

Criteria - Approval/Disapproval Procedure Involving Rentals, Leases,
and
Other Occupancy

In order to insure a community of congenial residents and occupants and protect the value of the Units and to further the continuous harmonious development of the community, the leasing, rental, and/or new occupancy of a Lot and/or Home shall be subject to the following provisions:

A. Leases – Tenancies – Other Occupants -- Prior to allowing a prospective tenant, lessee, or occupant other than an owner or a family member of an owner to occupy (family member defined as a spouse, child, parent, brother or sister) any Home to any other person, the owner shall notify the Board of Directors of the Association, in writing, of the name and address of the person to whom the proposed occupancy is to be made and furnish such other information as may be required by the Board of Directors of the Association. . Within 30 days from receipt of said notification, the Board of Directors of the Association shall either approve or disapprove the proposed lease and/or occupancy, and shall notify the owner of its decision. In the event the Board of Directors shall fail to approve or disapprove the proposed lease and/or new occupancy within 30 days of receipt of the entire completed application and any application fees related thereto, the failure to act as aforesaid shall be considered approval of the occupancy. The lack of a formal lease between the owner and the proposed occupant, except for family members as defined above, shall not excuse the Home and owner and proposed occupant to comply with the conditions set forth herein. The Board of Directors may determine that an applicant/occupant fails to qualify for occupancy in the Association because of any one of the following reasons:

- (i) The Association shall have the right to approve or disapprove of any and all tenants and occupants. All completed applications for initial and renewal leases must be submitted to the then existing property manager of the Association at least thirty (30) days prior to the actual lease commencement or renewal date as set forth in the written lease and submission of the then existing application fee as determined by the Board of Directors;
- (ii) The Association shall have thirty (30) days to review and make a decision as to the approval or denial of a complete application submitted to the Association;
- (iii) If a complete application and all requested additional information are not received at least five (5) days prior to the lease commencement date or renewal date, the application will be denied automatically denied;
- (iv) The following criteria (v) – (x) below must be fully and unequivocally satisfied as reasonably determined by the Association for all initial and renewal lease approvals:
- (v) Owner must be current with regard to all assessments, maintenance, dues, fines, attorneys' fees, and/or any other monetary obligations to the Association. The Owner's lot must not be the subject of an existing mortgage or lien foreclosure

action and not be currently in violation of any of the Association's rules, regulations, the Declaration of Condominium; or

- (vi) No prospective tenant or occupant may have a history of any felony convictions of any sort involving a crime of dishonesty, violence, or a crime of moral turpitude within the past ten (10) years as involving any prospective tenant or occupant; or
- (vii) Any prospective tenant or occupant must not be on the sex offender list; or
- (viii) As involving any prospective tenant or occupant such person(s) must not have been the subject of a prior eviction action within the past ten (10) years whereby a judgment of eviction was issued from a court of competent jurisdiction as a direct result of the prospective tenant or occupant being evicted/removed from a prior property because of criminal conduct at the property, the destruction of property, or other such significant nuisance violation at the prior property; and
- (ix) Each renewed lease term shall require the parties make application and seek a new approval procedure from the Association. As involving "renewals of leases", the application for renewal will not be granted if any of the following has occurred: (i) the existing tenants or occupants which are the subject of the application for lease renewal or other such occupancy has engaged in criminal activity as evidenced by an arrest, conviction, or plea arrangement during the past yearly rental period (ii), or any guest or invitee of the owner or the tenant or occupant has engaged in criminal activity at the Home or within the Association, (iii) any one of the existing tenants or occupants which are the subject of the application for lease renewal or other such occupancy have engaged in any conduct which constitutes a violation of the governing documents of the Association; and/or (iv) the Owner is delinquent with regard to any portion of the Association or any sub-Association's assessments, maintenance, dues, fines, attorneys' fees, and/or any other monetary obligations to the Association; and
- (x) The Association may commence eviction proceedings as against existing tenants and/or occupants if such tenants and/or occupants are found to have committed acts of property damage resulting in the destruction of the Association's common area property or have behaved in a manner which constitute a "nuisance" at the Association community, or moved into a property without first being approved by the Association or continue to reside in a property beyond a lease term without having any such renewal of the lease approved by the Association. All attorneys fees and costs incurred by the Association seeking removal of such persons from a Home, including pre-litigation and actual litigation attorneys fees and costs are recoverable directly from the Owner and shall constitute a special assessment collectible in the same manner from the Owner as all other assessments due from the Owner including the right to file a Claim of Lien on the Owner's Home and Lot and foreclose on such Claim of Lien.

B. Additional Requirements – Leases – Tenancies – Other Occupants

- (i) No lease or tenancy of any Home shall be for less than six (6) months and no Home may be leased more than twice in a twelve (12) month period.
- (ii) No Home may be leased out or licensed by way of Air/BNB, VRBO, or any other similar service.
- (iii) Separate and apart from an approved tenant/lessee, no Home shall be occupied by any person other than the approved occupant, hence no “boarders” or unapproved occupants may occupy a Home at any time.
- (iv) All adult family members of tenants/lessee shall be deemed a tenant/lessee for all purposes and shall be subject to the same approval process as the person identified on the proposed lease. “Adult family members” are defined as spouses, children, parents, brothers and/or sisters, brother-in-law or sister-in-law.
- (v) No more than one family unit may occupy a Home at any one time. No rooms within the Home may be separately leased or sub-leased.
- (vi) Each and every lease application must be accompanied by a completed and signed Uniform Lease Addendum (the form of which is attached hereto), executed by each Owner of the subject property as well as each prospective tenant occupant, which is a condition precedent to the Association considering approval of the proposed Lease.