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LEANN H KILTS, WEBER COUNTY RECORDER
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REC FOF-:: MILLSTONE MANOR CONDO

WHEN RECORDED, RETURN TO:

Vial Fotheringham LLP
Attn: Matt McMullin
515 South 400 East, Suite 200
Salt Lake City, Utah 84102

**THIRD AMENDMENT TO THE
AMENDED AND RESTATED DECLARATION OF CONDOMINIUM
FOR MILLSTONE MANOR CONDOMINIUMS**

This Third Amendment to Amended and Restated Declaration of Condominium for Millstone Manor Condominiums is made by The Millstone Manor Homeowners Association, Inc. ("Association") and shall be effective upon recording with the Weber County Recorder's Office.

RECITALS

A. Millstone Manor Condominiums is governed by the following documents:

Amended and Restated Declaration of Condominium for Millstone Manor Condominiums ("Declaration"), recorded on March 5, 2010 as Entry No. 2461636 at the Weber County Recorder's Office.

Bylaws of Millstone Manor Homeowners Association, Inc. ("Bylaws"), recorded on March 5, 2010 as an exhibit to the Declaration.

First Amendment to the Amended and Restated Declaration of Condominium for Millstone Manor Condominiums ("First Amendment to Declaration"), recorded on January 5, 2012 as Entry No. 2556994 at the Weber County Recorder's Office.

Second Amendment to the Amended and Restated Declaration of Condominium for Millstone Manor Condominiums ("Second Amendment to Declaration"), recorded on February 5, 2013 as Entry No.2619033 at the Weber County Recorder's Office.

B. The Declaration declares that Millstone Manor Condominiums is a Utah condominium project subject to the Utah Condominium Ownership Act found at U.C.A. §57-8-1 et seq.

C. The Association and its members believe it to be in their best interests to modify the provisions of the Declaration regarding the restriction of the leasing of Units throughout the

Project in an effort to comply with guidelines of the Federal Housing Administration, preserve investment and property values and promote a more efficient and effective form of governance.

D. Article 15, Section 15.1 of the Declaration provides that the Declaration may be amended by the affirmative vote of at least 67% of the voting interests of the Association.

E. This Third Amendment to the Amended and Restated Declaration is made and executed by the Board of Directors after having first received approval from at least 67% of the voting interests of the Association.

NOW THEREFORE, this Third Amendment is intended to replace the existing Article IX, Section 9.13(e), including Section 9.13(e)(1), of the Declaration and shall be binding against the property described in "**Exhibit A**" of the Declaration and any annexation or supplement thereto.

Section 9.13(e), including Section.13(e)(1), of the Declaration is hereby deleted in its entirety and replaced with the following:

9.13(e) Leasing of Units. Notwithstanding anything to the contrary contained in this DECLARATION, the leasing or renting of any Unit within the Project shall be governed by this Section.

(1) Owner Occupancy. No Owner shall occupy or use his or her Unit, or permit the same or any part thereof to be occupied, for any purpose other than as a private single-family residence. An Owner may "rent" his Unit subject to the limitations and requirements of this Section 9.13. The term "rent" in any grammatical form includes 1) to lease, sublet, or otherwise permit or allow others to reside therein for legal consideration payable to the Owner or to others at the Owner's request or direction, and 2) to allow others to reside therein without the Owner in residence, with or without the exchange of legal consideration,

(2) Restrictions on Rentals and Leases. A Unit eligible to be rented under section (1) above is subject to the following restrictions:

(A) No Unit may be rented, leased, or sublet, if the rental or lease results in more than forty percent (40%) of the eighty-eight (**88**) Units (the "Rental-Lease Limit") being rented or leased at the same time. If forty percent (40%) of the Units are already rented, Owners desiring to rent or lease a Unit will be placed on a waiting list in chronological sequence of a written request submitted to the Board of Directors.

(B) No Unit may be rented or leased for transient, hotel, seasonal, or corporate/executive use purposes. The term "transient", by way of illustration and not limitation, includes the rental of any Unit for a period of less than six (6) consecutive months. An Owner may not rent or lease less than the entire Unit.

(C) A Unit may not be rented or leased except by written agreement and only with the express written consent of the Board of Directors in accordance with subsection 9.13(e)(4) below.

