intended to be Owneroccupied with the following exceptions:
- i. A maximum of twelve (12) Units in the Complex may each be rented (the "Rental Limit") in addition to those allowed by the following sub-sub Paragraph v. At the time of the filing of this declaration, the maximum of 12 such Permitted Rentals are occupied in addition to those allowed by sub-sub paragraph v.
- i. <u>Application to Continue Renting</u>. Within 45 calendar days of the Amendment Date, each Owner who is renting a Unit on the Amendment Date and who desires to continue to rent the Unit, must complete and return the form attached hereto as **Exhibit B** (the "Notice of Intent to Continue Renting"). An Owner who fails to timely deliver the Notice of Intent to Continue Renting to the Management Committee shall lose the right to continue renting the Owner's Unit.
- ii. <u>No Transient Lodging</u>. Units may only be rented to a single family. Dormitory, hostel, hotel, vacation-rental-by-owner, or nightly rentals are strictly prohibited. A rental for a period of less than six months shall be deemed to be for transient purposes. No Owner or renter shall rent less than the entire Unit.
- **iii.** Minimum Rental Term. The minimum rental term permitted is six months.
- iv. Grandfathering. Any Owner who presently has a Permitted Rental in the Complex prior to this Declaration being recorded with the Salt Lake County Recorder may continue renting their Unit and are included in the limit on rentals newly imposed by this Declaration, until such time as: Any Owner who is currently renting the Owner's Unit, a "Rental," as defined in Article I, Section 21, of the Declaration, and who timely returns to the Committee a complete and accurate Notice of Intent to Continue Renting, shall have the right to continue to rent such Unit until the earlier to occur of the following:

- **a.** The Unit becomes Owner-Occupied. For purposes hereof, a Unit shall be deemed "Owner-Occupied" if:
  - (1) Except as provided for in Subsection (viii)(v)(2) below, the Owner or any member of the Owner's immediate or extended family takes occupancy of the Unit for a period of seven days or more in any ten consecutive day period; or
  - (2) an officer, owner, member, trustee, beneficiary, director, or person holding a similar position of ownership or control of an entity or trust that holds an ownership interest in the Unit occupies the Unit for a period of seven days or more in any ten consecutive day period; or
- **b.** The Unit is transferred. For purposes of this Subsection (b), a transfer occurs when one or more of the following occur:
  - (1) upon the conveyance, sale, or other transfer of the Unit by deed;
  - (2) the granting of a life estate in the Unit; or
  - (3) if the Unit is owned by a limited liability company, corporation, partnership, or other business entity, the sale or transfer of more than 75% of the business entity's share, stock, membership interest, or partnership interest in a 12-month period; or
  - (4) otherwise in accordance with the Utah Condominium Ownership Act.
- **c.** The Owner is in violation of this Section 17(a), including without limitation the failure to advise the Committee of the execution of a rental agreement and to provide a copy thereof to the Committee.
- **v.** Extension of Right to Rent During Vacancy. Subject to Subsection (iv), an Owner in compliance with the Declaration may continue to rent the Owner's Unit even if the renters change or the Unit remains unoccupied in between rental terms.
- vi. <u>Heirs Right to Rent</u>. A Unit which is being rented by an Owner at the time of the Owner's death and is passed to the heirs of such Owner by intestacy or testamentary instrument, may continue to be rented until the heirs transfer the Unit or it becomes Owner-Occupied.
- vii. Sale of Rental Unit. Notwithstanding anything to the contrary herein, if an Owner transfers the Owner's Unit at a time when a rental agreement is in effect with respect to that Unit, the rental agreement shall continue to its termination. However, the purchaser of the Unit shall not have the right to rent the Unit after such purchaser takes title to the Unit, except for the remainder of the term of the rental agreement in place at the time of transfer.
- viii. <u>Hardships</u>. If, at any time after the Amendment Date, an Owner believes that a hardship is being endured pursuant to which such Owner needs to rent the Owner's Unit and the Owner is not then renting the Unit, the Owner may apply to the Management Committee for a hardship exemption from the rental restrictions

contained in this Section 17(a). If an Owner decides to apply for a hardship exemption, such Owner must take the following steps:

