

DOC # 20110003769

Restrictive Page 1 of 6
Russell Shirts Washington County Recorder
02/04/2011 10:31:49 AM Fee \$ 20.00
By WOODS SCOTT



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2040 East Murray-Holladay Rd., Suite 102
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SG-BCC-3-3

**AMENDMENT TO THE DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF THE
BLOOMINGTON FAIRWAY TOWNHOUSE ASSOCIATION, INC.**

This amendment to the Declaration of Covenants, Conditions and Restrictions of the Bloomington Fairway Townhouse Association, Inc. (the "Declaration") that established the Bloomington Fairway Townhouse Association, Inc. community is made this 19th day of May, 2007 by the Bloomington Fairway Townhouse Association, Inc. (the "Association").

RECITALS

A. Certain real property in Washington County, Utah, known as the Bloomington Fairway Townhouse Association, Inc. was subjected to certain covenants, conditions and restrictions pursuant to a Declaration dated June 17, 1976 and recorded as Entry No. 176233, Book 197, Pages 117-130 in the Recorder's Office for Washington County, Utah.

B. This Amendment shall be binding against all of the property described in the Declaration and any annexation, expansion or supplement thereto. Said property is more particularly described in the Declaration as:

Bloomington Country Club No. 3, Block 3, according to the official subdivision plot map thereof on file in the Office of the County Recorder, in the County of Washington, State of Utah:

C. To avoid the communal ills, including among other things, rules violations, abuse and destruction of community and private property and the consequent increase in insurance premiums, and the diminished safety of the owners associated with high levels of tenancy, the Association deems restricting and regulating the manner of renting and number of rentals within the community necessary and in the best interest of the owners.

D. Pursuant to Article X, Section 3 of the Declaration, owners representing more than seventy-five percent (75%) of the voting rights have approved this Amendment.

NOW, THEREFORE, the Association, by and through its Board of Directors, hereby amends Article VIII of the Declarations entitled "Use Restrictions" to include the following provision to read in its entirety as follows:

Section 10. Leasing and Renting of Townhomes. The leasing and renting of Townhomes by Owners shall be in accordance with this Section. "Leasing or renting" of a Townhome means the granting of a right to use or occupy a Townhome for a specific term or an indefinite term (with rent stated on a periodic basis), in exchange for the payment of rent (money, property or other goods or services of value) but shall not mean and include joint ownership of a Townhome by means of joint tenancy, tenancy-in-common or other forms of co-ownership.

(1) **Rental-Lease Limit.** Owners, Lots and Townhomes shall be subject to the following restrictions:

(i) No Owner may lease or rent less than the entire Townhome and no Owner may lease or rent any Townhome for a period of less than three (3) consecutive months.

(ii) No Townhome may be rented or leased if the rental or lease results in more than twenty percent (20%) of Townhomes in the Bloomington Fairway Townhouse Association, Inc. (the "Rental-Lease Limit") being rented or leased at any given time, except as provided in Subsection 10(3) below.

(2) **Twelve Month Occupancy Requirement / Application and Approval.**

Prior to leasing any Townhome, an Owner shall have occupied their Townhome for twelve (12) consecutive months (the "Residency Requirement") and shall apply to the Board of Directors for approval. The Board shall review the application and make a determination of whether the Owner has met the twelve month Residency Requirement and whether the proposed lease will exceed the Lease Limit expressed above. The Board shall:

(i) Approve the application if it determines that the Owner meets the Residency Requirement and that the rental or lease will not exceed the Rental-Lease Limit; or

(ii) Deny the application if it determines that the Owner does not meet the Residency Requirement or that the rental or lease of the Townhome will exceed the Rental-Lease Limit.

(3) **Hardship Exemption.** Notwithstanding Subparagraphs 10(2)(i) and (ii), to avoid undue hardships or practical difficulties such as the Owner's job relocation, extended vacation, disability, military service, charitable service or other similar circumstances, the Board of Directors shall have absolute and exclusive discretion to approve or disapprove an Owner's application to temporarily rent or lease the Owner's Townhome. The Board will review each

application on an individual case-by-case basis, and no action by the Board shall be regarded or considered to be precedential or binding on the Board's approval or disapproval of subsequent applications.

The Board of Directors, in its discretion, may use a percentage of the Townhomes described in Subsection 10(1)(ii) above, if available, for hardship exceptions.

The Board's absolute and exclusive discretion to approve or disapprove an Owner's application to temporarily rent or lease the Owner's Townhome includes the authority to determine the duration of any such temporary rental or lease of such Townhome. The Board may not approve an application to rent or lease under this hardship exemption provision less than the Owner's entire Townhome.

(4) Multiple Townhome Ownership Limitation. An Owner who owns more than one Townhome is not eligible to rent more than one Townhome until the pending applications of:

(i) All Owners who are not currently renting or leasing a Townhome have been approved; and

(ii) All Owners who are currently renting or leasing a Townhome have been approved.

(5) Review of Rental Applications. Applications from an Owner for permission to rent or lease shall be reviewed and approved or denied by the Board of Directors pursuant to the following:

(i) The Board of Directors shall review applications for permission to rent or lease in chronological order based upon the date of receipt of the application. Within ten (10) business days of receipt, the Board shall approve or deny an application as provided in Subsection 10(2) and shall notify the Owner of the result, and, if permission is not given, the reason for the denial within fifteen (15) business days of receipt of the application.

