

# SB0122S01 compared with SB0122

~~{Omitted text}~~ shows text that was in SB0122 but was omitted in SB0122S01

inserted text shows text that was not in SB0122 but was inserted into SB0122S01

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## HOA Amendments

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne A. Harper**

House Sponsor:A. Cory Maloy

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### LONG TITLE

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#### General Description:

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This bill amends provisions relating to the Office of the Homeowners' Association

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Ombudsman.

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#### Highlighted Provisions:

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This bill:

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▸ requires that the Office of the Homeowners' Association Ombudsman (office) make public each advisory opinion the office issues;

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▸ requires that the office provide a list of statutes and frequently asked questions that impact persons under the jurisdiction of a homeowners' association;

13

▸ requires that the office publish educational materials on the office's website;

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▸ requires that the office direct individuals making a phone call to the office to resources the office creates;

16

▸ amends the circumstances under which a lot owner may continue renting a lot in a homeowners' association without a fee; ~~{and}~~

18

▸ **provides that a homeowners' association's declaration may not contain certain provisions;**

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- 19       ▶ renames an association transfer fee to an administrative setup fee;
- 20       ▶ provides that an administrative setup fee may not exceed \$300;
- 21       ▶ establishes the conditions under which Title 57, Chapter 8, Condominium Ownership Act,  
or Title 57, Chapter 8a, Community Association Act, applies;
- 23       ▶ amends provisions related to the contact information a homeowners' association registers  
with the Department of Commerce;
- 25       ▶ amends provisions relating to the fee a homeowners' association may impose; and
- 18       ▶ makes technical changes.

### 27 Money Appropriated in this Bill:

28       None

### 29 Other Special Clauses:

30       None

### 31 Utah Code Sections Affected:

32 AMENDS:

33       **13-79-103** , as enacted by Laws of Utah 2025, Chapter 226

34       **57-1-46** , as last amended by Laws of Utah 2025, Chapter 226

35       **57-8-2** , as enacted by Laws of Utah 1963, Chapter 111

36       **57-8-3** , as last amended by Laws of Utah 2025, Chapter 291

37       **57-8-8.1** , as last amended by Laws of Utah 2025, First Special Session, Chapter 16

38       **57-8-10** , as last amended by Laws of Utah 2014, Chapter 397

39       **57-8-13.1** , as last amended by Laws of Utah 2025, Chapter 226

40       **57-8a-102** , as last amended by Laws of Utah 2025, First Special Session, Chapter 15

41       **57-8a-103** , as enacted by Laws of Utah 2004, Chapter 153

42       **57-8a-105** , as last amended by Laws of Utah 2025, Chapter 226

43       **57-8a-201** , as last amended by Laws of Utah 2025, Chapter 226

44       **57-8a-209** , as last amended by Laws of Utah 2025, First Special Session, Chapter 15

45       **57-8a-212** , as last amended by Laws of Utah 2013, Chapter 152

46

47 *Be it enacted by the Legislature of the state of Utah:*

48       Section 1. Section **13-79-103** is amended to read:

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49           **13-79-103. Duties and jurisdiction of office.**

33           (1) The attorneys of the office shall:

34           (a) develop and maintain expertise in and understanding of issues and statutes impacting unit owners,  
lot owners, associations of lot owners, and associations of unit owners; and

37           (b) upon request:

38           (i) analyze a complaint from a lot owner, a unit owner, an association of lot owners, or an association of  
unit owners regarding the conduct of a lot owner, a unit owner, an association of lot owners, or an  
association of unit owners; and

41           (ii) provide an advisory opinion as described in Section 13-79-104.

42           (2)

(a) Neither the office nor the office's attorneys may represent private parties, state agencies, local  
governments, or any other individual or entity in a legal action that arises from or relates to a matter  
addressed in this chapter.

45           (b) No attorney of the office may be compelled to testify in a civil action filed concerning the subject  
matter of any review or advisory opinion arranged through the office.

48           (3) Except as provided in Section 13-75-105, evidence of a review by the office and the opinions,  
writings, findings, and determinations of the office are not admissible as evidence in a judicial  
action or arbitration.

51           (4) The office[:]

52           [~~(a)~~] shall:

53           (a) [-]analyze a complaint and issue an advisory opinion only for issues relating to a violation of a state  
statute;[-and]

55           (b) make public each advisory opinion the office issues in accordance with Subsection (4)(a);

57           (c) provide, on the office's website:

58           (i) a list of statutes that impact unit owners, lot owners, associations of lot owners, and associations of  
unit owners; and

60           (ii) a list of frequently asked questions that the office receives and answers to those questions;

62           (d) publish educational materials on the office's website providing, in simple and easy to understand  
language, a brief overview of state law governing associations of unit owners and associations of lot  
owners, including:

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(i) a description of the rights and responsibilities provided in Title 57, Chapter 8, Condominium Ownership Act, to a party under the jurisdiction of Title 57, Chapter 8, Condominium Ownership Act;

68 (ii) a description of the rights and responsibilities provided in Title 57, Chapter 8a, Community Association Act, to a party under the jurisdiction of Title 57, Chapter 8a, Community Association Act; and

71 (iii) instructions regarding how an association of unit owners or an association of lot owners may be organized and dismantled in accordance with this chapter; and

73 (e) direct an individual that makes a phone call to the office to the resources described in this Subsection (4).

75 [~~(b)~~] (5) The office may not provide any service that requires interpreting the governing documents of an association of lot owners or the governing documents of an association of unit owners, including determining whether a provision of the governing documents is reasonable.

96 Section 2. Section 57-1-46 is amended to read:

97 **57-1-46. Transfer fee and reinvestment fee covenants.**

98 (1) As used in this section:

99 (a) "Administrative setup fee" means a fee, charge, or payment that is:

100 (i) related to the sale of real property; and

101 (ii) as a result of a transfer of the real property, is imposed on a buyer or seller by:

102 (A) a common interest association; or

103 (B) a person acting on behalf of the common interest association.

104 [~~(a)~~] (b) "Association expenses" means expenses incurred by a common interest association for:

106 (i) the purchase, ownership, leasing, construction, operation, use, administration, maintenance, improvement, repair, or replacement of association facilities, including expenses for taxes, insurance, operating reserves, capital reserves, and emergency funds;

110 (ii) providing, establishing, creating, or managing a facility, activity, service, or program for the benefit of property owners, tenants, common areas, the burdened property, or property governed by the common interest association; or

113 (iii) other facilities, activities, services, or programs that are required or permitted under the common interest association's organizational documents.

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~~[(b)]~~ (c) "Association facilities" means any real property, improvements on real property, or personal property owned, leased, constructed, developed, managed, or used by a common interest association, including common areas.

118 ~~[(e) "Association transfer fee" means a fee, charge, or payment that is:]~~

119 ~~[(i) related to the sale of real property; and]~~

120 ~~[(ii) as a result of a transfer of the real property, is imposed on a buyer or seller by:]~~

121 ~~[(A) a common interest association; or]~~

122 ~~[(B) a person acting on behalf of the common interest association.]~~

123 (d) "Burdened property" means the real property that is subject to a reinvestment fee covenant or transfer fee covenant.

125 (e) "Common areas" means areas described within:

126 (i) the definition of "common areas and facilities" under Section 57-8-3; and

127 (ii) the definition of "common areas" under Section 57-8a-102.

128 (f)

(i) "Common interest association" means:

129 (A) an association, as defined in Section 57-8a-102;

130 (B) an association of unit owners, as defined in Section 57-8-3; or

131 (C) a nonprofit association.

132 (ii) "Common interest association" includes a person authorized by an association, association of unit owners, or nonprofit association.

134 (g) "Large master planned development" means an approved development:

135 (i) of at least 500 acres or 500 units; and

136 (ii) that includes a commitment to fund, construct, develop, or maintain:

137 (A) common infrastructure;

138 (B) association facilities;

139 (C) community programming;

140 (D) resort facilities;

141 (E) open space; or

142 (F) recreation amenities.

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- (h) "Nonprofit association" means a nonprofit corporation organized under Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act, to benefit, enhance, preserve, govern, manage, or maintain burdened property.
- 146 (i) "Organizational documents" means:
- 147 (i) for an association, as that term is defined in Section 57-8a-102, governing documents as that term is  
defined in Section 57-8a-102;
- 149 (ii) for an association of unit owners, as that term is defined in Section 57-8-3, a declaration as that term  
is defined in Section 57-8-3; and
- 151 (iii) for a nonprofit association:
- 152 (A) a written instrument by which the nonprofit association exercises powers or manages, maintains, or  
otherwise affects the property under the jurisdiction of the nonprofit association; and
- 155 (B) articles of incorporation, bylaws, plats, charters, the nonprofit association's rules, and declarations  
of covenants, conditions, and restrictions.
- 157 (j) "Reinvestment fee" means a fee imposed, directly or indirectly, by a common interest association:
- 159 (i) upon a buyer or seller of real property;
- 160 (ii) upon and as a result of a transfer of the real property; and
- 161 (iii) that is dedicated to benefiting the common areas, including payment for:
- 162 (A) common planning, facilities, and infrastructure;
- 163 (B) obligations arising from an environmental covenant;
- 164 (C) community programming;
- 165 (D) resort facilities;
- 166 (E) open space;
- 167 (F) recreation amenities;
- 168 (G) charitable purposes; or
- 169 (H) association expenses.
- 170 (k) "Reinvestment fee covenant" means a covenant, restriction, or agreement that:
- 171 (i) affects real property; and
- 172 (ii) obligates a future buyer or seller of the real property to pay to a common interest association, upon  
and as a result of a transfer of the real property, a fee that is dedicated to benefiting the burdened  
property, including payment for:
- 175 (A) common planning, facilities, and infrastructure;

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- 176 (B) obligations arising from an environmental covenant;  
177 (C) community programming;  
178 (D) resort facilities;  
179 (E) open space;  
180 (F) recreation amenities;  
181 (G) charitable purposes; or  
182 (H) association expenses.
- 183 (I) "Transfer fee covenant":  
184 (i) means an obligation, however denominated, expressed in a covenant, restriction, agreement, or other  
instrument or document:  
186 (A) that affects real property;  
187 (B) that is imposed on a future buyer or seller of real property, other than a person who is a party to the  
covenant, restriction, agreement, or other instrument or document; and  
190 (C) to pay a fee upon and as a result of a transfer of the real property; and  
191 (ii) does not include:  
192 (A) an obligation imposed by a court judgment, order, or decree;  
193 (B) an obligation imposed by the federal government or a state or local government entity; or  
195 (C) a reinvestment fee covenant.
- 196 (2) A transfer fee covenant recorded on or after March 16, 2010, is void and unenforceable.  
197 (3)  
(a) Except as provided in Subsection (3)(b), a reinvestment fee covenant may not be sold, assigned, or  
conveyed unless the sale, assignment, or conveyance is to a common interest association that was  
formed to benefit the burdened property.
- 200 (b) A common interest association may assign or pledge to a lender the right to receive payment under a  
reinvestment fee covenant if:  
202 (i) the assignment or pledge is as collateral for a credit facility; and  
203 (ii) the lender releases the collateral interest upon payment in full of all amounts that the common  
interest association owes to the lender under the credit facility.
- 205 (4) A reinvestment fee covenant recorded on or after March 16, 2010, is not enforceable if the  
reinvestment fee covenant is intended to affect property that is the subject of a previously recorded  
transfer fee covenant or reinvestment fee covenant.