- **a.** Application. The Owner must submit a request in writing to the Management Committee requesting a hardship exemption setting forth in detail the reasons for the request.
- **b.** Approved Exemptions. The following five hardship exemptions shall be deemed expressly approved, provided the Owner provides proof of engagement in one or more of the following for each application or extension: The Committee shall allow the following exemptions to the Rental Limit in such cases as:
  - (1) Owner is in the military for the period of the Owner's deployment;
  - (2) the Unit is occupied by a Unit Owner's parent, child, grandchild, sibling, or resident surviving spouse;
    - an Owner is serving a religious mission for up to 24 months;
  - (3) an Owner whose employer has temporarily relocated the Owner for two (2) years or less;
  - (4) a Unit owned by a trust or other entity created for estate planning purposes of the current resident or their parent, child, grandchild, sibling, or spouse; and
  - (5) A Unit owned by an entity that is occupied by an individual who has a 25% or greater share of ownership, control, and right to profits and losses of the entity.
- **c.** <u>Conditional Exemptions.</u> In addition to the approved exemptions, if based on the information supplied to the Management Committee by the Owner, the Management Committee finds, in its sole discretion, that a reasonable hardship exists, the Management Committee may grant a waiver of rental restrictions up to a maximum of one (1) year.
- d. Conditional Hardship Factors. The types of hardships that the Management Committee may consider under Subsection (c) above, shall include, but not be limited to, (1) a death in the family; (2) medical treatments for an Owner, or a person residing with the Owner, that requires the Owner to be away from the Owner's Unit during the medical treatment; (3) religious, humanitarian, or civic service; or (4) any other reason the Management Committee, in its sole discretion, determines constitutes a hardship.
- e. Application for Extension of Conditional Exemptions. In the event an Owner has been granted a conditional hardship exemption, such Owner must reapply within 30 days of the expiration of such hardship exemption, if such Owner wishes to request an extension thereof. The Management Committee, in its sole discretion, may decide if an extension for such conditional hardship exemption shall be granted. However, in no event shall the hardship be extended beyond a period of two years.
- **f.** Renting During Exemption. Any rental agreement entered into under this Subsection (viii) will be subject to and must comply with all other requirements of this Section 17(a).

- vi. The Management Committee will record and track the status of all rental units in the complex; these will be reviewed monthly to assure rules and regulations are being followed and enforced.
- **vii.** Prior to entering into a rental or lease arrangement, the Owner must obtain written approval to rent from the Committee. The Committee shall either (a) approve the application for approval if it determines that the rental or lease will not exceed the Rental Limit and complies with the other provisions of this *the* Declaration, or (b) deny the application if it determines that the rental or lease of the Unit will exceed the Rental Limit or does not comply with the terms of this *the* Declaration.
- ix. <u>Notification of Rental</u>. Immediately upon entering into a rental agreement, an Owner shall furnish the Management Committee with (a) a copy of such rental agreement (with the rental amount redacted, if desired by the renter or Owner), (b) the telephone number of the renter, (c) the email address of the renter (if available), and (d) any change in the address or telephone number of the Unit Owner.
- **x.** <u>Rental Tracking</u>. The Committee shall create rules to establish procedure regarding this <del>Paragraph</del> <u>Paragraph</u> Section 17(a) to: (a) determine and track the number of Rentals and Units in the Complex subject to the provisions of <del>Paragraph</del> <u>Paragraph</u> Section 17(a) and (b) to ensure consistent administration of these Rental <u>Limit provisions</u> restrictions.
- **xi.** Association Right to Rent. The Management Committee shall have the right to rent any Association owned Units or any Unit which the Association has possession of, pursuant to any court order or foreclosure (judicial or non-judicial) and said Units shall not be subject to this Section 17(a).
- Compliance with Governing Documents and Default. Any Owner who shall xii. rent the Owner's Unit shall be responsible for assuring compliance by such Owner's renter(s) with the Governing Documents. In the event of a default under this Section 17(a), the Management Committee may, after affording the Owner an opportunity to be heard, levy a fine against such Owner in the amount of \$500.00 every month that the violation continues. The Owner may either pay the fine or request a hearing before the Management Committee. If the fine is not timely paid or a hearing requested or the Management Committee finds the Owner in violation after a hearing, the Management Committee shall be entitled to exercise all of its rights hereunder and under law and equity and deem the Owner in violation and terminate all further rights of the Owner to rent the Unit. Failure by an Owner to take legal action, including the institution of proceedings in unlawful detainer and/or eviction against the renter in violation of the Governing Documents within 15 calendar days after receipt of written demand from the Management Committee to take action against the renter(s) in violation, shall entitle the Association, through the Management Committee, to take any and all action available in law or equity, including without limitation the institution of proceedings in unlawful detainer/eviction, on behalf of such Owner against the renter. Any expenses