(3) Owner Occupancy and Rental-Lease Limit Exceptions. Once the Rental-Lease Limit is reached, a Unit may only be rented or leased under the following exceptions: .*

(A) Immediate Family Exception. Occupancy by the immediate family members of an Owner shall be deemed as occupancy by the Owner for purposes of calculating the Rental-Lease Limit. As used in this Section 9.13, "immediate family member" means and is limited to an Owner's spouse, child, parent, or sibling.

(B) Grandfather Exception. The Rental-Lease limit is not applicable to a Unit and the Owner of that Unit if the Owner took title to that Unit prior to February 5, 2013 (such an owner may be referred to as a "Grandfathered Owner" and a Unit owned by a Grandfathered Owner prior to February 5, 2013 may be referred to as a "Grandfathered Unit"). A Grandfathered Owner may rent or lease a Grandfathered Unit without regard to the Rental-Lease Limit, subject to all other restrictions of this Section 9.13, until such time as the Grandfathered Unit is sold or otherwise transferred to a new owner of record. In the event that a Grandfathered Owner fails to comply with any other restrictions of Section 9.13 such Owner shall lose the Owner's "grandfathered" status and shall be required to comply with all restrictions of this Section 9.13.

(C) Military Deployment Exception. An Owner of a Unit, or the Owner's spouse, who is deployed by a branch of the Armed Forces of the United States, the Utah National Guard or the Coast Guard Reserve and required to serve more than fifty (50) miles from the Property pursuant to a valid order issued from the applicable military branch may rent his or her or their Unit subject to the restrictions of subsections 9.13(e)(2)(B) and (C).

(D) Employment Relocation Exception. An Owner of a Unit, or the Owner's spouse, that is employed in Utah and who is directed to relocate to a job location more than 50 miles from the Property for a period of no less than two (2) years and no more than three (3) years may rent his or her or their Unit subject to the conditions of paragraph 9.13(e)(2)(B) and (C). If the relocation is indefinite, the restrictions of this Section 9.13 shall apply.

(E) Trust or Entity for Estate Planning Exception. For a Unit owned by a trust or entity for estate planning purposes, such Unit shall not be deemed to be a "rental" for purposes of calculating the Rental-Lease Limit if the trust or estate planning entity was created for: (a) the estate of a

current resident of that Unit; or (b) the parent, child, or sibling of a current resident of the Unit. The foregoing exception shall only apply for one (1) Unit owned by a trust or entity for estate planning purposes created by, related to, or otherwise associated with any particular individual (as a trustor, trustee, beneficiary, member, manager, partner, shareholder, director or otherwise) or such individual's spouse. No individual or such individual's spouse shall be eligible to have more than one (1) Unit exempted from the Rental-Lease Limit under this exception, regardless of how title to such Unit or Units is held.

(F) Hardship Exception. Notwithstanding any other provision of this Section 9.13, an Owner may apply to the Board of Directors for a hardship upon a showing of hardship or practical difficulties arising from unforeseen events such as the death of a spouse of the Owner, job relocation at least fifty (50) miles from the Property, charitable service, public service, disability, or difficulty in selling the Unit due to market conditions in the area or other similar circumstances. The Board of Directors has discretion to approve an Owner's hardship application to temporarily rent the Owner's Unit. However, the Board of Directors may not approve a hardship application to rent a Unit under this Section for a time period of more than two (2) years, or if the result of granting the hardship application would cause the Association's non-Owner occupied Units to exceed fifty-percent (50%) of the total Units.

(4) Application and Approval. Prior to renting any Unit, an Owner shall apply to the Board of Directors for approval and include a copy of the proposed lease agreement to effect the renting. The Board of Directors shall review the application and make a determination of whether the rental will exceed the Rental-Lease Limit, or falls under a rental restriction exception under Section 9.13(e)(3), or would violate any of the restrictions described in subsections (e)(2)(A) or (e)(2)(B). The Board of Directors shall:

(A) Approve the application if it determines that the rental will not exceed the Rental-Lease Limit or violate any of the applicable restrictions of this Section 9.13 and is consistent with all the requirements of this DECLARATION, the Bylaws then in force, and any Rules adopted by the Board of Directors.

