

**FIRST AMENDMENT TO  
NEIGHBORHOOD DECLARATION AND NEIGHBORHOOD DECLARATION OF  
CONDOMINIUM FOR RED LEDGES PHASE 3L VILLAS**

THIS FIRST AMENDMENT TO NEIGHBORHOOD DECLARATION AND NEIGHBORHOOD DECLARATION OF CONDOMINIUM FOR RED LEDGES PHASE 3L VILLAS (this "**First Amendment**") is made this 7<sup>th</sup> day of January, 2022 ("**Effective Date**"), by RED LEDGES LAND DEVELOPMENT, INC., a Florida corporation ("**Neighborhood Developer**"). Capitalized terms used and not otherwise defined in this First Amendment shall have the meaning or meanings given to them in the Neighborhood Declaration.

RECITALS:

A. On December 10, 2021, the Neighborhood Declaration and Neighborhood Declaration of Condominiums for Red Ledges Phase 3L Villas was recorded at Entry No., 511994 (the "**Neighborhood Declaration**") in the real property records of the County of Wasatch, Utah (the "**County Recorder**"), which project was to consist of seventeen (17) freestanding two-story residential buildings (the "**Buildings**"), each containing three (3) Units for a total of fifty-one (51) Units (the "**Units**").

B. The Neighborhood Declaration subjected the lands (the "**Property**") shown on that certain Red Ledges Phase 3L Villas, A Condominium Plat Vacating a Portion of Red Ledges Phase 2 Subdivision Plat, dated December 10, 2021, which includes Units 1, 2, and 3 of Buildings A through Q (parcel numbers 00-0021-6832 to 00-0021-6882), and approved by the City of Heber, on March 16, 2021 (the "**Neighborhood Plat**"). The Neighborhood Plat, though recorded prior to the Neighborhood Declaration, for all intents and purposes, was recorded simultaneously as required by the Condominium Act.

C. Neighborhood Developer desires to subject the Units to certain rental restrictions in accordance with the Utah Condominium Ownership Act.

D. Pursuant to Article XX (Section 20.2) of the Neighborhood Declaration, the Neighborhood Developer may unilaterally amend the Neighborhood Declaration prior to any closing of a sale of the first Unit.

NOW THEREFORE, the Neighborhood Developer hereby declares and acknowledges, as follows:

1. Incorporation of Recitals. The Recitals set forth above are hereby incorporated herein and made a part of this First Amendment.
2. Leases Subject to Condominium Documents. Section 11.13 is deleted in its entirety and replaced with the following:

“11.13      **Leases Subject to Condominium Documents.**

(A)      **Declaration and Rules Govern Non-Owner Occupancy.** Notwithstanding anything to the contrary in this Neighborhood Declaration or in the Bylaws, any leasing and non-owner occupancy of a Unit shall be governed by this Article 11.13, the Rules, the Red Ledges Documents, and procedures adopted as provided herein. Units are to be used for single family residential purposes by Owners, their occupants, lessees, and social guests, and no trade or business shall be conducted therein and any failure to comply will be a default under the lease or agreement.

(B)      **Definitions.** For the purpose of this Article 11.13 the following definitions shall apply:

(i)      “Non-Owner Occupied” means:

- (1)      For a Unit owned in whole or in part by a natural individual or individuals, the Unit is occupied by someone when no individual Owner occupies the Unit as the individual Owner’s primary residence; or
- (2)      For a Unit owned by a trust, the Unit is occupied by someone when neither a beneficiary nor a trustor of the trust occupies the Unit as a primary residence.
- (3)      For a Unit owned by an entity, including a corporation or limited liability company, the Unit is occupied by someone when no individual owning at least twenty-five percent (25%) of the ownership or voting interests in the entity occupies the Unit as a primary residence; or

(ii)     “Family Member” means:

- (1)      The grandparent, parent, sibling, grandchild, niece, nephew, 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 (1) the estate of a current Occupant of the Unit, or (2) the parent, child, or sibling of the current occupant of the Unit.

(iii)    “Short-Term Rental Term” means: a Non-Owner Occupied Unit leased for a term of ninety (90) days or less, but in no event for a term less than one

(1) calendar day (the “Minimum Term”), which is only permitted for individuals who are members of the Red Ledges Club, their Family Members and guests of said Red Ledges Club members, and individuals who are guests of the Neighborhood Developer.

(iv) “Red Ledges Rental Program” means: any rental program for a Short-Term Rental Term lease, administered by the Red Ledges Association that applies to both Lots and Units.

(C) **Permitted Rules.** To promote overall consistency and harmony within the Red Ledges community, the Neighborhood Association must adopt Neighborhood Rules, related to leasing of Non-Owner Occupied Units, consistent with the Red Ledges Rules, requiring the following:

(i) Certain reporting and procedural requirements related to leasing of Non-Owner Occupied Units and the occupants of Units, other than those found in this Section, including requiring informational forms to be filled out by Owners and/or residents identifying the identity of lessees, vehicles, phone numbers, etc.

