

Sky Mountain HOA
985 No. 2600 West
Hurricane, UT 84737

11:18 AM
RUSSELL SHIRTS WASHINGTON CO RECORDER
2005 DEC 07 13:16 PM FEE \$18.00 BY SW
FOR: SKY MOUNTAIN HUA

After Recording Return To:
The Richards Law Office
4190 South Highland Dr., Suite 111
SLC, UT 84124

AMENDMENT TO
THE FIRST AMENDED MASTER DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
THE SKY MOUNTAIN PROJECT,
A PLANNED COMMUNITY
Phases 1, 2, & 3

This Amendment to The First Amended Master Declaration of Covenants, Conditions and Restrictions ("Amended Declaration") that established a planned community known as the Sky Mountain Project, is made on the date evidenced below by the Sky Mountain Home Owners Association ("Association").

RECITALS

A. Certain real property in Washington County, Utah, known as the Sky Mountain Project was subjected to certain covenants, conditions, and restrictions pursuant to an Amended Declaration of Covenants, Conditions and Restrictions recorded July 20, 2001, as Entry No. 00728723 in the Recorder's Office for Washington County, Utah;

B. This amendment shall be binding against the property described in the Amended Declaration described above and any annexation or supplement thereto;

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 a 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. This amendment is intended to prohibit all rentals of homes in the community, except to owners who are currently renting at the time this amendment is adopted and future owners who qualify for hardship exceptions as explained hereafter;

E. Pursuant to Article XIII, Section 4 of the Amended Declaration, the President and Secretary hereby certify that votes representing more than sixty-seven percent (67%) of all Membership votes affirmatively approved this Amendment.

NOW, THEREFORE, The Association, by and through its Board of Trustees, hereby amends Article II, Section 3, paragraph (b) of the Amended Declaration to read as follows (all other paragraphs remain unchanged):

(b) Leasing of Units. It is the intent of the Sky Mountain Home Owners Association to be an "owner occupied" community. Accordingly, the leasing and renting of Units by Owners, if permitted, shall be in accordance with this Section.

"Leasing or renting" of a Unit means the granting of a right to use or occupy a Unit for a specific term 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 Unit by means of joint tenancy, tenancy-in-common or other forms of co-ownership.

1.1 Owners and Units shall be subject to the following restrictions:

(a) No Unit may be rented or leased except as provided in subsections 1.2 and 1.3 of this Section.

(b) No Owner may lease or rent less than the entire Unit, individual rooms may not be rented, and, in the event a rental is permitted, no owner may lease or rent any Unit for a period of less than six (6) consecutive months.

1.2 To avoid undue hardships or practical difficulties such as the Owner's job relocation, disability, military service or charitable service, the Board of Trustees shall have discretion to approve an Owner's application to temporarily rent or lease the Owner's Unit. The Board may not approve an application to rent or lease less than the Owner's entire Unit or to rent or lease the Unit for a period of less than six (6) consecutive months.

1.3 As of the date of recording of this amendment, any Owner or future Owner of a Lot that is under contract for sale at the date of recording (**tiGrandfathered** Owner^{tl}) may continue to rent or lease their Unit until such time as the unit is sold or title is otherwise transferred to a new owner of record. "Transferred to a new owner of record" shall include transfers or conveyances to immediate family members.

1.4 For those who qualify, rental and lease agreements shall comply with this subsection.

(a) The Owner shall provide the tenant or lessee with a copy of this Declaration, the Bylaws, including any relevant amendments to such documents, and all rules and regulations then in effect and shall take a receipt for delivery of the documents. In the event any such documents are amended, revised, changed, or supplemented by the Association, the Owner shall provide the tenant or lessee with a copy of the amendments, revisions, changes, or supplements within ten (10) calendar days of adoption by the Association, its Board, or its membership.

(b) Upon the commencement of the rental or lease period, the Owner shall provide the Association with a signed copy of the Lease Agreement which shall include the name(s) and mailing address of the tenant. If the Owner fails to provide the documents to the tenant or lessee, the Association shall provide the 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 VII of this Declaration.

1.5 If an Owner rents or leases any Unit, and/or rents or leases any Unit after the Board has denied the Owner's application, or without prior permission, rents or leases their Unit after the adoption of this amendment, the Board may assess fines against the Owner and the Owner's Unit in an amount to be determined by the Board pursuant to a schedule of fines adopted by resolution. In addition, regardless of whether any fines have been imposed, the Board may proceed with any other available legal remedies, including but not limited to an action to, terminate the rental or lease agreement and removal of any tenant or lessee.

1.6 The Association shall be entitled to recover from the offending Owner its costs and attorney's fees incurred for enforcement of this Section, 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 Lot as an assessment pursuant to Article VII of this Declaration.

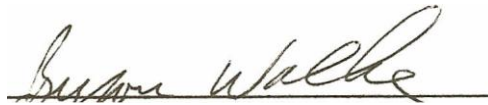
1.7 In addition to any other remedies available to the Association, the Board may require the Owner to terminate a lease or rental agreement if the Board determines that any lessee or tenant has violated any provision of this Declaration, the Articles of Incorporation, the Bylaws, or any amendments thereto, or the rules and regulations adopted thereto. Each lease or rental agreement shall include the express language of this Section 1.7, either in the agreement itself or as an addendum thereto, expressly granting the Association, as a third-party beneficiary, the right to evict the tenant.

IN WITNESS WHEREOF, THE SKY MOUNTAINHOME OWNERS ASSOCIATION has executed this Amendment to the Declaration as of the ~ day of Dec, 2005, in accordance with Article XIII, Section 4 of the Amended Declaration.

SKY MOUNTAIN HOME OWNERS ASSOCIATION

~.J.

President



STATE OF UTAH)
) ss
County of Washington)

On the ~ day of 01 2005, personally appeared before me
and (17) W" I (~ who, being first duly
sworn, did that say that they are the President and Secretary of the Association and that the seal
affixed to the foregoing instrument is the seal of said Association and that said instrument was
signed and sealed in behalf of said Association by authority of its Board of Trustees; and each of
them acknowledged said instrument to be their voluntary act and deed.

Tyler Eddy
Notary Public for Utah