(B) Deny the application if it determines that the rental or lease of the Unit will exceed the Rental-Lease Limit, or that the restrictions of subsections 9.13(e)(2)(A) or (e)(2)(B), will be violated.

(5) Rules regarding the Application and Approval to Rent or Lease a Unit. The Board of Directors may adopt by resolution Rules that establish the application and approval process, the contents or form of lease agreements, the waitlist process, and any other Rules deemed necessary by the Board of Directors to implement this Section 9.13.

(6) Remedies.

(A) If an Owner rents a Unit in violation of or without complying with the requirement of this Section 9.13, or violates other Rules imposed by the Board of Directors, including renting a Unit after the Board of Directors denies such application, the Board of Directors may:

i. Assess fines against the Owner and Owner's Unit in an amount to be determined by the Board of Directors pursuant to a schedule of fines adopted by the Board of Directors in accordance with the Act; or

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.

(B) Pursuant to Rules adopted under this Section, if the Board of Directors determines that a tenant has violated a provision of the DECLARATION, Bylaws, any amendments thereto, or Rules, after notice and an opportunity for a hearing as provided by the Act, the Board of Directors may require an Owner to terminate a lease or rental agreement and remove the tenant(s).

(7) Costs and Attorney Fees.

(A) Fines, charges, and expenses incurred in enforcing the DECLARATION, the Bylaws and any Rules with respect to the tenant, and for any costs incurred by the Association in connection with any action involving Section 9.13, including reasonable attorney fees, are assessments against the Owner and Unit which may be collected and foreclosed by the Association as provided in the DECLARATION and pursuant to the Act.

(B) In addition to Subsection (7)(A) above, the Association is entitled to recover from an Owner determined in violation of this Section 9.13 its costs and attorney fees incurred for enforcement, regardless of whether any lawsuit or other action is commenced. The Association may assess the costs and attorney fees against the Owner and the Unit as an assessment as provided in the DECLARATION and pursuant to the Act.

(8) Limited Power Of Amendment. The Board of Directors shall have the power and authority to amend this Section 9.13, without a vote of the owners, only to the extent necessary to comply with regulations of the Federal Housing Administration (FHA) to qualify Units for FHA financing.

(9) Utah Landlord-Tenant Code Not Applicable. Nothing in this Section 9.13 may be construed to impose on the Association the duties, responsibilities, or liabilities of a landlord under Utah Code.

(10) Good Landlord Program Requirements. An Owner who leases his or her Unit shall comply with all Ogden City and Weber County ordinances concerning landlords, and shall participate in Ogden's "Good Landlord Program." The Board of Directors shall provide Ogden City the names and addresses of all Owners leasing Units at the Condominium Project at least annually.

CERTIFICATION

The foregoing Third Amendment to the Declaration was duly approved by at least 67% of the Owners as required by Section 15.1 of the Declaration.

EXECUTED this 13 day of October, 2015.

LUKE E. DALTON

Luke E. Dalton, President and Authorized Member
of the Board of Directors of Millstone Manor Homeowners
Association, Inc.

STATE OF UTAH)
) SS:
COUNTY OF *Weber*)

On the 13 day of October 2015, personally appeared before me Luke E. Dalton, who by me being duly sworn, did say that he is a member of the Board of Directors, and also the President of the Millstone Manor Homeowners Association, Inc., Inc. that he is authorized by the Board of Directors to execute this amendment, and that the foregoing instrument was duly approved by the Millstone Manor Homeowners Association, Inc. as required by the Declaration.

Jordan Aaberg

Notary Public



EXHIBIT A

Parcel Numbers and Legal Descriptions

UNJTS 1 THRU 23, BLDG.- A MILLSTONE MANOR PHASE 1 (13-187-0001 THRU 13-187-0023)

UNJTS 24 THRU 46, BLDG. B MILLSTONE MANOR PHASE 2 (13-191-0001 THRU 13-191-0023)

UNJTS 47 THRU 66, BLDG. C MILLSTONE MANOR PHASE 3 (13-194-0001 THRU 13-194-0020)

UNITS 67 THRU 88, BLDG. D MILLSTONE MANOR PHASE 4 (13-196-0001 THRU 13-196-0022)