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- 208 (5) A reinvestment fee covenant recorded on or after March 16, 2010, may not obligate the payment of  
a fee that exceeds .5% of the value of the burdened property, unless the burdened property is part of  
a large master planned development.
- 211 (6)
- (a) A reinvestment fee covenant recorded on or after March 16, 2010, is void and unenforceable unless  
a notice of reinvestment fee covenant, separate from the reinvestment fee covenant, is recorded in  
the office of the recorder of each county in which any of the burdened property is located.
- 215 (b) A notice under Subsection (6)(a) shall:
- 216 (i) state the name and address of the common interest association to which the fee under the  
reinvestment fee covenant is required to be paid;
- 218 (ii) include the notarized signature of the common interest association's authorized representative;
- 220 (iii) state that the burden of the reinvestment fee covenant is intended to run with the land and to bind  
successors in interest and assigns;
- 222 (iv) state that the existence of the reinvestment fee covenant precludes the imposition of an additional  
reinvestment fee covenant on the burdened property;
- 224 (v) state the duration of the reinvestment fee covenant;
- 225 (vi) state the purpose of the fee required to be paid under the reinvestment fee covenant; and
- 227 (vii) state that the fee required to be paid under the reinvestment fee covenant is required to benefit the  
burdened property.
- 229 (c) A recorded notice of reinvestment fee covenant that substantially complies with the requirements of  
Subsection (6)(b) is valid and effective.
- 231 (7)
- (a) A reinvestment fee covenant or transfer fee covenant recorded before March 16, 2010, is not  
enforceable after May 31, 2010, unless:
- 233 (i) a notice that is consistent with the notice described in Subsection (6) is recorded in the office of  
the recorder of each county in which any of the burdened property is located; or
- 236 (ii) a notice of reinvestment fee covenant or transfer fee covenant, as described in Subsection (7)(b),  
is recorded in the office of the recorder of each county in which any of the burdened property is  
located.
- 239 (b) A notice under Subsection (7)(a)(ii) shall:
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- 242 (i) include the notarized signature of the beneficiary of the reinvestment fee covenant or transfer fee covenant, or the beneficiary's authorized representative;
- 244 (ii) state the name and current address of the beneficiary under the reinvestment fee covenant or transfer fee covenant;
- 246 (iii) state that the burden of the reinvestment fee covenant or transfer fee covenant is intended to run with the land and to bind successors in interest and assigns; and
- 247 (iv) state the duration of the reinvestment fee covenant or transfer fee covenant.
- 250 (c) A recorded notice of reinvestment fee covenant or transfer fee covenant that substantially complies with the requirements of Subsection (7)(b) is valid and effective.
- 251 (d) A notice under Subsection (7)(b):
- 252 (i) that is recorded after May 31, 2010, is not enforceable; and
- 253 (ii) shall comply with the requirements of Section 57-1-47.
- 256 (e) An amendment to a notice under Subsection (7)(b) recorded after May 31, 2010, seeking to amend a notice under Subsection (7)(b) recorded before May 31, 2010, is not an enforceable amendment.
- 258 (8) A reinvestment fee covenant recorded on or after March 16, 2010, may not be enforced upon:
- 259 (a) an involuntary transfer;
- 260 (b) a transfer that results from a court order;
- 262 (c) a bona fide transfer to a family member of the seller within three degrees of consanguinity who, before the transfer, provides adequate proof of consanguinity;
- 264 (d) a transfer or change of interest due to death, whether provided in a will, trust, or decree of distribution; or
- 268 (e) the transfer of burdened property by a financial institution, except to the extent that the reinvestment fee covenant requires the payment of a common interest association's costs directly related to the transfer of the burdened property, not to exceed \$250.
- 271 (9)
- (a) An association [~~transfer fee~~] administrative setup fee imposed on or after May 7, 2025, is void and unenforceable unless the association uses the fee only to pay expenses related to the transfer of real property.
- (b) An association administrative setup fee imposed in accordance with this Subsection (9) may not exceed \$300.
- 273 (10) On or after May 7, 2025, an association may not impose a reinvestment fee unless:

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- 274 (a) imposing the reinvestment fee is authorized in the declaration or a reinvestment fee covenant; and  
276 (b) a majority of voting interests in the association, or a higher percentage if required in the  
organizational documents, approves the reinvestment fee.
- 278 (11) After a vote approving the reinvestment fee described in Subsection (10)(b), an association may set  
the amount of a reinvestment fee only:
- 280 (a) in accordance with the terms of the declaration or a reinvestment fee covenant; and  
281 (b) upon providing notice in accordance with Section 57-8a-214.
- 282 (12) Members of the association may remove or amend a reinvestment fee by holding a vote at a special  
meeting:
- 284 (a) called by the members for the purpose of removing or amending the reinvestment fee; and  
286 (b) at which:
- 287 (i) at least 51% of the voting interests attend and vote; and  
288 (ii) a majority of the voting interests that attend vote to remove or amend the reinvestment fee.

### Section 3. Section 57-8-2 is amended to read:

#### **57-8-2. Applicability of chapter.**

[—This act shall be applicable only to property which the sole owner or all the owners submit to the provisions of the act by duly executing and recording a declaration as provided in the act.]

- 295 (1) This chapter applies to an association if:
- 296 (a) the association's declaration states that this chapter applies; or
- 297 (b) if the association's declaration does not state whether this chapter applies, the plats of the association  
are designated as condominium plats.
- 299 (2) This section applies regardless of when an association is created.

### Section 4. Section 57-8-3 is amended to read:

#### **57-8-3. Definitions.**

As used in this chapter:

- 303 (1) "Assessment" means any charge ~~[imposed by]~~ that the association imposes, including:
- 304 (a) common expenses on or against a unit owner ~~[pursuant to]~~ in accordance with the provisions of the  
declaration, bylaws, or this chapter; and
- 306 (b) an amount that an association of unit owners assesses to a unit owner under Subsection 57-8-43(9)  
(g).

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- 308 (2) "Association of unit owners" or "association" means all of the unit owners:  
309 (a) acting as a group in accordance with the declaration and bylaws; or  
310 (b) organized as a legal entity in accordance with the declaration.
- 311 (3) "Building" means a building, containing units, and comprising a part of the property.  
312 (4) "Commercial condominium project" means a condominium project that has no residential units  
within the project.
- 314 (5) "Common areas and facilities" unless otherwise provided in the declaration or lawful amendments  
to the declaration means:  
316 (a) the land included within the condominium project, whether leasehold or in fee simple;  
318 (b) the foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, lobbies,  
stairs, stairways, fire escapes, entrances, and exits of the building;  
320 (c) the basements, yards, gardens, parking areas, and storage spaces;  
321 (d) the premises for lodging of janitors or persons in charge of the property;  
322 (e) installations of central services such as power, light, gas, hot and cold water, heating, refrigeration,  
air conditioning, and incinerating;  
324 (f) the elevators, tanks, pumps, motors, fans, compressors, ducts, and in general all apparatus and  
installations existing for common use;  
326 (g) such community and commercial facilities as may be provided for in the declaration; and  
328 (h) all other parts of the property necessary or convenient to its existence, maintenance, and safety, or  
normally in common use.
- 330 (6) "Common expenses" means:  
331 (a) all sums lawfully assessed against the unit owners;  
332 (b) expenses of administration, maintenance, repair, or replacement of the common areas and facilities;  
334 (c) expenses agreed upon as common expenses by the association of unit owners; and  
335 (d) expenses declared common expenses by this chapter, or by the declaration or the bylaws.
- 337 (7) "Common profits," unless otherwise provided in the declaration or lawful amendments to the  
declaration, means the balance of all income, rents, profits, and revenues from the common areas  
and facilities remaining after the deduction of the common expenses.
- 340 (8) "Condominium" means the ownership of a single unit in a multiunit project together with an  
undivided interest in common in the common areas and facilities of the property.

