

ADDENDUM TO LEASE OF RESIDENTIAL UNIT

UNIT # _____

Pursuant to Section XIII of the Declaration of Covenants, Conditions and Restrictions and Reservation of Easements ("**Declaration**") for the Century Plaza Hotel Residences Owners Association ("**Association**"), _____, the Residential Owner of Unit # _____ ("**Lessor**") and _____ ("**Lessee**") agree to the following terms and conditions:

The Lessor is renting his or her Unit pursuant to a written lease or rental agreement, for a term of not less than thirty (30) days, subject to the provisions of the Declaration and the following additional requirements applicable to leasing of Units by Residential Owners:

1.1 Lease Addendum. This addendum to the lease (the "**Lease Addendum**") shall be signed by the Residential Owner and Lessee and returned to the Association for its approval (with a copy provided to the Hotel Owner) prior to the signing of the lease and prior to Lessee's occupancy of the Unit. The Lease is subject to the following terms:

- (a) Lessee(s) acknowledges and agrees to comply with all provisions of the Declaration, the Reciprocal Easement Agreement and the other Residential Documents, the Master Project Documents, the Association Rules and the Hotel Owner Rules and that any failure to do so shall constitute a default under the lease;
- (b) There shall be no right of assignment or sublease by Lessee;
- (c) Lessee shall carry "renter's insurance" with a limit of no less than One Million Dollars **(\$1,000,000.00)** (measured in Constant Dollars, updated annually at the beginning of each Fiscal Year) per occurrence and shall be required to provide proof thereof to the Association;
- (d) Lessee understands and agrees to pay rents to the Association following receipt of written notice by the Association that the Residential Owner (as Lessor under the lease) has become delinquent in the payment of Assessments to the Association; and
- (e) Lessee acknowledges that the Association has the right to initiate an unlawful detainer action against the Lessee in the event the Lessee fails to abide by the terms of this Declaration, the Reciprocal Easement Agreement and the other Residential Documents, the Master Project Documents, the Association Rules and/or the Hotel Owner Rules.

1.2 Indemnity. Residential Owner as Lessor who leases his or her Unit agrees to indemnify, defend, and hold harmless the Association, the Hotel Owner, the Hotel

Operator, their respective officers, directors, employees, invitees, and other Owners from any liability arising from the acts and omissions of his or her lessee. Every Residential Owner who chooses to lease his or her Unit agrees that the leasing Residential Owner shall be held fully liable for all acts or omissions, whether negligent or non-negligent, of his or her lessee.

1.3 Common Area. Upon the leasing of his or her Unit, each Residential Owner automatically assigns to the Lessee all of the Residential Owner's right to use the Common Area (including any Exclusive Use Common Area appurtenant to such Unit) and any facilities thereon. The Residential Owner may not exercise the right to use the Common Area and/or any facilities thereon until such Residential Owner reassumes possession of the Unit.

1.4 Unlawful Detainer to Enforce Rules. Any Residential Owner who shall lease his or her Unit shall be responsible for insuring compliance by such Residential Owner's lessee with the Restrictions. Failure by a Lessee to comply with Section 13.1.7 below entitled "*Assignment of Rents*," or failure of any Residential Owner to take legal action against his or her lessee who is in violation of the Restrictions (within ten (10) days after receipt of written demand so to do from the Board), shall entitle the Association, through the Board, to institute unlawful detainer proceedings on behalf of such Residential Owner against his or her lessee. Any expense incurred by the Association, including reasonable attorneys' fees and costs, shall become a Special Assessment against the Unit.

1.5 Association Approval. No Residential Owner may lease or rent a Unit without first obtaining the written approval of the Association; *provided, however*, that such approval must be reasonable and the Association shall only exercise its power in a fair and nondiscriminatory manner and in compliance with all applicable laws and regulations, including, without limitation, the Federal Fair Housing Act (42 U.S.C. §§3601 *et seq.*) and the California Unruh Civil Rights Act (Civil Code §§51 *et seq.*). The Association shall withhold approval only for a reason or reasons rationally related to the protection, preservation and proper operation of the Residential Project. **In the event any Residential Owner shall attempt to lease or rent to a Person without notifying the Association as herein provided, such lease shall be null and void.**

1.6 Leasing Fee. In order to reimburse the Association for the additional expenses and risks that will result from leasing a Unit, the Residential Owner shall be required, prior to lessee's occupancy of the Unit, to pay a non-refundable fee (the "**Leasing Fee**") to the Association equal to two (2) months of the Regular Assessments for the Unit. The Leasing Fee is in addition to the Regular Assessments owing for a Unit and the Owner shall remain liable for all Regular Assessments for the Unit during such time as the Unit is leased to the lessee.

1.7 Assignment of Rents. As security for the payment of Assessments, each Residential Owner assigns to the Association all of his or her rights as landlord to:

- (a) collect the rents, issues and profits (collectively, "**Rent**") of said Owner's Unit, including Rent due and unpaid;

- (b) initiate any unlawful detainer action against the lessee;
- (c) enter upon and take possession of the Unit;
- (d) re-rent the Unit in the Association's name and collect Rent therefrom without liability to the Residential Owner, except for any Rent which may be collected over and above the Assessments owed to the Association by the Residential Owner; and
- (e) avail itself of any other remedies permitted by law.

Notwithstanding the foregoing, each Residential Owner retains the right to collect Rent from his or her Unit for so long as the Residential Owner shall be current in the payment of his or her Assessments to the Association. Once an Owner becomes delinquent in the payment of his or her Assessments, such Residential Owner's rights as landlord are extinguished in favor of the Association. Upon any delinquency by the Owner to pay Assessments as they come due, the Association may, upon ten (10) days' written notice to such Residential Owner and to such Residential Owner's lessee, direct the lessee to make all Rent payments to the Association until such time as the Owner's delinquency is cured. The Association's right to collect Rent is without regard to the adequacy of any other security for such indebtedness. In the event proceedings are brought by the Association to enforce any of the provisions in this Section, the prevailing party shall be entitled to recover all fees and costs (including reasonable attorneys' fees and costs) incurred by such party in such proceeding. The assignment of Rents and powers described in this Section shall not effect, and shall in all respects be subordinate to, the rights and powers of the holder of any First Mortgage on any Unit.

1.8 Transfer of Occupancy. Prior to the transfer of occupancy of a Unit:

- (a) The Residential Owner who leases the Unit shall promptly notify the Association and the Hotel Owner in writing of the name and address of the lessee, as well as such other information relative to the lease and the lessee as the Association may reasonably request, including without limitation, information concerning the creditworthiness of the lessee. A copy of the signed Lease Addendum must be submitted to the Association and to the Hotel Owner prior to the occupancy of the Unit by the lessee.
- (b) To defray the expense incurred by the Association in facilitating moves into and out of the Residential Project by tenants (including the cost of wear and tear to the Common Areas), the Board may impose and collect a reasonable amount in the form of a Reimbursement Assessment from any Residential Owner upon each transfer of occupancy of said Residential Owner's Unit. Each Residential Owner shall indemnify, defend and hold harmless the Association, as well as its officers, directors, and employees from any injury or damage resulting from the transfer of occupancy.

Accepted by:

Residential Unit Owner / Lessor

Lessee

Unit # _____

By: _____

By:

Name: _____

Name:

Approved by:

Century Plaza Hotel Residences Owners

AssociationBy: _____

Name: _____

Title: _____