incurred by the Association in enforcing this Section 17(a), including attorney fees and costs, shall be repaid to the Association by such Owner. Failure of such Owner to make such repayment within 15 days after receipt of written demand thereof, shall entitle the Management Committee (a) to levy and add to the assessment against such Owner and the Unit, all expenses incurred by the Association and to foreclose the assessment lien according to Utah law, including non-judicial foreclosure; or (b) to file suit to collect the amounts due and owing, or both.

- **xiii.** <u>Power of Attorney.</u> In the event an Owner fails to enforce the terms of that Owner's rental agreement and the covenants and conditions of this Declaration and any of the Governing Documents, such Owner hereby appoints the Association as its limited attorney in fact for the purposes of filing and prosecuting any proceeding in unlawful detainer/eviction that the Association elects to commence pursuant to the terms of this Section.
- **xiv.** <u>Limits on Rental Restrictions</u>. Except as provided in this Subsection (xiv)(d), the Association may not require a Unit Owner who owns a rental Unit to:
  - **a.** *obtain the Association's approval of a prospective renter;*
  - **b.** *give the Association:* 
    - (1) a copy of a rental application;
    - (2) a copy of a renter's or prospective renter's credit information or credit report;
    - (3) a copy of a renter's or prospective renter's background check; or
    - (4) documentation to verify the renter's age; or
  - **c.** pay an additional assessment, fine, or fee because the Unit is a rental Unit.
  - **d.** A Unit Owner who owns a rental Unit shall give an Association the documents described in this Subsection (xiv) if the Unit Owner is required to provide the documents by court order or as part of discovery under the Utah Rules of Civil Procedure.

#### **Article III, Section 63**

SECTION 63 OF ARTICLE III OF THE DECLARATION IS HEREBY ADDED IN ITS ENTIRETY AS FOLLOWS:

63. Electronic Vehicle Charging. The Association may not prohibit a Unit Owner from installing or using a charging system in: (a) a parking space: (i) assigned to the Unit Owner's Unit; and (ii) used for the parking or storage of a vehicle or equipment; or (b) a limited common area parking space designated for the Unit Owner's exclusive use. However, the Association may: (a) require a Unit Owner to submit an application for approval of the installation of a charging system to the Management Committee; (b) require the Unit Owner to agree in writing to: (i) hire a general electrical contractor or residential electrical contractor to install the charging system; or (ii) if a charging system is installed in a limited common area, provide reimbursement to the Association for the actual cost of the increase in the

Association's insurance premium attributable to the installation or use of the charging system; (c) require a charging system to comply with: (i) the Association's reasonable design criteria governing the dimensions, placement, or external appearance of the charging system; or (ii) applicable building codes; (d) impose a reasonable charge to cover costs associated with the review and permitting of a charging station; (e) impose a reasonable restriction on the installation and use of a charging station that does not significantly: (i) increase the cost of the charging station; or (ii) decrease the efficiency or performance of the charging station; or (f) require a Unit Owner to pay the costs associated with installation, metering, and use of the charging station, including the cost of: (i) electricity associated with the charging station; and (ii) damage to a common area, a limited common area, or an area subject to the exclusive use of another Unit Owner that results from the installation, use, maintenance, repair, removal, or replacement of the charging station.

The Management Committee may adopt additional rules or design criteria regarding electronic vehicle charging so long as such rules or design criteria do not conflict with this Amendment.