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- (9) "Condominium plat" means a plat or plats of survey of land and units prepared in accordance with Section 57-8-13.
- 344 (10)
- (a) "Condominium project" means a real estate condominium project; a plan or project whereby two or more units, whether contained in existing or proposed apartments, commercial or industrial buildings or structures, or otherwise, are separately offered or proposed to be offered for sale.
- 348 (b) ~~[-]~~ "Condominium project" ~~[also means-]~~ includes the property when the context so requires.
- 350 (11)
- (a) "Condominium unit" means a unit together with the undivided interest in the common areas and facilities appertaining to that unit.
- 352 (b) ~~[-Any reference in this chapter to a condominium unit]~~ "Condominium unit" includes both a physical unit together with ~~[its]~~ the physical unit's appurtenant undivided interest in the common areas and facilities and a time period unit together with ~~[its]~~ the time period unit's appurtenant undivided interest, unless the ~~[reference]~~ term is specifically limited to a time period unit.
- 357 (12)
- (a) "Contractible condominium" means a condominium project from which one or more portions of the land within the project may be withdrawn in accordance with provisions of the declaration and of this chapter.
- 360 (b) ~~[-If]~~ "Contractible condominium" ~~does not include a condominium project where the withdrawal described in Subsection (12)(a) can occur only by the expiration or termination of one or more leases[, then the condominium project is not a contractible condominium within the meaning of this chapter.]~~ .
- 364 (13) "Convertible land" means a building site which is a portion of the common areas and facilities, described by metes and bounds, within which additional units or limited common areas and facilities may be created in accordance with this chapter.
- 367 (14) "Convertible space" means a portion of the structure within the condominium project, which portion may be converted into one or more units or common areas and facilities, including limited common areas and facilities in accordance with this chapter.
- 370 (15)
- (a) "Declarant" means all persons who execute the declaration or on whose behalf the declaration is executed.~~[-From the time of the recordation of any amendment to the declaration expanding~~

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~~an expandable condominium, all persons who execute that amendment or on whose behalf that amendment is executed shall also come within this definition.]~~

- 375 (b) ~~[Any successors of the persons referred to in this subsection who come]~~ "Declarant" includes:
- 377 (i) a person that executes an amendment to the declaration expanding an expandable condominium;
- 379 (ii) a person on whose behalf a person executes an amendment described in Subsection (15)(b)(i); and
- 381 (iii) a successor of a person described in Subsection (15)(a) that comes to stand in the same relation  
to the condominium project as ~~[their predecessors also come within this definition]~~ the person's  
predecessor.
- 384 (16) "Declaration" means the instrument by which the property is submitted to the provisions of this  
~~[aet]~~ chapter, as ~~[it]~~ the declaration from time to time may be lawfully amended.
- 387 (17) "Electrical corporation" means the same as that term is defined in Section 54-2-1.
- 388 (18) "Expandable condominium" means a condominium project to which additional land or an interest  
in ~~[it]~~ the condominium project may be added in accordance with the declaration and this chapter.
- 391 (19) "Gas corporation" means the same as that term is defined in Section 54-2-1.
- 392 (20) "Governing documents":
- 393 (a) means a written instrument by which an association of unit owners may:
- 394 (i) exercise powers; or
- 395 (ii) manage, maintain, or otherwise affect the property under the jurisdiction of the association of unit  
owners; and
- 397 (b) includes:
- 398 (i) articles of incorporation;
- 399 (ii) bylaws;
- 400 (iii) a plat;
- 401 (iv) a declaration of covenants, conditions, and restrictions; and
- 402 (v) rules of the association of unit owners.
- 403 (21) "Independent third party" means a person that:
- 404 (a) is not related to the unit owner;
- 405 (b) shares no pecuniary interests with the unit owner; and
- 406 (c) purchases the unit in good faith and without the intent to defraud a current or future lienholder.
- 408 (22) "Judicial foreclosure" means a foreclosure of a unit:
- 409 (a) for the nonpayment of an assessment;

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- 410 (b) in the manner provided by law for the foreclosure of a mortgage on real property; and  
411 (c) as provided in this chapter.
- 412 (23)
- (a) "Leasehold condominium" means a condominium project in all or any portion of which each unit owner owns an estate for years in ~~[his]~~ the unit owner's unit, or in the land upon which that unit is situated, or both, with all those leasehold interests to expire naturally at the same time.
- 416 (b) ~~[-A]~~ "Leasehold condominium" does not include a condominium project including leased land, or an interest in the land, upon which no units are situated or to be situated~~[is not a leasehold condominium within the meaning of this chapter].~~
- 419 (24) "Limited common areas and facilities" means ~~[those]~~ the common areas and facilities designated in the declaration as reserved for use of a certain unit or units to the exclusion of the other units.
- 422 (25) "Majority" or "majority of the unit owners," unless otherwise provided in the declaration or lawful amendments to the declaration, means the owners of more than 50% in the aggregate in interest of the undivided ownership of the common areas and facilities.
- 426 (26) "Management committee" means the committee as provided in the declaration charged with and having the responsibility and authority to make and to enforce all of the reasonable rules covering the operation and maintenance of the property.
- 429 (27) "Management committee meeting" means a gathering of a management committee, whether in person or by means of electronic communication, at which the management committee can take binding action.
- 432 (28) "Manager" means a person with whom the management committee enters into a contract for the person to:
- 434 (a) provide administrative or financial services for the association; or  
435 (b) act on behalf of the association in accordance with this chapter.
- 436 ~~[(28)]~~ (29)
- (a) "Means of electronic communication" means an electronic system that allows individuals to communicate orally in real time.
- 438 (b) "Means of electronic communication" includes:
- 439 (i) web conferencing;  
440 (ii) video conferencing; and  
441 (iii) telephone conferencing.

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- 442 [(29)] (30) "Mixed-use condominium project" means a condominium project that has both residential  
and commercial units in the condominium project.
- 444 [(30)] (31) "Nonjudicial foreclosure" means the sale of a unit:
- 445 (a) for the nonpayment of an assessment;
- 446 (b) in the same manner as the sale of trust property under Sections 57-1-19 through 57-1-34; and
- 448 (c) as provided in this chapter.
- 449 [(31)] (32) "Par value" means a number of dollars or points assigned to each unit by the declaration[-]  
in accordance with the following:
- 451 (a) [~~Substantially~~] the declaration shall assign substantially identical units [~~shall be assigned~~]the same  
par value[-] ;
- 453 (b) [~~but~~] units located at substantially different heights above the ground, or having substantially  
different views, or having substantially different amenities or other characteristics that might result  
in differences in market value, may be considered substantially identical [~~within the meaning of this~~  
subsection] for purposes of Subsection (32)(a);
- 458 (c) [~~If~~] if the declaration states par value [~~is stated~~]in terms of dollars[-, that statement] ;
- 459 (i) the dollar amount may not be considered to reflect or control the sales price or fair market value of  
[any] a unit[-] ; and
- 461 (ii) [~~no~~] an opinion, an appraisal, or a fair market transaction at a different figure may not affect;
- 463 (A) [-]the par value of [any] a unit[-] ; or
- 464 (B) [~~any~~] an undivided interest in the common areas and facilities, voting rights in the unit owners'  
association, liability for common expenses, or right to common profits, [~~assigned~~] that the  
declaration assigns on the basis [~~thereof~~] of the par value.
- 468 [(32)] (33) "Period of administrative control" means the period of control described in Subsection  
57-8-16.5(1).
- 470 [(33)] (34) "Person" means an individual, corporation, partnership, association, trustee, or other legal  
entity.
- 472 [(34)] (35) "Political sign" means [any] a sign or document that advocates for:
- 473 (a) the election or defeat of a candidate for public office; or
- 474 (b) the approval or defeat of a ballot proposition.
- 475 [(35)] (36) "Property" means:
- 476 (a) [-]the land, whether leasehold or in fee simple[-] ;

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- 477 (b) ~~[-]the building, if any[-];~~ ;
- 478 (c) ~~[-]all improvements and structures [thereon,]~~ on the land;
- 479 (d) ~~[-]all easements, rights, and appurtenances belonging [thereto,]~~ to the land; and
- 480 (e) ~~[-]all articles of personal property intended for use in connection [therewith]~~ with the land.
- 482 ~~[(36)]~~ (37) "Protected area" means the same as that term is defined in Section 53-29-306.
- 483 ~~[(37)]~~ (38) "Record," "recording," "recorded," and "recorder" ~~[have the meaning stated]~~ mean the same  
as the terms are defined in Chapter 3, Recording of Documents.
- 485 ~~[(38)]~~ (39) "Rentals" or "rental unit" means:
- 486 (a) a unit that:
- 487 (i) is not owned by an entity or trust; and
- 488 (ii) ~~[is occupied by]~~an individual occupies while the unit owner is not occupying the unit as the unit  
owner's primary residence; or
- 490 (b) an occupied unit ~~[owned by]~~ that an entity or trust owns, regardless of who occupies the unit.
- 492 ~~[(39)]~~ (40)
- (a) "Size" means the number of cubic feet, or the number of square feet of ground or floor space, within  
~~[each]~~ a unit as computed by reference to the record of survey map and rounded off to a whole  
number.
- 495 (b) ~~[-Certain spaces-]~~ "Size" does not include the following within [the units] a unit, if when making  
the calculation described in Subsection (40)(a), the following are omitted or partially discounted by  
the use of a ratio, the same basis of calculation is employed for all units in the condominium project,  
and that basis is described in the declaration:~~[including attic, basement, or garage space may be~~  
~~omitted from the calculation or be partially discounted by the use of a ratio, if the same basis of~~  
~~calculation is employed for all units in the condominium project and if that basis is described in the~~  
~~declaration].~~
- 503 (i) an attic;
- 504 (ii) a basement; or
- 505 (iii) a garage space.
- 506 ~~[(40)]~~ (41) "Time period unit" means an annually recurring part or parts of a year specified in the  
declaration as a period for which a unit is separately owned and includes a timeshare estate as that  
term is defined in Section 57-19-2.
- 509 ~~[(41)]~~ (42) "Unconstructed unit" means a unit that:

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- 510 (a) is intended, as depicted in the condominium plat, to be fully or partially contained in a building; and  
512 (b) is not constructed.

513 ~~[(42)]~~ (43)

(a) "Unit" means a separate part of the property intended for any type of independent use, which is created by the recording of a declaration and a condominium plat that describes the unit boundaries.

516 (b) "Unit" includes:

517 (i) one or more rooms or spaces located in one or more floors or a portion of a floor in a building[-] ;  
and

519 ~~[(e)]~~ (ii) ~~["Unit" includes-]~~a convertible space, in accordance with Subsection 57-8-13.4(3).

