

Proposed Amendment to the Declaration of Covenants, Conditions and Restrictions for CEDAR COVE P.U.D. South Weber, Utah

An amendment is being proposed to limit the number of homes that can be rented at any given time. Below is the proposed amendment to the CCRs. State law requires 67% of the Owners must approve the amendment for it to become adopted into the CCRs.

Proposed New Section 11 of the CCRs:

11. Rentals

a. Rental Limit. A maximum of six (6) homes may be rented/leased at any given time, unless an exemption (below) is approved or the law allows.

b. Exemptions. The following are exempt from the rental restriction:

1. Military Exemption. A lot owner in the military for the period of the lot owner's deployment;
2. Family Exemption. A lot occupied by a lot owner's parent, child, or sibling;
3. Charitable Service Exemption. An Owner who has relocated for charitable service;
4. Employment Relocation Exemption. An Owner whose employer has relocated the owner for no less than two years;
5. Estate Planning Exemption. A Unit 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 current resident of the Unit, or the parent, child, or sibling of the current resident of the Unit.
6. Hardship Waiver. An Owner whose lease application has been denied because the Lease Limit has already been reached and who does not otherwise qualify for an exemption, may petition the Board for a temporary waiver due to undue hardships or practical difficulties such as the Owner's death, disability, or difficulty in selling the Unit due to market conditions in the area or other similar circumstances. The Board of Directors has absolute discretion in approving or denying an application. However, the Board of Directors may not approve a hardship application to lease a Unit for a period of more than one (1) year.

c. Grandfathered Rentals. Homes being leased/rented on the date this amendment is recorded may continue to be leased/rented until:

1. The owner transfers the home by deed;
2. The owner grants a life estate in the lot;
3. If owned by a business entity, the owner sells more than 75% of the business entity share, stock membership interests or partnership interests in a 12-month period.
4. The owner occupies the home.

Grandfathered homes will count towards the rental limit.

d. Lease Application. Each owner who wishes to lease/rent their home shall make application to the Board for approval. The application shall include documentation showing that they qualify to lease/rent their home under Section 11. The board may deny the application if they reasonably determine that the approval would violation Section 11. The board will set rules governing the approval process.