

After Recording Return To:
2225 E. Murray-Holladay Rd., Suite 111
Salt Lake City, UT 84117

ENT 108704:2012 PG 1 of 4
Jeffery Smith
Utah County Recorder
2012 Dec 10 02:54 PM FEE 98.00 BY EO
RECORDED FOR SEB Legal
ELECTRONICALLY RECORDED

AMENDMENT TO THE DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS AND
RESTRICTIONS FOR NORTHGATE TOWNHOMES

This Amendment ("Amendment") to the Declaration of Easements, Covenants, Conditions and Restrictions that established a planned unit development known as the Northgate Townhomes, is made on the date evidenced below by the Northgate Townhomes Owners Association ("Association").

RECITALS

A. WHEREAS, Certain real property in Utah County, Utah, known as the Northgate Townhomes a Planned Unit Development was subjected to certain covenants, conditions, and restrictions pursuant to a Declaration recorded on December 30, 1994, as Entry Number 97659:1994, in the Recorder's Office for Utah County, State of Utah ("Declaration");

B. WHEREAS, this Amendment shall be binding against the Property, Lots, and Units situated thereon, as described and defined in the Declaration and any amendment, annexation or supplement thereto. As used herein the term "Lot" includes all living or dwelling units located thereon;

C. WHEREAS, to avoid the communal ills, including, among other things, rule violations, abuse and destruction of community and private property and the resultant increase in insurance premiums, and the diminished safety of the Owners, often associated with a high levels of non-owner occupied Lots and Units, 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. WHEREAS, this Amendment is intended to restrict the manner and number of rentals in the community in order to better establish a residential community, and to help protect livability and property values for all owners;

E. WHEREAS, pursuant to Article XIV, Section 14.02, the President and Secretary hereby certify that votes representing at least 60% of the total outstanding votes in the Association approved this Amendment.

F. WHEREAS, this Amendment was originally voted on and passed in July 2011, but due to an error in the legal description was not properly recorded against all Lots. The Association is now recording the Amendment against all Lots as originally intended. However, any owners who took title to a Lot between July 2011 and the date this Amendment is recorded will be considered a grandfathered owner as described below.

NOW, THEREFORE, The Association hereby amends Article VI of the Declaration to add the following language:

6.03(b) Leases. No Lot or Unit built thereon may be rented or leased if the rental or lease results in more than twenty-one (21) Lots or Units within the Project being rented or leased ("Rental-Lease Limit"), except as provided in subparagraphs (v) and (vi) of this Section. The rental and or leasing of Lots shall be restricted as follows:

(i) Definitions. "Leasing or Renting" of a Lot or Unit means the granting of a right to use or occupy a Lot or Unit for a specific or 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 Lot or Unit by means of joint tenancy, tenancy-in-common or other forms of co-ownership.

(ii) Written Lease. Any agreement for the leasing, rental, or occupancy of a Lot or Unit shall be in writing, and a copy thereof shall be delivered to the Association prior to commencement of the lease or rental.

(iii) Application to Lease. Prior to renting or leasing any Lot or Unit, an Owner shall apply to the Association, utilizing the procedures, forms or documentation established by the Board of Trustees for such application. The Board shall review the application and make a determination of whether the rental or lease will exceed the Rental-Lease Limit.

(1) The Board shall approve the application if it determines:

- (A) that the rental or lease will not exceed the Rental-Lease Limit; or
- (B) that the rental or lease application was submitted subject to subparagraph (e) below.

(2) The Board shall deny the application if it determines that the rental or lease of the Unit will exceed the Rental-Lease Limit and is not subject to subparagraph (v) below.

(iv) Waiting List. The Board may establish and maintain a "waiting list" for owners who desire to rent their Lots or Units, but are ineligible to do so because of the Rental-Lease Limit. When the number of leases or rentals drops below the applicable Rental-Lease Limit, the Board may provide written authorization to the Owners on the waiting list allowing them to lease or rent their Lot or Unit. Such authorizations shall be given in the order the applications were received, and shall only be given if the new rental will not exceed the Rental-Lease Limit. Upon receipt of written authorization from the Association, an Owner shall have sixty (60) days to lease the Lot or Unit and to submit a copy of the written lease to the Board. If the Owner receiving the authorization has not leased his/her Lot or Unit and provided a copy of the written lease to the Board within sixty (60) days of the written authorization, the authorization is terminated and the Owner's name shall be placed at the end of the existing waiting list. The Board may then offer the lease authorization to the next Owner on the waiting list. The Board shall have the authority to adopt reasonable procedures and policies, not inconsistent with this Declaration, for maintaining and administering the waiting list.

