

## Leasing Restrictions

**THE PRESENT WORDING OF ARTICLE 5 (PROHIBITING TEMPORARY RESIDENCES) IS MOVED TO ARTICLE 2 OF THE COVENANTS, AND ARTICLE 5 IS HEREBY REPLACED WITH THE FOLLOWING:**

LEASING. Notwithstanding Article 2 above, Any Owner shall have the right to lease or allow occupancy of a Lot upon such terms and conditions as the Owner may deem advisable, subject to the restrictions of these Covenants, subject to restrictions of record and subject to the following:

(1) "Leasing" or "Renting", for the purposes of these Covenants, is defined as regular, exclusive occupancy of a Lot by any person other than the Owner; and any occupancy for profit where the occupants are provided with any lodging services, such as food and beverages, maid service, furnishing laundry and linen, and/or recreational amenities. However, for the purposes of these Covenants, leasing shall not include the occupancy of the Lot by the child or parent of an Owner; and occupancy by a roommate of an Owner who occupies the Lot as such Owner's primary residence shall not constitute leasing.

(2) No part of any Lot or Tract shall be leased, occupied or rented unless the following conditions are met:

- (a) The initial term of any lease or other rental arrangement shall be at least three (3) months in initial duration, and thereafter, no lease extension or rental arrangement shall be for any period of less than thirty (30) continuous, consecutive days;
- (b) Rental or occupancy for profit for short-term (i.e. less than an initial term of three (3) months and month-to-month thereafter), time-sharing, transient, bed-and-breakfast or vacation-type rentals, licenses, or hotel-type purposes is prohibited;
- (c) No Owner may lease less than his entire Lot;
- (d) Subleasing, meaning the leasing or rental of a leased Lot from the Tenant under the lease to another person, is prohibited;
- (e) All leases shall be in writing;
- (f) All leases shall provide that the terms of the lease, and the Tenant's occupancy of the Lot, shall be subject in all respects to the provisions of the Association's Covenants and its Rules; and
- (g) The Association's Board may require that an Owner submit a copy of each lease or occupancy agreement to the Board, and to enforce it against the Tenant.

- (3) Owners are required to provide Tenants with copies of the current Covenants, Articles of Incorporation, Bylaws and any Rules of the Association.
- (4) Each Owner who leases his or her Lot shall provide the Association, upon request, a copy of the current lease and Tenant information, including the names of all occupants, vehicle descriptions (including license plate numbers), number and type of pets, and any other information reasonably requested by the Association or its agents.
- (5) Each Owner is strongly encouraged to conduct full background checks, including credit and criminal reports, for each lease applicant.
- (6) All occupancies, leases and rental agreements of Lots shall state that the failure of the Tenant, lessee, renter or their guests to comply with the terms of the Association Documents shall constitute a default of the occupancy, lease or rental agreement and of these Covenants and such default shall be enforceable by either the landlord or the Association, or by both of them.
- (7) All occupancies or rentals of Lots shall be subject to the right of the Association to remove and/or evict the occupant for failure to comply with the terms of the Covenants, the Bylaws of the Association, the Articles of Incorporation, or the Rules of the Association.
- (8) If the Association requests that the Owner evict the Owner's Tenant based on the terms of these Covenants, and the Owner fails to commence such action within thirty (30) days of the date of the Association's request and notice, the Association may commence eviction proceedings. Upon failure by the Owner to comply with the Association's request to evict, the Owner delegates and assigns to the Association, acting through the Board, the power and authority to evict the lessee as attorney-in-fact on behalf of and for the benefit of the Owner. If the Association evicts the lessee, any costs, including, but not limited to, reasonable attorney fees actually incurred and court costs associated with the eviction shall be an Assessment and lien against the Lot.
- (9) All Owners who reside at a place other than the Lot shall provide to the Association an address and phone number(s) where the Owner can be reached in the case of emergency or other Association business. It is the sole responsibility of the Owner to keep this information current.
- (10) Enforcement. The Owner shall be responsible for the conduct of any and all occupants and guests at the Lot, including the Tenant and the Tenant's family, guests and others on the premises with the Tenant's consent ("Tenant's Guests") in order to assure their compliance with the Association's Covenants and Rules and shall indemnify and hold the Association harmless from failure to comply by such occupants or guests. Owner and Tenant agree that violation by the Tenant or

Tenant's Guests of the Association's Covenants or Rules shall constitute a default under the Tenant's lease and may also subject the Owner and Tenant to a fine and other remedies set forth in the Association's Covenants and Rules. The Tenant and the Owner shall be jointly and severally liable for all fines, reasonable attorney fees and loss or damage sustained by the Association as a result of the acts or omissions of Tenant or Tenant's Guests.

- (11) Further Rules. The Board may, in its sole discretion, adopt, amend, repeal and enforce any and all Rules which the Board may deem necessary or desirable with respect to the enforcement, interpretation, or implementation of the Covenants, this Amendment or any other Amendment. Any such Rules shall be reasonable and fairly applied, as determined by the Board in its sole discretion, and shall be effective upon adoption by resolution of the Board. Each Owner, family member, Tenant, or other person or party within the Property shall comply fully and strictly with the Rules. The Rules shall have the same force and effect as if they were originally set forth in and were part of the Covenants, and shall be deemed incorporated therein. Each Rule shall be presumed to be valid and not in conflict with the Covenants.