

Sand Hollow Resort Home Owners Association Nightly Rental Rules and Policies

(Amended and Restated ____, 2017)

1. PURPOSE AND INTENT:

The purpose of these Nightly Rental Rules and Policies is to promote the health, safety and general welfare of the residents of the Sand Hollow Resort (the "Resort") by establishing zoning regulations and zoning standards for short term leases of residential properties in within the Resort so as to ensure:

1. Protection of the environment of the Resort, including use compatibility among the various neighborhoods, existing residences and amenities and facilities;
2. Preserving the existing character and property values of the Resort by assuring appropriate uses;
3. Establishment of appropriate governance procedures to plan and oversee short term leases of residential properties to promote the interests and welfare of the Resort; and
4. Promote peace and safety within neighborhoods of the Resort.

Capitalized terms not otherwise defined herein shall be as defined in the Master Declaration of Sand Hollow Resort.

2. APPLICABILITY AND AUTHORIZATION OF SHORT TERM RENTALS:

These Nightly Rental Rules and Policies apply to Short Term Rentals within the following neighborhoods of the Resort: The Vacation Villas and The Retreat (the "Authorized Short Term Rental Neighborhoods"). The Dunes neighborhoods prohibits short term rentals at anytime.

"Short Term Rental" means the authorized occupancy of a residence by someone other than the owner within the Resort (by lease or otherwise) where the term of occupancy is for twenty nine (29) consecutive calendar days or less, for direct or indirect remuneration.

Short Term Rental of a residence is authorized subject to compliance with these Nightly Rental Rules and Policies within the Authorized Short Term Rental Neighborhoods. Short Term Rental of a residence is prohibited for any other neighborhood of the Resort. Any Owner offering a unit or room for Short Term Rental within an Authorized Short Term Rental Neighborhood may have its privilege or authorization to engage in Short Term Rental revoked for violation of these Rules, as determined by the Master Association.

3. REQUIRED PROCEDURES PRIOR TO OFFERING UNIT FOR SHORT-TERM RENTAL

Any Owner within an Authorized Short Term Rental Neighborhood, prior to offering a unit or room for Short Term Rental, must first comply with the following:

1. Provide to the Master Association a copy of the Owner's business license required by Hurricane City Ordinance Section 3-2V-1(A).

2. Provide to the Master Association a copy of the agreement between Owner and a Master Association Approved Short Term Rental Management Company.

3. Complete and provide to the Master Association the Short-Term Rental Information Package in form required by the Master Association and pay the initial application and inspection fee of \$_____.

4. Pass an inspection by the Master Association to verify compliance with these Rules.

5. Pass a fire inspection with the Hurricane Valley Fire Marshall

6. Be properly insured for nightly rentals and hold a 1 million liability policy.

Applicability to existing Units – Existing Units within the Resort shall have until August 1, 2017 to comply with these requirements.

4. LOCAL ON-SITE MANAGER REQUIRED:

Any Owner within an Authorized Short Term Rental Neighborhood must designate and retain a local on-site property management company approved by the Sand Hollow Resort Master Owners Association (the "Master Association"). To receive approval from the Master Association, the local property management company must:

1. Maintain an office located within the Resort that remains continuously open and staffed during the hours of _____ to _____ on each day that while guests are registered or present.

2. Be available twenty four (24) hours per day to respond to Master Association, tenant and neighborhood questions or concerns.

3. Comply with all city and state regulations and ordinances, including but not limited to, business license, sales tax, transient room tax (or any other hospitality tax), rental application and any other compliance rules and regulations.

The Master Association Approved Short Term Rental Management Company is as of the date hereof:

E.R.V.V. 5662 W Clubhouse Dr., Hurricane, Utah 84737 435.656.4653 (contact Adam Jaspersen)

Each Short Term Rental property shall have a clearly visible sign within the unit containing the following the name and phone number of the Approved Short Term Rental Management Company, and the maximum occupancy of the unit, and the day of garbage pick-up.

5. DISCLOSURE OF AVAILABLE ROOMS:

Each Owner offering a unit or room for Short Term Rental shall disclose to the Master Association and Approved Short Term Rental Management Company the current number of rooms available and/or held out for public accommodation or, in the event the entire Unit is offered for Short Term Rental, the total number of people the Unit can safely accommodate. Any changes in the number of such available rooms or accommodation of guests must be reported within 72 hours to the Master Association and Approved Short Term Rental Management Company.

6. GUEST REGISTER:

Each Owner shall conduct all Short Term Rental activity through the Approved Short Term Rental Management Company, and cooperate in a manner sufficient to allow the Approved Short Term Rental Management Company to maintain a register of all guests with the following information about each guest for which the Short Term Rental affords accommodations:

- Name and permanent address.
- Number of guests.
- Dates of arrival and departure.
- License plate number, state of licensure, make, type and color of all motor vehicles.
- Verification of a form of picture identification, including, but not limited to, driver's license, passport, or state issued identification card showing current name, address, and age of person registering.

7. OCCUPANCY:

It shall be unlawful for any Short Term Rental Unit to be occupied by a greater number of persons than that which it is designed or furnished to accommodate. Occupancy of the property will be the lesser of the following: Hurricane Valley Fire Marshal and/or HOA Board. The HOA Board determines occupancy by multiplying the number of parking stalls available in the driveway and garage by (4) four.

8. RESPONSIBILITY FOR GUESTS:

No Short Term Rental Unit shall be rented or registered to any person under the age of eighteen (18) years. Each Owner offering a unit or room for Short Term Rental is responsible for each guest and actions of said guest, including any violation by such guest of these rules, the Master Declaration, any applicable Neighborhood Declaration, or any corresponding rules and regulations of the Master Association or any applicable Neighborhood Association.