521 ~~[(43)]~~ (44) "Unit number" means the number, letter, or combination of numbers and letters designating the unit in the declaration and in the record of survey map.

523 ~~[(44)]~~ (45) "Unit owner" means the person or persons owning a unit in fee simple and an undivided interest in the fee simple estate of the common areas and facilities in the percentage specified and established in the declaration or, in the case of a leasehold condominium project, the person or persons whose leasehold interest or interests in the condominium unit extend for the entire balance of the unexpired term or terms.

528 ~~[(45)]~~ (46) "Water wise landscaping" means:

529 (a) installation of plant materials, suited to the microclimate and soil conditions, that can:

530 (i) remain healthy with minimal irrigation once established; or

531 (ii) be maintained without the use of overhead spray irrigation;

532 (b) use of water for outdoor irrigation through proper and efficient irrigation design and water application; or

534 (c) use of other landscape design features that:

535 (i) minimize the landscape's need for supplemental water from irrigation;

536 (ii) reduce the landscape area dedicated to lawn or turf; or

537 (iii) encourage vegetative coverage.

538 ~~[(46)]~~ (47) "Water wise plant material" means a plant material suited to water wise landscaping.

540 Section 5. Section 57-8-8.1 is amended to read:

541 **57-8-8.1. Equal treatment by rules required -- Limits on rules.**

542 (1)

(a) Except as provided in Subsection (1)(b), a rule shall treat similarly situated unit owners similarly.

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- 544 (b) A rule may:
- 545 (i) vary according to the level and type of service that the association of unit owners provides to unit  
owners;
- 547 (ii) differ between residential and nonresidential uses; or
- 548 (iii) for a unit that a unit owner leases for a term of less than 30 days, impose a reasonable limit on the  
number of individuals that may use the common areas and facilities as the rental unit tenant's guest  
or as the unit owner's guest.
- 551 (2)
- (a) Except as provided in Subsection (2)(b), if a unit owner owns a rental unit and is in compliance with  
the association of unit owners' governing documents and any rule that the association of unit owners  
adopts under Subsection (4), a rule may not treat the unit owner differently because the unit owner  
owns a rental unit.
- 555 (b) A rule may:
- 556 (i) limit or prohibit a rental unit owner from using the common areas and facilities for purposes other  
than attending an association meeting or managing the rental unit;
- 558 (ii) if the rental unit owner retains the right to use the association of unit owners' common areas and  
facilities, even occasionally:
- 560 (A) charge a rental unit owner a fee to use the common areas and facilities; and
- 561 (B) for a unit that a unit owner leases for a term of less than 30 days, impose a reasonable limit on the  
number of individuals that may use the common areas and facilities as the rental unit tenant's guest  
or as the unit owner's guest; or
- 564 (iii) include a provision in the association of unit owners' governing documents that:
- 565 (A) requires each tenant of a rental unit to abide by the terms of the governing documents; and
- 567 (B) holds the tenant and the rental unit owner jointly and severally liable for a violation of a provision  
of the governing documents.
- 569 (3)
- (a) Except as provided in Subsection (3)(b), a rule may not interfere with the freedom of a unit owner to  
determine the composition of the unit owner's household.
- 571 (b) An association of unit owners may:
- 572 (i) require that all occupants of a dwelling be members of a single housekeeping unit; or
- 574

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- (ii) limit the total number of occupants permitted in each residential dwelling on the basis of the residential dwelling's:
- 576 (A) size and facilities; and
- 577 (B) fair use of the common areas and facilities.
- 578 (4) Subject to Subsection (14), an association of unit owners may by rule:
- 579 (a) unless otherwise provided in the declaration:
- 580 (i) regulate the use, maintenance, repair, replacement, and modification of common areas and facilities;
- and
- 582 (ii) impose and receive any payment, fee, or charge for:
- 583 (A) the use, rental, or operation of the common areas, except limited common areas and facilities; or
- 585 (B) a service provided to a unit owner;
- 586 (b) impose, for a late payment of an assessment:
- 587 (i) a late fee, not to exceed the greater of:
- 588 (A) 10% of the assessment amount; or
- 589 (B) \$50; and
- 590 (ii) interest on the assessment and a late fee of up to 1.5% per month; or
- 591 (c) provide for the indemnification of the association of unit owners' officers and management committee consistent with Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act.
- 594 (5)
- (a) Except as provided in Subsection (5)(b), a rule may not prohibit a unit owner from installing a personal security camera immediately adjacent to the entryway, window, or other outside entry point of the owner's condominium unit.
- 597 (b) A rule may prohibit a unit owner from installing a personal security camera in a common area not physically connected to the owner's unit.
- 599 (6)
- (a) A rule may not abridge the right of a unit owner to display a religious or holiday sign, symbol, or decoration inside the owner's condominium unit.
- 601 (b) An association may adopt a reasonable time, place, and manner restriction with respect to a display that is visible from the exterior of a unit.
- 603 (7)
- (a) A rule may not:

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- 604 (i) prohibit a unit owner from displaying in a window of the owner's condominium unit:
- 606 (A) a for-sale sign;
- 607 (B) a political sign; or
- 608 (C) a flag; or
- 609 (ii) except as provided Subsection (7)(b), regulate the content or establish specific design criteria  
for the content of a political sign or flag.
- 611 (b) A rule may restrict a political sign or flag that contains obscene, profane, or commercial content.
- 613 (c) A rule may reasonably regulate the size and time, place, and manner of posting a for-sale sign, a  
political sign, or a flag.
- 615 (8) For any area for which one or more unit owners, but not the association, are responsible for  
landscape maintenance, the association of unit owners:
- 617 (a) shall adopt rules supporting water wise landscaping, including:
- 618 (i) low water use requirements on lawns during drought conditions;
- 619 (ii) design criterion for water wise landscaping; and
- 620 (iii) limiting permissible plant material to specific water wise plant material;
- 621 (b) may not prohibit low water use on lawns during drought conditions; and
- 622 (c) except where reasonably necessary for erosion control, may not prohibit or restrict the conversion of  
a grass park strip of less than 8 feet wide to water-efficient landscaping.
- 625 (9) A rule may restrict a sex offender from accessing a protected area that is maintained, operated, or  
owned by the association, subject to the exceptions described in Subsection 53-29-306(3).
- 628 (10)
- (a) Except as provided in this Subsection (10), a rule may not prohibit a unit owner from making  
modifications, consistent with industry standards, for radon mitigation.
- 630 (b) Subsection (10)(a) does not apply if the modifications would violate:
- 631 (i) a local land use ordinance;
- 632 (ii) a building code;
- 633 (iii) a health code; or
- 634 (iv) a fire code.
- 635 (c) A rule governing the placement or external appearance of modifications may apply to modifications  
for radon mitigation unless the rule would:
- 637 (i) unreasonably interfere with the modifications' functionality; or

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- 638 (ii) add more than 40% of the modifications' original cost to the cost of installing the modifications.  
640 (d) A rule may require that a unit owner making modifications related to radon mitigation:  
642 (i) demonstrate or provide proof of radon contamination; and  
643 (ii) provide proof that the modifications and any related construction will be performed by a licensed  
person.  
645 (11)  
(a) Except as provided in Subsection (11)(b), a rule may not restrict an individual from parking an  
operable vehicle in a driveway where the vehicle has a legal right to park, unless the vehicle is:  
648 (i) a commercial vehicle, as that term is defined in Section 72-9-102;  
649 (ii) a motor home, as that term is defined in Section 13-20-2; or  
650 (iii) a recreational vehicle trailer, as that term is defined in Section 13-20-2.  
651 (b) A rule may require that an individual park in a garage appurtenant to a unit before parking  
elsewhere.  
653 (12)  
(a) Except as provided in Subsection (12)(b), a rule may not restrict an individual from operating a  
vehicle that is not a commercial vehicle, as that term is defined in Section 72-9-102, in conformance  
with state traffic laws.  
656 (b) A rule may enforce a reduced speed limit on a private roadway.  
657 (13) A rule may not:  
658 (a) impose a requirement or restriction on the use of a public street, as that term is defined in Section  
10-20-102; or  
660 (b) restrict an individual from:  
661 (i) installing, displaying, or storing an item that the individual has a legal right to store if the item is not  
visible to an individual standing outside the unit; or  
663 (ii) hiring a contractor or worker solely because the contractor or worker:  
664 (A) is not on the association's preferred vendor list; or  
665 (B) does not have a professional or occupational license, unless the license is required by law.  
667 (14) A rule shall be reasonable.  
668 (15) A declaration, or an amendment to a declaration, may vary any of the requirements of Subsections  
(1) through (5), except Subsection (1)(b)(ii).  
670

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(16) This section applies to an association of unit owners regardless of when the association of unit owners is created.

672 (17) Before imposing a fee under Subsection (4), an association of unit owners shall:

673 (a) adopt a fee schedule by rule that describes the amount of each fee the association of unit owners shall impose; and

675 (b) provide a copy of the fee schedule to each unit owner.

676 (18) A fee imposed in accordance with the fee schedule the association of unit owners adopts under Subsection (17)(a) shall be paid directly to the association.

678 Section 6. Section 57-8-10 is amended to read:

679 **57-8-10. Contents of declaration.**

680 (1)

(a) Before the conveyance of ~~[any]~~ a unit in a condominium project, a declaration shall be recorded that contains the covenants, conditions, and restrictions relating to the project that shall be enforceable equitable servitudes, where reasonable, and which shall run with the land.

684 (b) ~~[-]Unless otherwise provided, [these servitudes may be enforced by a unit owner or a unit owner's successor in interest.]~~ a unit owner or a unit owner's successor in interest may enforce a servitude described in Subsection (1)(a).