(v) Grandfathering. Notwithstanding anything to the contrary herein, any record Owner of a Lot or Unit within the Association prior to the date this Amendment is recorded in the Utah County Recorder's Office, may rent their Lot or Unit without being subject to the Rental-Lease Limit until the conveyance, sale, or other transfer of the Lot by deed. Thereafter, each Lot shall be subject to the rental restriction of this Section 6.03(b). Owners renting or leasing their Lots or Units pursuant to this grandfathering provision shall still be required to submit an application and a copy of the written lease or rental agreement to the Association in compliance with subparagraphs (ii) and (iii) above. Each Lot currently being rented, regardless of whether it is temporarily exempt from the Rental-Lease Limit, shall be counted for purposes of the Rental-Lease Limit.

(vi) The Board of Trustees has discretion, and shall exercise its best judgment, to offer "hardship exceptions" to its prohibition against rentals in cases such as:

- (1) an Owner in the military for the period of the Owner's deployment;
- (2) a Lot occupied by an Owner's parent, child, or sibling;
- (3) an Owner whose employer has relocated the Owner for no less than two years; or
- (4) a Lot owned by a trust or other entity created for estate planning purposes if the trust or other estate planning entity was created for the estate of:

- (A) a current resident of the Lot; or
- (B) the parent, child, or sibling of the current resident of the Lot.

(vii) Notwithstanding the "hardship exceptions" listed above, it is the intent and desire of the Association to consist solely of owner-occupied Lots with a maximum of twenty one (21) Lots being rented. Consequently, all decisions of the Board of Trustees with respect to the implementation of this Section 6.03(b) shall be made, to the extent reasonable, to fulfill this intent and desire.

IN WITNESS WHEREOF, the Northgate Townhomes Owners Association has executed this Amendment to the Declaration as of the 7th day of December, 2012, in accordance with Article XIV, Section 14.02 of the Declaration.

NORTHGATE TOWNHOMES OWNERS ASSOCIATION

Chantelle A. Turner
President

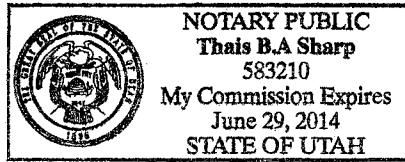
[Signature]
Secretary

STATE OF UTAH)
) :ss
County of Utah)

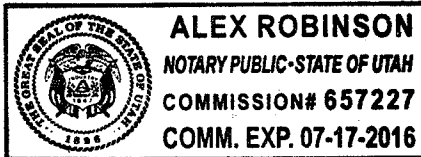
On the 7th day of December, 2012, personally appeared before me Chantelle Turner who, being first duly sworn, did say that she is the President of the Association and did certify that more than 60% of the owners approved this Amendment, and that she was authorized to sign this Amendment on behalf of the Association.

[Signature]
Notary Public

STATE OF UTAH)
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County of Utah)



On the 8th day of December, 2012, personally appeared before me Shane Kunz who, being first duly sworn, did say that they are the Secretary of the Association and did certify that more than 60% of the owners approved this Amendment, and that they were authorized to sign this Amendment on behalf of the Association.



[Signature]
Notary Public

EXHIBIT A
Legal Description

Lots 1 through 27 Plat A, Northgate Townhomes P.U.D. Subdivision as shown on the official plat thereof on file in the Utah County Recorder's Office.

Serial Nos.: 47:145:0001 and all others with in Plat A, Northgate Townhomes P.U.D. Subdivision

Lots 28 through 32 and 54 through 67 Plat B, Northgate Townhomes P.U.D. Subdivision as shown on the official plat thereof on file in the Utah County Recorder's Office.

Serial Nos.: 47:147:0028 and all others with in Plat B, Northgate Townhomes P.U.D. Subdivision

Lots 33 through 53 Plat C, Northgate Townhomes P.U.D. Subdivision as shown on the official plat thereof on file in the Utah County Recorder's Office.

Serial Nos.: 47:153:0034 and all others with in Plat C, Northgate Townhomes P.U.D. Subdivision

Lots 68 through 83 Plat D, Northgate Townhomes P.U.D. Subdivision as shown on the official plat thereof on file in the Utah County Recorder's Office.

Serial Nos.: 47:154:0068 and all others with in Plat D, Northgate Townhomes P.U.D. Subdivision