(ii) If an Owner's application is denied, the applicant may be placed on a waiting list according to the date the application was received so that the Owner whose application was earliest received will have the opportunity to rent or lease, subject to Subsection 10(4).

(6) Application Form; Approval Process; Waiting List. An application form, the application and approval process, a waiting list and any other rules deemed necessary by the Board to implement this section shall be established by rules adopted by resolution of the Board of Directors consistent with the Section 10.

(7) Approved Lease Agreement. All Owners shall use and provide the existing Management Company or Professional Manager with a copy of the Bloomington Fairway Townhouse Association, Inc. Residential Lease Agreement ("Approved Lease Agreement") which shall be kept on file with the books and records of the existing Management Company or Professional Manager so that the Association may determine the number of townhomes rented or leased. If at any point the Association is being self-managed (in other words, there is no Management Company or Professional Manager for the Association), then all Approved Lease Agreements shall be provided to the Board of Directors. The Approved Lease Agreement shall be on a form prescribed by resolution of the Board of Directors.

(8) Violations of Rental Restrictions. If an Owner fails to submit the required application, fails to use and submit a copy of the Approved Lease Agreement and rents or leases any Townhome and/or rents or leases any Townhome after the Board of Directors has denied the Owner's application, the Board of Directors may assess fines against the Owner and the Owner's Townhome in an amount to be determined by the Board pursuant to a schedule of fines adopted by the Board. In addition, regardless of whether any fines have been imposed, the Board of Directors may proceed with any other available legal or equitable remedies, including but not limited to, an action to terminate the rental or lease agreement and removal of any tenant or lessee.

(9) Recovery of Costs and Attorney's Fees. The Association shall be entitled to recover from the offending Owner its costs and attorney's fees incurred for enforcement of this Section 10, regardless of whether any lawsuit or other action is commenced. The Association may assess such costs and attorney's fees against the Owner and the Townhome as an assessment pursuant to Article IV of the Declaration.

(10) Grandfather Clause. As of the date of this amendment, any Owner who is currently renting or leasing a Townhome ("Grandfathered Owner") may continue to rent or lease their Townhome until such time as the Townhome is sold or title is otherwise transferred to a new Owner of record or the Townhome is re-occupied as a residence by the Owner. However, notwithstanding the grandfather provisions above, if a Grandfathered Owner fails to re-let their Townhome within ninety (90) days of the expiration or termination of a rental or lease agreement by any tenant, then the Grandfathered Owner and Townhome become subject to the Rental Lease Limit expressed above and shall apply to the Board of Directors for permission to rent or lease the Townhome in accordance with this Section 10.

(11) Owner Obligation to Inform Tenant and Association. Rental and lease agreements shall comply with the following:

(i) The Owner shall provide the tenant or lessee with a copy of the Declaration, Bylaws and rules and regulations (the "Governing Documents") then in effect and shall take a receipt for delivery of the Governing Documents. In the event the Governing Documents are amended, revised or supplemented by the Association, the Owner shall provide the tenant or lessee with a copy of the amendments, revisions or supplements with ten (10) calendar days of adoption by the Association, its Board of Directors or its membership.

(ii) Upon commencement of the rental or lease period, the Owner shall provide the Association with a copy of the Approved Lease Agreement and a copy of the receipt specified in Subsection 10(11)(i). If the Owner fails to provide the receipt, the Association shall provide a copy of the Governing Documents to the tenant or lessee and take a receipt therefor and shall assess a reasonable charge therefor to the Owner as an assessment pursuant to Article IV Section 2 of the Declaration.

(12) Termination of Lease or Rental Agreement for Violations. In addition to any other remedies available to the Association, the Board of Directors may require the Owner to terminate a lease or rental agreement if the Board determines that any lessee or tenant has violated any provision of the Declaration, the Articles of Incorporation, the Bylaws or any amendments thereto, or the Rules and Regulations adopted thereto. Notwithstanding anything contained herein to the contrary, the association shall have legal and equitable standing as a third party beneficiary to enforce the provisions of the Governing Documents against an Owner or their tenant, including without limitation, levying fines against the Lot, Owner and Tenant and termination of the lease agreement.

IN WITNESS WHEREOF, THE BLOOMINGTON FAIRWAY TOWNHOUSE ASSOCIATION, INC. has executed this Amendment to the Declaration as of the 4th day of FEBRUARY, 2011, in accordance with Article X, Section 3 of the Declaration.

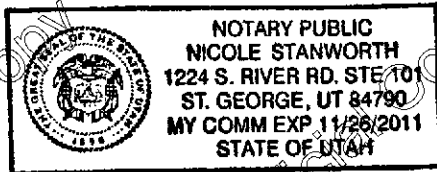
BLOOMINGTON FAIRWAY TOWNHOUSE ASSOCIATION, INC.

Scott A. Woods
President

C. Brandt
Secretary

STATE OF UTAH)
) ss
County of Washington)

On the 4th day of February, 2011, personally appeared Scott A. Woods and C. Dean Larsen who, being first duly sworn, did say that they are the President and Secretary of Bloomington Fairway Townhouse Association, Inc. and that this instrument was signed in behalf of said Association by authority of its Board of Directors; and each of them acknowledged execution of said instrument to be their voluntary act and deed.



Nicole Stanworth
Notary Public for Utah