687 (2)

(a) For every condominium project, the declaration shall:

688 (i) include a description of the land or interests in real property included within the project;

690 (ii) contain a description of any buildings that states the number of storeys and basements, the number of units, the principal materials of which the building is or is to be constructed, and a description of all other significant improvements contained or to be contained in the project;

694 (iii) contain the unit number of each unit, the square footage of each unit, and any other description or information necessary to properly identify each unit;

696 (iv) describe the common areas and facilities of the project;~~[-and]~~

697 (v) describe any limited common areas and facilities and state to which units the use of the common areas and facilities is reserved~~[-]~~ ; and

699 (vi) include a statement that the project is:

700 (A) designated as a condominium project; and

701 (B) governed by this chapter.

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- 702 (b) Any shutters, awnings, window boxes, doorsteps, porches, balconies, patios, or other apparatus  
intended to serve a single unit, but located outside the boundaries of the unit, shall constitute a  
limited common area and facility appertaining to that unit exclusively, regardless of whether ~~or not~~  
]the declaration makes such a provision.
- 706 (c) The condominium plat recorded with the declaration may provide or supplement the information  
required under Subsections (2)(a) and (b).
- 708 (d)
- (i) The declaration shall include the percentage or fraction of undivided interest in the common areas  
and facilities appurtenant to each unit and the unit owner for all purposes, including voting, derived  
and allocated in accordance with Subsection 57-8-7(2).
- 712 (ii) If any use restrictions are to apply, the declaration shall state the purposes for which the units are  
intended and the use restrictions that apply.
- 714 (iii)
- (A) The declaration shall include the name and address of a person to receive service of process on  
behalf of the condominium project, in the cases provided by this chapter.
- 717 (B) The person described in Subsection (2)(d)(iii)(A) shall be a resident of, or shall maintain a place of  
business within, this state.
- 719 (iv) The declaration shall describe the method by which the declaration may be amended consistent  
with this chapter.
- 721 (v) Any further matters in connection with the property may be included in the declaration, which the  
person or persons executing the declaration may consider desirable, consistent with this chapter.
- 724 ~~[(vi) The declaration shall contain a statement of intention that this chapter applies to the property.]~~
- 726 (e) The initial recorded declaration shall include:
- 727 (i) an appointment of a trustee who qualifies under Subsection 57-1-21(1)(a)(i) or (iv); and
- 729 (ii) the following statement: "The declarant hereby conveys and warrants pursuant to U.C.A. Sections  
57-1-20 and 57-8-45 to (name of trustee), with power of sale, the unit and all improvements to the  
unit for the purpose of securing payment of assessments under the terms of the declaration."
- 733 (3)
- (a) If the condominium project contains any convertible land, the declaration shall:
- 734 (i) contain a legal description by metes and bounds of each area of convertible land within the  
condominium project;

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- 736 (ii) state the maximum number of units that may be created within each area of convertible land;
- 738 (iii) state, with respect to each area of convertible land, the maximum percentage of the aggregate land and floor area of all units that may be created and the use of which will not or may not be restricted exclusively to residential purposes, unless none of the units on other portions of the land within the project are restricted exclusively to residential use;
- 743 (iv) state the extent to which any structure erected on any convertible land will be compatible with structures on other portions of the land within the condominium project in terms of quality of construction, the principal materials to be used, and architectural style;
- 747 (v) describe all other improvements that may be made on each area of convertible land within the condominium project;
- 749 (vi) state that any units created within each area of convertible land will be substantially identical to the units on other portions of the land within the project or describe in detail what other type of units may be created; and
- 752 (vii) describe the declarant's reserved right, if any, to create limited common areas and facilities within any convertible land in terms of the types, sizes, and maximum number of the limited common areas within each convertible land.
- 755 (b) The condominium plat recorded with the declaration may provide or supplement the information required under Subsection (3)(a).
- 757 (4)
- (a) If the condominium project is an expandable condominium project, the declaration shall:
- 759 (i) contain an explicit reservation of an option to expand the project;
- 760 (ii) include a statement of any limitations on the option to expand, including a statement as to whether the consent of any unit owners is required and, a statement as to the method by which consent shall be ascertained, or a statement that there are no such limitations;
- 764 (iii) include a time limit, not exceeding seven years after the day on which the declaration is recorded, upon which the option to expand the condominium project expires and a statement of any circumstances that will terminate the option before expiration of the specified time limits;
- 768 (iv) contain a legal description by metes and bounds of all land that may be added to the condominium project, which is known as additional land;
- 770 (v) state:
- 771

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- (A) if any of the additional land is added to the condominium project, whether all of it or any particular portion of it must be added;
- 773 (B) any limitations as to what portions may be added; or
- 774 (C) a statement that there are no such limitations;
- 775 (vi) include a statement as to whether portions of the additional land may be added to the  
condominium project at different times, including any limitations fixing the boundaries of those  
portions by legal descriptions setting forth the metes and bounds of these lands and regulating  
the order in which [~~they~~] the lands may be added to the condominium project;
- 780 (vii) include a statement of any limitations on the locations of any improvements that may be made  
on any portions of the additional land added to the condominium project, or a statement that no  
assurances are made in that regard;
- 783 (viii)
- (A) state the maximum number of units that may be created on the additional land;
- 785 (B) if portions of the additional land may be added to the condominium project and the boundaries of  
those portions are fixed in accordance with Subsection (4)(a)(vi), state the maximum number of  
units that may be created on each portion added to the condominium project; and
- 789 (C) if portions of the additional land may be added to the condominium project and the boundaries of  
those portions are not fixed in accordance with Subsection (4)(a)(vi), state the maximum number of  
units per acre that may be created on any portion added to the condominium project;
- 793 (ix) with respect to the additional land and to any portion of the additional land that may be added  
to the condominium project, state the maximum percentage of the aggregate land and floor  
area of all units that may be created on it, the use of which will not or may not be restricted  
exclusively to residential purposes, unless none of the units on the land originally within the  
project are restricted exclusively to residential use;
- 799 (x) state the extent to which any structures erected on any portion of the additional land added to  
the condominium project will be compatible with structures on the land originally within the  
project in terms of quality of construction, the principal materials to be used, and architectural  
style, or that no assurances are made in those regards;
- 804 (xi) describe all other improvements that will be made on any portion of the additional land added  
to the condominium project, including any limitations on what other improvements may be  
made on the additional land, or state that no assurances are made in that regard;

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- 808 (xii) contain a statement that any units created on any portion of the additional land added to the  
condominium project will be substantially identical to the units on the land originally within the  
project, a statement of any limitations on what types of units may be created on the additional  
land, or a statement that no assurances are made in that regard; and
- 813 (xiii) describe the declarant's reserved right, if any, to create limited common areas and facilities  
within any portion of the additional land added to the condominium project, in terms of the  
types, sizes, and maximum number of limited common areas within each portion, or state that  
no assurances are made in those regards.
- 817 (b) The condominium plat recorded with the declaration may provide or supplement the information  
required under Subsections (4)(a)(iv) through (a)(vii) and (a)(x) through (a)(xiii).
- 820 (5)
- (a) If the condominium project is a contractible condominium, the declaration shall:
- 821 (i) contain an explicit reservation of an option to contract the condominium project;
- 822 (ii) contain a statement of any limitations on the option to contract, including a statement regarding  
whether the consent of any unit owners is required, and if so, a statement regarding the method  
by which this consent shall be ascertained, or a statement that there are no such limitations;
- 826 (iii) state the time limit, not exceeding seven years after the day on which the declaration is  
recorded, upon which the option to contract the condominium project expires, together with a  
statement of any circumstances that will terminate the option before expiration of the specified  
time limit;
- 830 (iv) include a legal description by metes and bounds of all land that may be withdrawn from the  
condominium project, which is known as withdrawable land;
- 832 (v) include a statement as to whether portions of the withdrawable land may be withdrawn from the  
condominium project at different times, together with any limitations fixing the boundaries of  
those portions by legal descriptions setting forth the metes and bounds and regulating the order  
in which they may be withdrawn from the condominium project; and
- 837 (vi) include a legal description by metes and bounds of all of the land within the condominium  
project to which the option to contract the project does not extend.
- 839 (b) The condominium plat recorded with the declaration may provide or supplement the information  
required under Subsections (5)(a)(iv) through (vi).
- 841 (6)

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- (a) If the condominium project is a leasehold condominium, the declaration shall, with respect to any ground lease or other leases the expiration or termination of which will or may terminate or contract the condominium project:
- 844 (i) include recording information enabling the location of each lease in the official records of the county recorder;
- 846 (ii) include the date upon which each lease is due to expire;
- 847 (iii) state whether any land or improvements will be owned by the unit owners in fee simple;
- 849 (iv) if there is to be fee simple ownership of any land or improvement, as described in Subsection (6)(a)(iii), include:
- 851 (A) a description of the land or improvements, including a legal description by metes and bounds of the land; or
- 853 (B) a statement of ~~[any rights]~~ the right the unit owners have to remove ~~[these]~~ the improvements described in Subsection (6)(a)(iv)(A) within a reasonable time after the expiration or termination of the lease or leases involved, or a statement that ~~[they shall have no such rights]~~ the unit owners do not have that right; and
- 858 (v) include a statement of the ~~[rights]~~ right the unit owners have to extend or renew any of the leases or to redeem or purchase any of the reversions, or a statement that ~~[they have no such rights]~~ the unit owners do not have that right.
- 861 (b) After the recording of the declaration, a lessor who executed the declaration, or the lessor's successor in interest, may not terminate any part of the leasehold interest of ~~[any]~~ a unit owner who:
- 864 (i) makes timely payment of the unit owner's share of the rent to the persons designated in the declaration for the receipt of the rent; and
- 866 (ii) otherwise complies with all covenants which would entitle the lessor to terminate the lease if the covenants were violated.
- 868 (7)
- (a)
- (i) If the condominium project contains time period units, the declaration shall also contain the location of each condominium unit in the calendar year.
- 870 (ii) ~~[-This information]~~ The information described in Subsection (7)(a)(i) shall be set out in a fourth column of the exhibit or schedule referred to in Subsection 57-8-7(2), if the exhibit or schedule accompanies the declaration.