(ii) Other reasonable administrative provisions consistent with and as it deems appropriate to enforce the requirements of this Neighborhood Declaration. Any Manager or other designee by the Red Ledges Association may charge a reasonable fee for the administration of the Red Ledges Rental Program, for Non-Owner Occupied Units reporting and monitoring, and for certain specified use of Common Areas and Facilities.

(D) **Requirements for Leasing and Non-Owner Occupied Units.** The Owners of all Non-Owner Occupied Units must comply with the following provisions:

(i) Prior to leasing any Non-Owner Occupied Unit, for a Short-Term Rental Term, an Owner must register with the Red Ledges Rental Program if the Red Ledges Rental Program has available spots. Upon the written request of Neighborhood Association, Red Ledges Association shall notify the Neighborhood Association of which Non-Owner Occupied Units have been registered.

(ii) Upon successful registration with the Red Ledges Rental Program, an Owner shall enter into a property management agreement (or any other similar type agreement) with the designated Manager and Manager shall market and lease the Unit to a lessee, on a form of lease approved by Red Ledges Association. An Owner may not directly market and lease the Unit to a lessee, for a Short-Term Rental Term.

(iii) Red Ledges Association may limit the spots available for registration in the Red Ledges Rental Program and may limit the maximum number of times a particular Non-Owner Occupied Unit, for a Short-Term Rental Term, may be rented in each calendar year.

(iv) Any lease or agreement for a Non-Owner Occupied Unit must be in writing, provide for a term of no less than the Minimum Term, and shall comply with the Neighborhood Declaration, the Bylaws, and the Rules, and the Red Ledges Documents (and with a lessee acknowledgement) and that any failure to comply will be a default under the lease or agreement and in addition to other remedies available to it, the Neighborhood Association (or Red Ledges Association) may evict the lessee on behalf of the Owner and specifically assess all costs associated therewith against the lessee. If a lease or agreement for a Non-Owner Occupied Unit (whether in writing or not) does not include these provisions, they are nonetheless deemed to be part of the lease or agreement and binding on the Owner and the resident.

(v) A Non-Owner Occupied Unit, for a term greater than ninety (90) days, may not enter in a lease at a greater frequency than two (2) times per calendar year. If required in the Rules or if requested by the Neighborhood Association (or Red Ledges Association), the Owners shall deliver a copy of any lease or other agreement for non-Owner occupancy to the Manager (or the Neighborhood Association and Red Ledges Association) within the time period provided for in the Rules or in the Red Ledges Rental Program or upon the request of in the Neighborhood Association's (or Red Ledges Association.) request.

(vi) No Owner may lease less than the entire Non-Owner Occupied Unit (no fraction or portion may be rented), and there shall be no subleasing of Units or assignment of a lease unless prior written approval is obtained from the Red Ledges Board.

(vii) Except as a non-paying guest of an Owner, a period less than the Minimum Term by non-Owner Occupants is prohibited.

(E) **Exceptions for Family Members.** If only Family Members occupy a Unit, then notwithstanding anything contrary herein, the following applies:

(i) Subsections 11.13 (D) (ii)-(vii) do not apply to that occupancy;

(ii) No written agreement regarding occupancy needs to be created between the occupant and the Owner.

(F) **Joint and Several Liability of Owner and Non-Owner Occupants.** The Owner of a Unit is responsible for the occupant's or any guest's compliance with the Neighborhood Documents and Red Ledges Documents. In addition to any other remedy for non-compliance with this Neighborhood Declaration, after reasonable notice, the Association has 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 Neighborhood Association, the Neighborhood Board, Red Ledges Association, Red Ledges Board, and any Manager are not liable for any action taken pursuant to this subparagraph and the Owner shall indemnify and pay the defense costs of the Neighborhood Association, the Neighborhood Board, Red Ledges Association, Red Ledges Board, and any Manager arising from any claim related to any action taken in good faith by any of them pursuant to this subparagraph.”


3. Neighborhood Declaration Remains in Effect. Except as expressly amended by the foregoing, the Neighborhood Declaration shall remain in full force and effect and shall not be canceled, suspended, terminated, or otherwise abrogated by the recording of this First Amendment.

4. Authority to Execute. Each person executing or acknowledging this First Amendment on behalf of a party hereto represents and warrants that such person is duly and validly authorized to do so on behalf of the entity it purports to so bind and that such entity has full right and authority to enter into this First Amendment and perform all of its obligations hereunder.

5. Counterparts. This First Amendment may be executed simultaneously in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.


IN WITNESS WHEREOF, Declarant has executed this First Amendment as of the date set forth above.

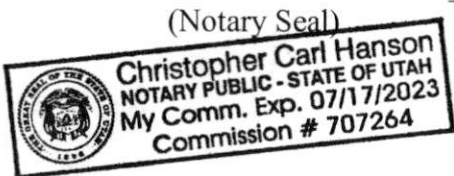
RED LEDGES LAND DEVELOPMENT, INC.,  
a Florida corporation

  
\_\_\_\_\_  
Todd R Cates, VP & Secretary

State of Utah            )  
                                  ) ss.  
County of Wasatch    )

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of January, 2022 by Todd R Cates, the Vice President and Secretary of Red Ledges Land Development, Inc, a Florida corporation.

  
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Notary



My commission expires: July 17, 2023