

## OLIVIA A. GENTRY, ESQ.

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## Somerset Village

Re: Proposed Amended CC&Rs and Bylaws

Dear Members of The Somerset Village, Inc.,

I hope this letter finds you well. My office serves as legal counsel to The Somerset Village, Inc., a Utah nonprofit corporation ("Association"). My law firm and I specialize in community association law and represent hundreds of homeowner and condominium associations throughout Utah.

Over the past few months, I have been working with the Association in updating the Association's current governing documents, which include the:

- "Declaration of Covenants, Conditions and Restrictions of Somerset Village Gated Community", as amended, recorded in the office of the Utah County Recorder on July 9, 2002, as Entry No. 76406:2006; and the
- "Bylaws of Somerset Village HOA", as recorded in the office of the Utah County Recorder on February 22, 2024, as Entry No. 11070:2024.

Copies of the foregoing documents can be obtained from Association management.

Enclosed herewith, you will find the updated proposed Amended CC&Rs (titled, "Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Somerset Village"), and Amended Bylaws (titled, "Bylaws of The Somerset Village, Inc.") (referred to collectively as the "Amended Documents"). The Amended Bylaws are Exhibit B to the Amended CC&Rs. At this time, the Board believes that the updated drafts of the Amended Documents are ready for an official Association vote. An affirmative vote from at least 51% of the Association's voting interests will be required to approve the proposed Amended Declaration, and a majority vote of the Association's total interests is required to approve the proposed Amended Bylaws.

The Board encourages your approving vote. The proposed Amended Documents are greatly improved over the current governing documents.

The following are key highlights of the Amended Documents:

Legislative and Legal Changes. In addition to the Association's governing documents, the Association is subject to the Utah Community Association Act (found at U.C.A. §57-8a-101 et seq.) ("Act") and the Utah Revised Nonprofit Corporation Act (found at U.C.A. §16-6a-101 et seq.). Some portions of these legislative acts were drafted to automatically trump an HOA's governing documents. This can lead to confusion because Owners may review and rely on the CC&Rs unknowing that a particular provision has been superseded by statute. It is prudent for an Association to update its governing documents as laws change to eliminate confusion and to keep them in conformity with applicable laws.

**Alignment of CC&Rs & Bylaws**. The current CC&Rs and Bylaws were filed nearly two decades apart; thus, they are lacking in alignment which could cause confusion. The Amended CC&Rs and Bylaws are properly aligned and will aid in the governance of Somerset Village.

**Removal of Obsolete Declarant References**. The obsolete provisions regarding the Declarant (the original developer entity of Somerset Village) and its authority were removed to streamline the provisions of the Amended CC&RS and prevent confusion moving forward.

**Maintenance**. One of the most important functions of an association is the maintenance of property. The Amended CC&RS were drafted to add clarity to the division of responsibility between the Owners and the Association. See for example the Maintenance Allocation Chart located at Exhibit C.

**Technology**. The Amended CC&Rs and Bylaws take advantage of more recent changes in legislation designed to utilize technological advances. This includes meeting attendance through electronic means, and also the ability to send notices through email, text message, use of an Association website, and so forth as allowed by the Act. This saves the Association time and money in copying, administrative, and mailing charges.

**Collection of Unpaid Assessments**. Assessments are the lifeblood of any HOA. The Association's ability to timely collect unpaid assessments is critical. The Amended CC&Rs allow the Association to take advantage of all remedies allowed by applicable laws in the collection of delinquent assessments.

**Rental Restriction**. The Amended Declaration includes some protections to better prevent investment entities from purchasing units and changing the culture of the project as one primarily occupied by owners as opposed to one primarily occupied by tenants. The Amended Declaration includes a rental cap of 25% of the Livings Units with some statutorily required exemptions. Existing rentals are grandfathered under the proposed rental cap.

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Enclosed herewith is also a ballot that will be used for the voting of the proposed Amended CC&Rs and Bylaws. Instructions on how and where to return the ballot are providing thereupon.

Thank you very much for you time and attention. If you have any questions or concerns, please contact a member of the Board or Association management. Otherwise, we look forward to receiving your ballots.

Sincerely,

**MILLER HARRISON LLC** 

Olivia A. Gentry