

Effective 11/6/2025

57-8a-209 Rental restrictions.

- (1)
 - (a) Subject to Subsections (1)(b), (5), (6), and (10), an association may:
 - (i) create restrictions on the number and term of rentals in an association; or
 - (ii) prohibit rentals in the association.
 - (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.
 - (c) An association may establish, by rule, a minimum lease term of six months or less.
- (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:
 - (a) exempt the following from the prohibition, restriction, or fee:
 - (i) a lot owner in the military for the period of the lot owner's deployment;
 - (ii) a lot occupied by a lot owner's parent, child, or sibling;
 - (iii) a lot owner whose employer has relocated the lot owner for two years or less;
 - (iv) a lot owned by an entity that is occupied by an individual who:
 - (A) has voting rights under the entity's organizing documents; and
 - (B) has a 25% or greater share of ownership, control, and right to profits and losses of the entity; or
 - (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:
 - (A) the estate of a current resident of the lot; or
 - (B) the parent, child, or sibling of the current resident of the lot;
 - (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 to continue renting without a fee described in Subsection (9)(c) until:
 - (i) the lot owner occupies the lot;
 - (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
 - (iii) the lot is transferred; and
 - (c) create, by rule or resolution, procedures to:
 - (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
 - (ii) ensure consistent administration and enforcement of any rental prohibition, restriction, or fee.
- (3) For purposes of Subsection (2)(b)(iii), a transfer occurs when one or more of the following occur:
 - (a) the conveyance, sale, or other transfer of a lot by deed;
 - (b) the granting of a life estate in the lot; or
 - (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.
- (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.

- (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).
- (6)
 - (a) Subsections (1) through (5) do not apply to:
 - (i) an association that contains a time period unit as defined in Section 57-8-3;
 - (ii) any other form of timeshare interest as defined in Section 57-19-2; or
 - (iii) subject to Subsection (6)(b), an association that is formed before May 12, 2009, unless, on or after May 12, 2015, the association:
 - (A) adopts a rental restriction or prohibition; or
 - (B) amends an existing rental restriction or prohibition.
 - (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).
- (7) Notwithstanding this section, an association may restrict or prohibit rentals without an exception described in Subsection (2) if:
 - (a) the restriction or prohibition receives unanimous approval by all lot owners; and
 - (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.
- (8) Except as provided in Subsection (9), an association may not require a lot owner who owns a rental lot to:
 - (a) obtain the association's approval of a prospective renter;
 - (b) give the association:
 - (i) a copy of a rental application;
 - (ii) a copy of a renter's or prospective renter's credit information or credit report;
 - (iii) a copy of a renter's or prospective renter's background check; or
 - (iv) documentation to verify the renter's age;
 - (c) pay an additional assessment, fine, or fee because the lot is a rental lot;
 - (d) use a lease agreement provided by the association; or
 - (e) obtain the association's approval of a lease agreement.
- (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.
 - (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:
 - (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
 - (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.
 - (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).

- (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.
- (e) Before an association may charge a fee described in Subsection (9)(c), an association shall:
 - (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;
 - (ii) hold a board meeting to discuss and allow lot members to publicly comment on:
 - (A) the new administrative expenses that the association intends to cover using the funds from the fee; and
 - (B) the circumstances that require the association to impose or increase the fee; and
 - (iii) ensure that during the board meeting described in Subsection (9)(e)(ii), the board approves the fee by a majority vote.
- (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:
 - (a) land use ordinances;
 - (b) building codes;
 - (c) health codes; and
 - (d) fire codes.
- (11) The provisions of Subsections (8) through (10) apply to an association regardless of when the association is created.
- (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:
 - (a) the new administrative expenses that the association intends to cover using the funds from the fee; and
 - (b) the circumstances that require the association to impose or increase the fee.
- (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:
 - (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
 - (ii) the notice the association provides to the lot owner does not contain the information required in Subsection (12).
 - (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:
 - (i) the association does not provide the notice described in Subsection (12) to the lot owner; or
 - (ii) a notice provided by the association does not contain the information required in Subsection (12).
- (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.
 - (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.

Amended by Chapter 15, 2025 Special Session 1