

H.B. 243

RENTAL RESTRICTIONS ON CONDOMINIUMS AND COMMON INTEREST COMMUNITIES

HOUSE FLOOR AMENDMENTS

AMENDMENT 1

FEBRUARY 2, 2009

8:09 AM

Representative **Gage Froerer** proposes the following amendments:

1. *Page 1, Lines 10 through 11:*

10 This bill modifies the powers of ~~{a condominium association or common interest~~
11 ~~community}~~ an association of unit owners or association to create rental restrictions.

2. *Page 1, Lines 14 through 20:*

14 ► modifies the powers of ~~{a condominium association or common interest community}~~
15 an association of unit owners or association to:
16 • create reasonable restrictions on the number and terms of rental units or lots ;
17 • include rental restrictions in the ~~{association or community~~
~~declaration}~~ association of unit owners' declaration or association's governing
documents ;
18 • include a hardship exemption in the rental restrictions;
19 • include a grandfather clause for existing rental units or lots ; and
20 • create procedures to track the number of rental units or lots ; and

3. *Page 12, Lines 350 through 357:*

350 (14) (a) ~~{A condominium association}~~ Except for a declaration governing a condominium
project containing a time period unit or any other form of timeshare interest as defined in Section 57-19-
2, an association of unit owners, by amendment to the declaration, may create reasonable restrictions on
the number

351 and term of rentals in a condominium project.

352 (b) If ~~{the restrictions prohibit the rental of units,}~~ restrictions are imposed on the number
and term of rentals, ~~{prohibit the rental of units,}~~ the restrictions:

353 (i) ~~{may not restrict less than 10% of the units}~~ shall allow a minimum of 20% of the units
to be rentals ; and

354 (ii) shall be included in the declaration required by this section.

355 (c) ~~{Restrictions}~~ If restrictions are imposed on the number and term of rentals , the
restrictions shall include:

356 (i) a hardship exemption that ~~{allows an association}~~ requires an association of unit owners
to exempt from the rental

357 restrictions an owner suffering from hardship, including:

4. *Page 12, Line 363:*

363 (ii) a grandfather clause allowing all owners who have rentals in the ~~{community}~~ condominium project, before

5. *Page 13, Line 372:*

372 (i) conveyance, sale, or other transfer of ~~{the}~~ a unit by deed;

6. *Page 16, Line 492 through Page 17, Line 498:*

492 (1) (a) ~~{A common interest community}~~ Except for governing documents governing an association project containing a time period unit as defined in Section 57-8-1 or any other form of timeshare interest as defined in Section 57-19-2, an association, by amendment to the governing documents, may create reasonable restrictions on the

493 number and term of rentals in the ~~{community}~~ association.

494 (b) If ~~{the restrictions prohibit the rental of units}~~ restrictions are imposed on the number and term of rentals, the restrictions:

495 (i) ~~{may not restrict less than 10% of the units}~~ shall allow a minimum of 20% of the lots to be rentals; and

496 (ii) shall be included in ~~{a declaration}~~ the governing documents.

497 (2) ~~{Restrictions}~~ If restrictions are imposed on the number and term of rentals , the restrictions shall include:

498 (a) a hardship exemption that ~~{allows}~~ requires an association to exempt from the rental

7. *Page 17, Lines 505 through 511:*

505 (b) a grandfather clause allowing all owners who have rentals in the ~~{community}~~ association, before

506 the time the rental restriction is recorded with the county recorder of the county in which the

507 ~~{condominium project}~~ association is located, to continue renting until the owner transfers the ~~{unit}~~ lot; and

508 (c) procedures to:

509 (i) determine and track the number of rentals in ~~{a common interest community}~~ an association;

510 (ii) identify the ~~{units}~~ lots that are grandfathered ~~{units}~~ lots; and

511 (iii) ensure fair administration of the rental restrictions.

8. *Page 17, Lines 514 through 516:*

- 514 (a) conveyance, sale, or other transfer of {~~the unit~~} a lot by deed;
- 515 (b) the granting of a life estate in the {~~unit~~} lot ; or
- 516 (c) if the {~~unit~~} lot is owned by a limited liability company, corporation, partnership, or