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- 873 (b) The declaration shall also put timeshare owners on notice that tax notices will be sent to the  
management committee, not each timeshare owner.
- 875 (c) The time period units created with respect to any given physical unit shall be such that the aggregate  
of the durations involved constitute a full calendar year.
- 877 (8)
- (a) The declaration, bylaws, and condominium plat shall be duly executed and acknowledged by all of  
the owners and any lessees of the land [~~which~~] that is [~~made~~]subject to this chapter.
- 880 (b) As used in Subsection (8)(a), "owners and lessees" does not include~~[, in their respective  
capacities,]~~ :
- 882 (i) [~~any~~] a mortgagee~~[;]~~ ;
- 883 (ii) [~~any~~] a trustee or beneficiary under a deed of trust~~[;]~~ ;
- 884 (iii) [~~any~~] other lien holder~~[;]~~ ;
- 885 (iv) [~~any~~] a person [~~having~~] that has an equitable interest under [~~any~~] a contract for the sale or lease of  
a condominium unit~~[;]~~ ; or
- 887 (v) [~~any~~] a lessee whose leasehold interest does not extend to any portion of the common areas and  
facilities.
- 889 (9)
- (a) Except as provided in Subsection (9)(b), a declaration, or an amendment to a declaration, may not  
vary the requirements of Section 57-8-8.1 or Subsection 57-8-8.1(1)(b)(ii).
- 892 (b) A declaration, or an amendment to a declaration may vary the requirements of Subsections  
57-8-8.1(1)(a), (b)(i) and (iii), and 57-8-8.1(2) through (5).
- 894 Section 7. Section **57-8-13.1** is amended to read:
- 895 **57-8-13.1. Registration with Department of Commerce.**
- 81 (1) As used in this section, "department" means the Department of Commerce created in Section  
13-1-2.
- 83 (2) No later than 90 days after the recording of a declaration, an association of unit owners shall register  
with the department in the manner [~~established by~~] that the department establishes.
- 85 (3) The department shall require an association of unit owners registering as required in this section to  
provide with each registration:
- 87 (a) the name and address of the association of unit owners;
- 88

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- (b) the name, ~~[address,]~~ telephone number, and, if applicable, email address of the president of the association of unit owners;
- 90 (c) the name ~~[and address]~~ of each manager or management committee member;
- 91 (d) the name, address, telephone number, and, if the contact person wishes to use email or facsimile transmission for communicating payoff information, the email address or facsimile number, as applicable, of a primary contact person who has association payoff information that a closing agent needs in connection with the closing of a unit owner's financing, refinancing, or sale of the owner's unit; and
- 96 (e) a registration fee ~~[set by]~~ that the department sets in accordance with Section 63J-1-504.
- 97 (4)
- (a) An association of unit owners shall annually renew the registration of the association of unit owners described in Subsection (2).
- 99 (b) The department may impose and set the amount of a renewal registration fee in accordance with Section 63J-1-504.
- 101 (5) An association of unit owners ~~[that has registered under]~~ that registers in accordance with Subsection (2) shall submit to the department an update to the association of unit owners' registration information, in the manner ~~[established by]~~ that the department establishes, within 90 days after the day on which a change in any of the information provided under Subsection (3) occurs.
- 105 (6)
- (a) During any period of noncompliance with the registration requirement described in Subsection (2) or the requirement for an updated registration described in Subsection (5):
- 108 (i) a lien may not arise under Section 57-8-44; and
- 109 (ii) an association of unit owners may not enforce an existing lien that arose under Section 57-8-44.
- 111 (b) A period of noncompliance with the registration requirement of Subsection (2) or with the updated registration requirement of Subsection (5) does not begin until after the expiration of the 90-day period specified in Subsection (2) or (5), respectively.
- 114 (c) An association of unit owners that is not in compliance with the registration requirement described in Subsection (2) may end the period of noncompliance by registering with the department in the manner ~~[established by]~~ that the department establishes under Subsection (2).

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(d) An association of unit owners that is not in compliance with the updated registration requirement described in Subsection (5) may end the period of noncompliance by submitting to the department an updated registration in the manner ~~established by~~ that the department establishes under Subsection (5).

122 (e) Except as described in Subsection (6)(f), beginning on the date an association of unit owners ends a period of noncompliance:

124 (i) a lien may arise under Section 57-8-44 for any event that:

125 (A) occurred during the period of noncompliance; and

126 (B) would have given rise to a lien under Section 57-8-44 had the association of unit owners been in compliance with the registration requirements described in this section; and

129 (ii) an association of unit owners may enforce a lien described in Subsection ~~[(6)(e)]~~ (6)(e)(i) or a lien that existed before the period of noncompliance.

131 (f) If an owner's unit is conveyed to an independent third party during a period of noncompliance described in this Subsection (6):

133 (i) a lien that arose under Section 57-8-44 before the conveyance of the unit became final is extinguished when the conveyance of the unit becomes final; and

135 (ii) an event that occurred before the conveyance of the unit became final, and that would have given rise to a lien under Section 57-8-44 had the association of unit owners been in compliance with the registration requirements of this section, may not give rise to a lien under Section 57-8-44 if the conveyance of the unit becomes final before the association of unit owners ends the period of noncompliance.

140 ~~[(7) The department shall publish educational materials on the department's website providing, in simple and easy to understand language, a brief overview of state law governing associations of unit owners, including:]~~

143 ~~[(a) a description of the rights and responsibilities provided in this chapter to any party under the jurisdiction of an association of unit owners; and]~~

145 ~~[(b) instructions regarding how an association of unit owners may be organized and dismantled in accordance with this chapter.]~~

965 Section 8. Section 57-8a-102 is amended to read:

966 **57-8a-102. Definitions.**

As used in this chapter:

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- 968 (1)
- (a) "Assessment" means a charge imposed or levied:
- 969 (i) by the association;
- 970 (ii) on or against a lot or a lot owner; and
- 971 (iii) in accordance with a governing document recorded with the county recorder.
- 972 (b) "Assessment" includes:
- 973 (i) a common expense; and
- 974 (ii) an amount assessed against a lot owner under Subsection 57-8a-405(7).
- 975 (2)
- (a) Except as provided in Subsection (2)(b), "association" means a corporation or other legal entity, any member of which:
- 977 (i) is an owner of a residential lot located within the jurisdiction of the association, as described in the governing documents; and
- 979 (ii) by virtue of membership or ownership of a residential lot is obligated to pay:
- 980 (A) real property taxes;
- 981 (B) insurance premiums;
- 982 (C) maintenance costs; or
- 983 (D) for improvement of real property not owned by the member.
- 984 (b) "Association" or "homeowner association" does not include an association created under Chapter 8, Condominium Ownership Act.
- 986 (3) "Board meeting" means a gathering of a board, whether in person or by means of electronic communication, at which the board can take binding action.
- 988 (4) "Board of directors" or "board" means the entity, regardless of name, with primary authority to manage the affairs of the association.
- 990 (5) "Common areas" means property that the association:
- 991 (a) owns;
- 992 (b) maintains;
- 993 (c) repairs; or
- 994 (d) administers.
- 995 (6) "Common expense" means costs incurred by the association to exercise any of the powers provided for in the association's governing documents.

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- 997 (7) "Declarant":
- 998 (a) means the person who executes a declaration and submits [it] the declaration for recording in the  
office of the recorder of the county in which the property described in the declaration is located; and
- 1001 (b) includes the person's successor and assign.
- 1002 (8) "Development right" means any right or combination of rights a declarant reserves in the declaration  
to:
- 1004 (a) add real estate to an association;
- 1005 (b) create lots, common elements, or limited common elements within an association;
- 1006 (c) subdivide lots or convert lots into common elements; or
- 1007 (d) withdraw real estate from an association.
- 1008 (9) "Director" means a member of the board of directors.
- 1009 (10) "Electrical corporation" means the same as that term is defined in Section 54-2-1.
- 1010 (11) "Gas corporation" means the same as that term is defined in Section 54-2-1.
- 1011 (12)
- (a) "Governing documents" means a written instrument by which the association may:
- 1013 (i) exercise powers; or
- 1014 (ii) manage, maintain, or otherwise affect the property under the jurisdiction of the association.
- 1016 (b) "Governing documents" includes:
- 1017 (i) articles of incorporation;
- 1018 (ii) bylaws;
- 1019 (iii) a plat;
- 1020 (iv) a declaration of covenants, conditions, and restrictions; and
- 1021 (v) rules of the association.
- 1022 (13) "Independent third party" means a person that:
- 1023 (a) is not related to the owner of the residential lot;
- 1024 (b) shares no pecuniary interests with the owner of the residential lot; and
- 1025 (c) purchases the residential lot in good faith and without the intent to defraud a current or future  
lienholder.
- 1027 (14) "Judicial foreclosure" means a foreclosure of a lot:
- 1028 (a) for the nonpayment of an assessment;
- 1029 (b) in the manner provided by law for the foreclosure of a mortgage on real property; and

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- 1030 (c) as provided in Part 3, Collection of Assessments.
- 1031 (15) "Lease" or "leasing" means regular, exclusive occupancy of a lot:
- 1032 (a) by a person or persons other than the owner; and
- 1033 (b) for which the owner receives a consideration or benefit, including a fee, service, gratuity, or emolument.
- 1035 (16) "Limited common areas" means common areas described in the declaration and allocated for the exclusive use of one or more lot owners.
- 1037 (17) "Lot" means:
- 1038 (a) a lot, parcel, plot, or other division of land:
- 1039 (i) designated for separate ownership or occupancy; and
- 1040 (ii)
- 1041 (A) shown on a recorded subdivision plat; or
- 1042 (B) the boundaries of which are described in a recorded governing document; or
- 1043 (b)
- 1044 (i) a unit in a condominium association if the condominium association is a part of a development; or
- 1045 (ii) a unit in a real estate cooperative if the real estate cooperative is part of a development.
- 1046 (18) "Manager" means a person with whom the board enters into a contract for the person to:
- 1047 (a) provide administrative or financial services for the association; or
- 1048 (b) act on behalf of the association in accordance with this chapter.
- 1049 [~~18~~] (19)
- 1050 (a) "Means of electronic communication" means an electronic system that allows individuals to communicate orally in real time.
- 1051 (b) "Means of electronic communication" includes:
- 1052 (i) web conferencing;
- 1053 (ii) video conferencing; and
- 1054 (iii) telephone conferencing.
- 1055 [~~19~~] (20) "Mixed-use project" means a project under this chapter that has both residential and commercial lots in the project.
- 1056 [~~20~~] (21) "Nonjudicial foreclosure" means the sale of a lot:
- 1057 (a) for the nonpayment of an assessment;
- 1058 (b) in the same manner as the sale of trust property under Sections 57-1-19 through 57-1-34; and
- 1059
- 1060