9. LENGTH OF STAY:

No Short Term Rental Unit shall be occupied by a guest or tenant for more than thirty (30) consecutive days.

10. SANITARY FACILITIES:

Each Owner offering a unit or room for Short Term Rental shall comply with the following:

1. Ensure that the Short Term Rental Unit complies with the minimum rules established by the Utah Department of Health (including rules regarding smoking).
2. Ensure that the Short Term Rental Unit provides to the guest a minimum of the following.

A complete operable bathroom, including a flush toilet, sink, and bath or shower; a complete operable kitchen, including sink, fridge, oven, and stove.

For each guest, an adequate daily supply of at least the following sanitary supplies:

- Hot and cold running water
- Soap
- Clean Towels
- Toilet paper
- Clean linen

3. Ensure that the Short Term Rental Unit is cleaned after the departure of each guest and before the arrival of any subsequent guest.

11. INSPECTIONS:

Each Owner offering a unit or room for Short Term Rental shall comply (and ensure that such Owner's Unit complies) and cooperate with any fire, land use, code enforcement, building, health, or other inspection conducted by municipal officials, with or without notice. An inspection of a rental property for compliance with these regulations can be performed with twenty-four (24) hour notice to the owner or operator, if deemed necessary by the Master Association.

12. DUTY TO REPORT:

Each Owner offering a unit or room for Short Term Rental shall report promptly to Master Association any violations of the Master Declaration, a Neighborhood Declaration, or other Master Association rules or any violation of law which he or she has reason to believe was or is being committed on the premises.

13. PARKING:

Required parking areas and access to parking areas shall be maintained and available for use at all times. The number of available bedrooms must not exceed the number of available parking stall in the driveway and/or garage. Parking for this use shall be contained on the site, and must be in accordance with City ordinances, the Master Declaration, and Master Association rules and regulations.

14. NOISE:

Each Owner offering a unit or room for Short Term Rental shall ensure that guests or occupants do not:

- Operate or use outdoor pools, hot tubs or spas between the hours of eleven o'clock (11:00) P.M. and six o'clock (6:00) A.M.
- Create noises that by reason of time, nature, intensity or duration are out of character with noises customarily heard in the surrounding residential neighborhood.
- Disturb the peace of surrounding residential property residents.
- Interfere with the privacy of or trespass onto surrounding residential properties.
- Engage in any disorderly or illegal conduct, including illegal consumption of drugs and alcohol.

A sign informing guests of all regulations shown above must be posted in a prominent location in the Unit or room offered for Short Term Rental.

15. COMPLIANCE WITH CITY ORDINANCES AND LICENSES AND STATE LAWS:

If and to the extent applicable, each Owner offering a unit or room for Short Term Rental shall comply with Hurricane City Ordinance Section 3-10-11 (titled "Short Term Vacation Rental").

16. FINES AND PENTALTIES:

Rule Violation	Fine Amount
Offering or renting Unit for Short-Term Rental Prior to compliance with requirements of Section 3 above:	\$750 <u>per occurrence</u>
Renting Unit for Short-Term Rental without utilizing Master Association Approved Short Term Rental Management Company	\$500 <u>per occurrence</u>
Failure to disclose the current number of rooms available and/or held out for public accommodation or, in the event the entire Unit is offered for Short Term Rental, the total number of people the Unit can safely accommodate	\$100 <u>per occurrence</u>
Failure to properly maintain guest register	\$100 if unintentional (intentional misrepresentation of number of guests \$1,000 fine)
<u>Advertised</u> Occupancy of Short-Term Rental Unit by greater number of persons than that which it is designed or furnished to accommodate.	\$250 per person over the number for which the Unit is designed or furnished to accommodate (e.g. if the Unit is designed or furnished to accommodate 6 people, and 10 people occupy the Unit, then the fine will be \$1,000).
Failure to comply with the minimum rules established by the Utah Department of Health (including rules regarding smoking).	\$250 <u>per occurrence</u>
Failure to provide the minimum sanitary facilities and items required by Section 10 subitem 2 above	\$250 <u>per occurrence</u>
Failure to clean the Short Term Rental Unit is cleaned after the departure of a guest or before the arrival of any subsequent guest	\$250 <u>per occurrence</u>
Failure to provide or allow an inspection of a rental property for compliance with these regulations as required by Section 11 above	\$50 per day delay in permitted inspection
Parking violations	\$125 per vehicle per violation
Operate or use outdoor pools, hot tubs or spas after eleven o'clock (11:00) P.M. and before six	\$125 per person per violation
Noise violation - create noises that by reason of time, nature, intensity or duration are out of character with noises customarily heard in the surrounding residential neighborhood	\$125 per occurrence
Interfere with the privacy of or trespass onto surrounding residential properties	\$750 per occurrence
Disturb the Peace of surrounding residential property residents	\$750 per occurrence
Engage in any disorderly or illegal conduct, including illegal consumption of drugs and alcohol	\$750 per occurrence

A violation of these rules may also result in revocation of unit nightly rental privileges.

17. EFFECTIVE DATE:

These Amended and Restated Nightly Rental Rules and Policies are adopted by the Board pursuant to its rulemaking authority found in Section 2.8 of the Master Declaration and are effective as of _____ 2017 and at that time amend and restate the prior Nightly Rental Rules and Policies. The Nightly Rental Rules and Policies may be further amended by the Board pursuant to its rulemaking authority found in Section 2.8.