A Unit Owner who installs a charging system shall disclose to a prospective buyer of the Unit: (a) the existence of the charging station and (b) the Unit Owner's related responsibilities under this Section.

Unless the Unit Owner and the Association otherwise agree: (a) a charging station installed under this Section is the personal property of the Unit Owner of the Unit with which the charging station is associated; and (b) a Unit Owner who installs a charging station shall, before transferring ownership of the Owner's Unit, unless the prospective buyer of the Unit accepts ownership and all rights and responsibilities that apply to the charging station under this Section: (i) remove the charging station; and (ii) restore the premises to the condition before installation of the charging station.

As used in this Section, the terms "charging system," "general electrical contractor," and "residential electrical contractor" are as defined in § 57-8-8.2 of the Act.

[signatures on following page]

IN WITNESS WHER	EOF, the Pres	sident of the Association hereby certifies, on this
day of, 20	, that this An	nendment was approved by the vote of at least sixty-
seven percent (67%) of the P	ercentage Inte	erest of the Unit Owners at a meeting, after a quorum
was established.	_	
		CORNERSTONE CONDOMINIUMS HOMEOWNERS
		ASSOCIATION, a Utah nonprofit corporation
		By:
		Its: President
State of Litals	,	
State of Utah	)	
County of	:ss.	
On this day of	of	, 20, personally appeared before me
		rsonally known to me or proved to me on the basis of
		sworn (or affirmed), did say that he/she is the President
•		ers Association, a Utah nonprofit corporation, and that
		n/her on behalf of the Association by authority of its
		Management Committee, and he/she acknowledged
		ment on behalf of the Association and for its stated
purpose.		
1 1		
		Notary Public

### Exhibit A (Legal Description)

This First Amendment to the Cornerstone Condominiums Homeowners Association Amended and Restated Declaration of Covenants, Conditions and Restrictions affects the following real property, all located in Salt Lake County, State of Utah:

All of Units 1 through 42, together with all Common Area, Cornerstone Condo, according to the Official Plat thereof, on file in the Office of the Recorder of Salt Lake County, State of Utah.

PARCEL: 27-10-452-001-0000 through 27-10-452-042-0000

PARCEL: 27-10-452-129-0000

All of Units 43 through 74 and Units 95 through 98, together with all Common Area, Cornerstone Condmn. Ph 2, according to the Official Plat thereof, on file in the Office of the Recorder of Salt Lake County, State of Utah.

PARCEL: 27-10-452-044-0000 through 27-10-452-079-0000

PARCEL: 27-10-452-149-0000

All of Units 75 through 94 and Units 99 through 146, together with all Common Area, Cornerstone Condmn. Ph 3, according to the Official Plat thereof, on file in the Office of the Recorder of Salt Lake County, State of Utah.

PARCEL: 27-10-452-081-0000 through 27-10-452-148-0000

## Exhibit B (Notice of Intent to Continue Renting)

TO ALL OWNERS:	DATE:
Association Amended and Restated Declaration of the rental restrictions to be placed on each Unit. As	Amendment to the Cornerstone Condominiums Homeowners f Covenants, Conditions and Restrictions ("Amendment") outlines mong other matters the Article III, Section 17(a) restricts the rental dfathering Units rented at the time the Amendment was approved y Recorder.
the Amendment was recorded, you must report [DATE N	status for the Unit(s) they own which were rented at the time turn this completed form within forty-five (45) days from IOTICE OF RECORDED DECLARATION IS SENT TO Bart Davis, 1492 Cornerstone Dr., South Jordan, UT 84095 or
	to do so your right to rent your Unit(s) will lapse and terminate.
REGISTR	ATION INFORMATION
1. Names of Tenants	2. Telephone numbers of Tenants
a b c d.	a. Home: b. Work: c. Mobile:
3. Telephone numbers of Owner	4. Current address of Owner
a. Home:	
5. Copy of Rental Agreement: a true and correct can new renter, Owner must provide a new copy of the	opy of the rental agreement must be attached. Each time there is the rental agreement.
I/We the Owners of Unit(s)accurate, and complete.	hereby verify that the above information is true,
DATED this day of	, 20
(Sign)	(Sign)
(Print)	(Print)
Date received by Association:	