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- 1062 (c) as provided in Part 3, Collection of Assessments.
- 1063 [~~(21)~~] (22) "Period of administrative control" means the period during which the person who filed the  
association's governing documents or the person's successor in interest retains authority to:
- 1066 (a) appoint or remove members of the association's board of directors; or
- 1067 (b) exercise power or authority assigned to the association under the association's governing documents.
- 1069 [~~(22)~~] (23) "Political sign" means any sign or document that advocates:
- 1070 (a) the election or defeat of a candidate for public office; or
- 1071 (b) the approval or defeat of a ballot proposition.
- 1072 [~~(23)~~] (24) "Protected area" means the same as that term is defined in Section 77-27-21.7.
- 1073 [~~(24)~~] (25) "Rentals" or "rental lot" means:
- 1074 (a) a lot that:
- 1075 (i) is not owned by an entity or trust; and
- 1076 (ii) is occupied by an individual while the lot owner is not occupying the lot as the lot owner's primary  
residence;
- 1078 (b) an occupied lot owned by an entity or trust, regardless of who occupies the lot; or
- 1079 (c) an internal accessory dwelling unit as defined in Section 10-21-101 or 17-80-101.
- 1080 [~~(25)~~] (26) "Residential lot" means a lot, the use of which is limited by law, covenant, or otherwise to  
primarily residential or recreational purposes.
- 1082 [~~(26)~~] (27)
- (a) "Rule" means a policy, guideline, restriction, procedure, or regulation of an association that:
- 1084 (i) is not set forth in a contract, easement, article of incorporation, bylaw, or declaration; and
- 1086 (ii) governs:
- 1087 (A) the conduct of persons; or
- 1088 (B) the use, quality, type, design, or appearance of real property or personal property.
- 1090 (b) "Rule" does not include the internal business operating procedures of a board.
- 1091 [~~(27)~~] (28) "Sex offender" means an individual who is a sex offender as described in Subsection  
53-29-202(2)(b) if the offense that the individual committed that resulted in the individual being a  
sex offender was committed against an individual younger than 18 years old.
- 1095 [~~(28)~~] (29) "Solar energy system" means:
- 1096 (a) a system that is used to produce electric energy from sunlight; and
- 1097 (b) the components of the system described in Subsection [~~(28)(a)~~] (29)(a).

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1098 Section 9. Section 57-8a-103 is amended to read:

1099 **57-8a-103. Scope of chapter -- Applicability of chapter.**

- 1100 (1) Remedies provided in this chapter, by law, or in equity are not mutually exclusive.
- 1101 (2) This chapter applies to an association if:
- 1102 (a) the association's declaration states that this chapter applies; or
- 1103 (b) if the association's declaration does not state whether this chapter or Chapter 8, Condominium  
Ownership Act, applies to the lot, the plats within the association are not designated as  
condominium plats.
- 1106 (3) This section applies regardless of when an association is created.

1107 Section 10. Section 57-8a-105 is amended to read:

1108 **57-8a-105. Registration with Department of Commerce.**

- 149 (1) As used in this section, "department" means the Department of Commerce created in Section  
13-1-2.
- 151 (2)
- (a) No later than 90 days after the recording of a declaration of covenants, conditions, and restrictions  
establishing an association, the association shall register with the department in the manner  
established by the department.
- 154 (b) An association existing under a declaration of covenants, conditions, and restrictions recorded  
before May 10, 2011, shall, no later than July 1, 2011, register with the department in the manner  
established by the department.
- 157 (3) The department shall require an association registering as required in this section to provide with  
each registration:
- 159 (a) the name and address of the association;
- 160 (b) the name, address, telephone number, and, if applicable, email address of the chair of the  
association board;
- 162 (c) contact information for the manager;
- 163 (d) the name, address, telephone number, and, if the contact person wishes to use email or facsimile  
transmission for communicating payoff information, the email address or facsimile number, as  
applicable, of a primary contact person who has association payoff information that a closing agent  
needs in connection with the closing of a lot owner's financing, refinancing, or sale of the owner's  
lot; and

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- 168 (e) a registration fee ~~set by~~ the department sets in accordance with Section 63J-1-504.
- 169 (4)
- (a) An association shall annually renew the association's registration described in Subsection (2).
- 171 (b) The department may impose and set the amount of a renewal registration fee in accordance with  
Section 63J-1-504.
- 173 (5) An association that has registered under Subsection (2) shall submit to the department an update to  
the association's registration information, in the manner established by the department, within 90  
days after a change in any of the information provided under Subsection (3).
- 177 (6)
- (a) During any period of noncompliance with the registration requirement described in Subsection (2)  
or the requirement for an updated registration described in Subsection (5):
- 180 (i) a lien may not arise under Section 57-8a-301; and
- 181 (ii) an association may not enforce an existing lien that arose under Section 57-8a-301.
- 182 (b) A period of noncompliance with the registration requirement of Subsection (2) or with the updated  
registration requirement of Subsection (5) does not begin until after the expiration of the 90-day  
period specified in Subsection (2) or (5), respectively.
- 185 (c) An association that is not in compliance with the registration requirement described in Subsection  
(2) may end the period of noncompliance by registering with the department in the manner  
established by the department under Subsection (2).
- 188 (d) An association that is not in compliance with the updated registration requirement described in  
Subsection (5) may end the period of noncompliance by submitting to the department an updated  
registration in the manner established by the department under Subsection (5).
- 192 (e) Except as described in Subsection (6)(f), beginning on the date an association ends a period of  
noncompliance:
- 194 (i) a lien may arise under Section 57-8a-301 for any event that:
- 195 (A) occurred during the period of noncompliance; and
- 196 (B) would have given rise to a lien under Section 57-8a-301 had the association been in compliance  
with the registration requirements described in this section; and
- 199 (ii) an association may enforce a lien described in this Subsection (6)(e) or a lien that existed before the  
period of noncompliance.

201

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(f) If an owner's residential lot is conveyed to an independent third party during a period of noncompliance described in this Subsection (6):

203 (i) a lien that arose under Section 57-8a-301 before the conveyance of the residential lot became final is extinguished when the conveyance of the residential lot becomes final; and

206 (ii) an event that occurred before the conveyance of the residential lot became final, and that would have given rise to a lien under Section 57-8a-301 had the association been in compliance with the registration requirements of this section, may not give rise to a lien under Section 57-8a-301 if the conveyance of the residential lot becomes final before the association ends the period of noncompliance.

212 [~~(7) The department shall publish educational materials on the department's website providing, in simple and easy to understand language, a brief overview of state law governing associations, including:~~]

215 [~~(a) a description of the rights and responsibilities provided in this chapter to any party under the jurisdiction of an association; and]~~

217 [~~(b) instructions regarding how an association may be organized and dismantled in accordance with this chapter.~~]

219 [~~(8){ (7) }~~]

~~(a) Unless otherwise expressly exempted, this chapter applies to an association that registers, or renews or updates the association's registration, with the department under this section.~~]

222 ~~[(b) This section applies to an association regardless of when the association is created.]~~

1183 Section 11. Section 57-8a-201 is amended to read:

1184 **57-8a-201. Payment of a common expense or assessment -- Late fees.**

1185 (1) An owner shall pay the owner's proportionate share of:

1186 (a) the common expenses; and

1187 (b) any other assessments levied by the association.

1188 (2) A payment described in Subsection (1) shall be in the amount and at the time determined by the board of directors in accordance with the terms of the:

1190 (a) declaration; or

1191 (b) bylaws.

1192 (3) An assessment levied against a lot is:

1193 (a) a debt of the owner at the time the assessment is made; and

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- 1194 (b) collectible as a debt described in Subsection (3)(a).  
1195 (4) The board of directors may impose, for a late payment:  
1196 (a) a late fee, not to exceed the greater of:  
1197 (i) 10% of the assessment amount; or  
1198 (ii) \$50; and  
1199 (b) interest on the assessment and late fee of up to 1.5% per month.  
1200 (5) Before imposing a fee under this section, the board of directors shall:  
1201 (a) adopt a fee schedule by rule in accordance with Section 57-8a-217 that describes the amount of fee  
the board shall impose; and  
1203 (b) provide a copy of the fee schedule to each lot owner.  
1204 (6) A fee imposed in accordance with the fee schedule the board of directors adopts under Subsection  
(5)(a) shall be paid directly to the association.
- 1206 Section 12. Section **57-8a-209** is amended to read:  
1207 **57-8a-209. Rental restrictions.**  
225 (1)  
(a) Subject to Subsections (1)(b), (5), (6), and (10), an association may:  
226 (i) create restrictions on the number and term of rentals in an association; or  
227 (ii) prohibit rentals in the association.  
228 (b) Except as provided in Subsection (1)(c), an association that creates a rental restriction or prohibition  
in accordance with Subsection (1)(a) shall create the rental restriction or prohibition in a recorded  
declaration of covenants, conditions, and restrictions, or by amending the recorded declaration of  
covenants, conditions, and restrictions.  
233 (c) An association may establish, by rule, a minimum lease term of six months or less.  
234 (2) If an association prohibits or imposes a restriction on the number and term of rentals or charges a fee  
described in Subsection (9)(c), the association shall:  
236 (a) exempt the following from the prohibition, restriction, or fee:  
237 (i) a lot owner in the military for the period of the lot owner's deployment;  
238 (ii) a lot occupied by a lot owner's parent, child, or sibling;  
239 (iii) a lot owner whose employer has relocated the lot owner for two years or less;  
240 (iv) a lot owned by an entity that is occupied by an individual who:  
241 (A) has voting rights under the entity's organizing documents; and

