

Taken directly from our CC&R's (Covenants, Conditions and Restrictions)

## ARTICLE 7 RENTING OR LEASING

7.1 Requirements for Renting. An Owner renting his or her Lot shall: (a) do so pursuant to a written lease or rental agreement. The lease or rental agreement shall expressly provide that (i) its terms are subject to all of the provisions of the Governing Documents, (ii) failure of the tenant, members of the tenant's household, invitees, or guests to comply with applicable provisions of the Governing Documents shall constitute a default under the terms of such lease or rental agreement; and (iii) in the event of any such default, the Association shall be entitled to maintain an eviction action against the tenant to the same extent as the Owner of the Lot, the Association being deemed to be a third party beneficiary under such lease or rental agreement, as provided in Section 7.5 ("Association as Third Party Beneficiary"); (b) file a copy of the signed lease or rental agreement, including the name of each tenant and of the members of the tenant's household, with the Board. The Owner may redact or blackout the financial terms (i.e., the amount of rent and security deposit) from the copy provided to the Board; and (c) provide the tenant(s) with a copy of the Governing Documents and any subsequent changes thereto.

7.2 **No Transient Rentals.** With the exception of a lender in possession of a Lot following a default in a First Mortgage, a foreclosure proceeding, or any deed or other arrangement in lieu of foreclosure, no Owner shall be permitted to lease his or her Lot for transient or hotel purposes, which shall include, but is not limited to, rental for any period less than thirty (30) days or any rental where the occupant of a Dwelling is provided customary hotel services such as room service for food and beverage, maid service, periodic furnishing of clean bed linen and towels, laundry service, and bellboy services.

7.3 **Rental of Entire Lot.** No Owner shall rent or lease less than the entire Lot. The preceding sentence is intended to prohibit the operation of a rooming house or similar operation within the Development. No garage, accessory building, or other facility shall be rented, leased, or hired to anyone who does not have the right of possession of the entirety of the principal building on the Lot. This Section 7.3 is not intended to prohibit a Resident (Owner) from sharing his or her Lot or Dwelling with a roommate or other person(s) with whom the Owner maintains a common household.

7.4 Implementation. Upon request from the Board after this Declaration is recorded, each Owner then renting or leasing a Lot shall provide to the Board such information as the Board may reasonably require to implement the provisions of this Article 7 including but not limited to the names of the tenants and the members of the tenants' household and the duration of the lease and/or a copy of the signed lease. Any rental or leasing of a Lot commencing after this Declaration is recorded and the renewal of a tenancy in effect on the date this Declaration is recorded shall be pursuant to a

written lease or rental agreement in accordance with Section 7.1 ("Requirements for Renting").

7.5 Association As Third Party Beneficiary. Notwithstanding the failure of an Owner to comply with the requirements of Section 7.1 ("Requirements for Renting"), and whether or not it is so stated in a written contract or other agreement between such Owner and such tenant, the Owner and the tenant of any Lot subject to this Declaration shall be conclusively deemed to have agreed that the Association is an intended third party beneficiary to the contract between the Owner and the tenant; that failure of the tenant, members of the tenant's household, tenant's invitees, or guests to comply with applicable provisions of the Governing Documents shall constitute a breach of the terms of the contract between the Owner and the tenant; and that the Association shall have the right but not the obligation to enforce the contract and to pursue every remedy available under the contract, under this Declaration including but not limited to the rights granted pursuant to Section 9.19 ("Assignment of Rents as Security for Payment"), or under the law. This Section 7.5 shall apply to any tenancy commencing or extended or renewed after the date this Declaration is recorded.

7.6 Indemnification Regarding Tenant's Actions. Each Owner leasing or renting a Lot shall be strictly responsible and liable to the Association for the actions of such Owner's tenant(s) in or about all Dwellings, Lots, and Common Area and for each tenant's compliance with the provisions of the Governing Documents. To the fullest extent permitted by law, every Owner of a Lot that is occupied by persons other than the Owner pursuant to a rental agreement or lease or otherwise, agrees to and shall indemnify and defend the Association, its officers, directors, employees, and agents and shall hold them harmless from and against any cost, loss, claim, or damages of any kind, arising out of the conduct or presence of the occupants of the Lot upon the Development, including but not limited to attorneys' fees, any claims for consequential damages, and any claims arising or alleged to arise out of the enforcement or nonenforcement by the Association of the Governing Documents with respect to such occupants. Any amounts owed pursuant to this Section 7.6 may be assessed as a Reimbursement Assessment.