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- 242 (B) has a 25% or greater share of ownership, control, and right to profits and losses of the entity; or  
244 (v) 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:
- 246 (A) the estate of a current resident of the lot; or  
247 (B) the parent, child, or sibling of the current resident of the lot;
- 248 (b) allow a lot owner who has a rental in the association before the time the rental restriction described  
in Subsection [(1)(a) is recorded with the county recorder of the county in which the association is  
located] (1) becomes effective to continue renting without a fee described in Subsection (9)(c) until:
- 252 (i) the lot owner occupies the lot;  
253 (ii) an officer, owner, member, trustee, beneficiary, director, or person holding a similar position of  
ownership or control of an entity or trust that holds an ownership interest in the lot, occupies the lot;  
or  
256 (iii) the lot is transferred; and  
257 (c) create, by rule or resolution, procedures to:  
258 (i) determine and track the number of rentals and lots in the association subject to the provisions  
described in Subsections (2)(a) and (b); and  
260 (ii) ensure consistent administration and enforcement of any rental prohibition, restriction, or fee.  
262 (3) For purposes of Subsection (2)(b)(iii), a transfer occurs when one or more of the following occur:  
264 (a) the conveyance, sale, or other transfer of a lot by deed;  
265 (b) the granting of a life estate in the lot; or  
266 (c) if the lot is owned by a limited liability company, corporation, partnership, or other business entity,  
the sale or transfer of more than 75% of the business entity's share, stock, membership interests, or  
partnership interests in a 12-month period.
- 269 (4) This section does not limit or affect residency age requirements for an association that complies  
with the requirements of the Housing for Older Persons Act, 42 U.S.C. Sec. 3607.
- 272 (5) A declaration of covenants, conditions, and restrictions or amendments to the declaration of  
covenants, conditions, and restrictions recorded before the transfer of the first lot from the initial  
declarant may prohibit or restrict rentals without providing for the exceptions, provisions, and  
procedures required under Subsection (2).
- 276 (6)  
(a) Subsections (1) through (5) do not apply to:

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- 277 (i) an association that contains a time period unit as defined in Section 57-8-3;
- 278 (ii) any other form of timeshare interest as defined in Section 57-19-2; or
- 279 (iii) subject to Subsection (6)(b), an association that is formed before May 12, 2009, unless, on or  
after May 12, 2015, the association:
- 281 (A) adopts a rental restriction or prohibition; or
- 282 (B) amends an existing rental restriction or prohibition.
- 283 (b) An association that adopts a rental restriction or amends an existing rental restriction or prohibition  
before May 9, 2017, is not required to include the exemption described in Subsection (2)(a)(iv).
- 286 (7) Notwithstanding this section, an association may restrict or prohibit rentals without an exception  
described in Subsection (2) if:
- 288 (a) the restriction or prohibition receives unanimous approval by all lot owners; and
- 289 (b) when the restriction or prohibition requires an amendment to the association's recorded declaration  
of covenants, conditions, and restrictions, the association fulfills all other requirements for  
amending the recorded declaration of covenants, conditions, and restrictions described in the  
association's governing documents.
- 293 (8) Except as provided in Subsection (9), an association may not require a lot owner who owns a rental  
lot to:
- 295 (a) obtain the association's approval of a prospective renter;
- 296 (b) give the association:
- 297 (i) a copy of a rental application;
- 298 (ii) a copy of a renter's or prospective renter's credit information or credit report;
- 299 (iii) a copy of a renter's or prospective renter's background check; or
- 300 (iv) documentation to verify the renter's age;
- 301 (c) pay an additional assessment, fine, or fee because the lot is a rental lot;
- 302 (d) use a lease agreement provided by the association; or
- 303 (e) obtain the association's approval of a lease agreement.
- 304 (9)
- (a) A lot owner who owns a rental lot shall give an association the documents described in Subsection  
(8)(b) if the lot owner is required to provide the documents by court order or as part of discovery  
under the Utah Rules of Civil Procedure.

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- (b) If an association's declaration of covenants, conditions, and restrictions lawfully prohibits or restricts occupancy of the lots by a certain class of individuals, the association may require a lot owner who owns a rental lot to give the association the information described in Subsection (8)(b), if:
- 311 (i) the information helps the association determine whether the renter's occupancy of the lot complies with the association's declaration of covenants, conditions, and restrictions; and
- 314 (ii) the association uses the information to determine whether the renter's occupancy of the lot complies with the association's declaration of covenants, conditions, and restrictions.
- 317 (c) An association that permits at least 35% of the lots in the association to be rental lots may charge a lot owner who owns a rental lot a fee of up to \$200 once every 12 months to defray the association's additional administrative expenses directly related to a lot that is a rental lot, as detailed in a notice described in Subsection (12).
- 321 (d) An association may require a lot owner who owns a rental lot and the renter of the lot owner's rental lot to sign an addendum to a lease agreement provided by the association.
- 324 (e) Before an association may charge a fee described in Subsection (9)(c), an association shall:
- 326 (i) provide notice to each lot owner in the association of a board meeting described in Subsection (9)(e)
- (ii) 15 days before the day on which the association holds the board meeting;
- 329 (ii) hold a board meeting to discuss and allow lot members to publicly comment on:
- 330 (A) the new administrative expenses that the association intends to cover using the funds from the fee; and
- 332 (B) the circumstances that require the association to impose or increase the fee; and
- 334 (iii) ensure that during the board meeting described in Subsection (9)(e)(ii), the board approves the fee by a majority vote.
- 336 (10) Notwithstanding Subsection (1)(a), an association may not restrict or prohibit the rental of an internal accessory dwelling unit, as defined in Section 10-21-101 or 17-80-101, constructed within a lot owner's residential lot, if the internal accessory dwelling unit complies with all applicable:
- 340 (a) land use ordinances;
- 341 (b) building codes;
- 342 (c) health codes; and
- 343 (d) fire codes.
- 344

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(11) The provisions of Subsections (8) through (10) apply to an association regardless of when the association is created.

346 (12) Within 30 days after the day on which the association imposes a fee described in Subsection (9)(c),  
an association shall provide to each lot owner impacted by the fee a notice describing:

349 (a) the new administrative expenses that the association intends to cover using the funds from the fee;  
and

351 (b) the circumstances that require the association to impose or increase the fee.

352 (13)

(a) A lot owner may contest a fee described in Subsection (9)(c) by providing to the association a written request that the association waive the fee if:

354 (i) the association fails to provide the notice described in Subsection (12) within 30 days after the  
day on which the association imposes the fee; or

356 (ii) the notice the association provides to the lot owner does not contain the information required in  
Subsection (12).

358 (b) If a lot owner contests a fee under this Subsection (13) by submitting a written request, an  
association of lot owners shall waive the fee if:

360 (i) the association does not provide the notice described in Subsection (12) to the lot owner; or

362 (ii) a notice provided by the association does not contain the information required in Subsection (12).

364 (14)

(a) A lot owner of a rental lot may designate, in a written notice to the association, a primary contact individual who is not the lot owner with whom the association may communicate as though the primary contact individual is the lot owner.

367 (b) If a lot owner designates a primary contact individual under this Subsection (14), the association  
shall provide the lot owner a written notice that confirms the association has changed the  
association's records to identify the primary contact individual designated by the lot owner.

1354 Section 13. Section 57-8a-212 is amended to read:

1355 **57-8a-212. Content of a declaration.**

1356 (1) An initial declaration [~~recorded on or after May 10, 2011~~] shall contain:

1357 (a) the name of the project;

1358 (b) the name of the association;

1359 (c) a statement that the project is not a cooperative;

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- 1360 (d) a statement indicating any portions of the project that contain condominiums governed by Chapter  
8, Condominium Ownership Act;
- 1362 (e) a statement that the project is governed by this chapter;
- 1363 [~~e~~] (f) if the declarant desires to reserve the option to expand the project, a statement reserving the  
option to expand the project;
- 1365 [~~f~~] (g) the name of each county in which any part of the project is located;
- 1366 [~~g~~] (h) a legally sufficient description of the real estate included in the project;
- 1367 [~~h~~] (i) a description of any limited common areas and any real estate that is or is required to become  
common areas;
- 1369 [~~i~~] (j) any restriction on the alienation of a lot, including a restriction on leasing; and
- 1370 [~~j~~] (k)
- (i) an appointment of a trustee who qualifies under Subsection 57-1-21(1)(a)(i) or (iv); and
- 1372 (ii) the following statement: "The declarant hereby conveys and warrants pursuant to U.C.A. Sections  
57-1-20 and 57-8a-302 to (name of trustee), with power of sale, the lot and all improvements to the  
lot for the purpose of securing payment of assessments under the terms of the declaration."
- 1376 (2) A declaration may contain any other information the declarant considers appropriate, including  
[~~any~~] a restriction on the use of a lot, the number of persons who may occupy a lot, or other  
qualifications of a person who may occupy a lot.
- 1379 (3) The location of a limited common area or real estate described in Subsection (1)(g) may be shown  
on a subdivision plat.
- 1381 (4)
- (a) Except as provided in Subsection (4)(b), a declaration, or an amendment to a declaration, may not  
vary the requirements of Section 57-8a-218 or Subsection 57-8a-218(1)(b)(ii).
- 1384 (b) A declaration, or an amendment to a declaration may vary the requirements of Subsections  
57-8a-218(1)(a), (b)(i) and (iii), 57-8a-218(2), 57-8a-218(6), and 57-8a-218(8) through (14).

1387 Section 14. **Effective date.**

Effective Date.

This bill takes effect on May 6, 2026.

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