

Green Valley Lake Community Association

C/O C & C Property Management

Disclosure Regarding Rental Restrictions

In accordance with Article 3.2 of the Green Valley Lake Declaration of Covenants, Conditions, and Restrictions (CC&R's): The association is obliged to monitor and enforce a restriction on the number of units within the development which may be leased or rented to tenants at any given time. The following is excerpted from the CC&R's:

Rental of Lots:

Any leasing or renting of any Residence within the Development shall be subject to all the provisions of the Governing Documents and this Section 3.2.

- a) **Restriction on Number of Lots Leased.** Not more than twenty-five percent (25%) (144 lots) of the Residences within the Development shall, at any particular time, be leased or rented or occupied by anyone other than an Owner, members of his or her household, or temporary guests, except as provided in this Section 3.2. The restriction on the number or percentage of Residences that may be leased or rented as set forth in this Section 3.2 shall not apply to any Lot which is being leased or rented on the date this Declaration is recorded, but shall apply to any Lot or Lots upon transfer of title to such Lot subsequent to the date this Declaration is recorded.
- b) **Implementation.** Upon request from the Board after this Declaration is recorded, each Owner renting or leasing a Lot shall provide such information as the Board may reasonably require to implement the provisions of this Section 3.2, including but not limited to the names of the tenants and the members of the tenants' household and a copy of the signed lease. Any permitted 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 3.2(m).
- c) **Exceptions.** The Board of Directors shall have the right but shall not be obligated to waive some or all of the provisions of this Section 3.2 either (i) in cases of deserving and unusual hardship or (ii) for a limited term, not to exceed one (1) year upon written request of an Owner representing that he or she will retake possession and occupancy of the Lot as a Resident thereof upon the expiration of such limited term and subject to such other conditions as the Board may determine. The Board shall have the right to review and approve the lease for such limited term. Exceptions as authorized by the Board shall take precedence over the order of priority established pursuant to Subsection (i), below.
- d) **Written Application.** Any Owner desiring to lease or rent his or her Residence shall submit an application in writing to the Board of Directors, which shall state: the name, mailing address, Residence address, and record ownership date of the Owner; the proposed lease term; the number of tenants; and such other information which the Board of Directors may reasonably require from time to time. Each record Owner shall have the further right, upon written request delivered to the Association, to appear in person before the Board of Directors and to discuss the request to lease or rent his or her Residence.
- e) **Board Review of Application.** Within thirty (30) days after receipt of such application to lease or rent, the Board of Directors shall review such application, and approve or disapprove it in a written notice transmitted to the requesting Owner. If the application is disapproved, the notice shall specify the reason(s) for disapproval.

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The Board shall approve the application, unless doing so will increase the number of Residences leased or rented within the Development to more than allowed under Section 3.2(a), or will otherwise result in the violation of any provision of this Section 3.2.

- f) **Rehearing.** If the application is disapproved, the Owner concerned shall have a right to rehearing upon written request to the Board of Directors, at its next regular meeting, or as otherwise agreed between the Owner and the Board. The Owner shall have the right to appear at the rehearing and present his or her case. Within ten (10) days after the conclusion of such rehearing, the Board shall transmit its written determination to the requesting Owner and, if again disapproved, shall specify the reasons for such disapproval.
- g) **Decision of Board Conclusive.** The decision of the Board of Directors in approving or disapproving an application of an Owner to lease his or her Residence shall be final and conclusive.
- h) **List of Rented Lots.** The Board of Directors shall prepare a list of all Owners currently leasing or renting a Residence, which list shall include the Owner's name, mailing address, Residence address, date of record ownership, and term of the lease. Such list shall be made available to any Owner upon payment of a reasonable administrative charge to be set by the Board of Directors.
- i) **Priority of Applicants.** The Board shall establish and maintain a priority list, identifying the name, mailing address, address of Residence, record date of ownership, and date the written application or request of each Owner to lease or rent his or her Residence was submitted to the Board. When the number of Residences leased or rented in the Development is less than the number allowed under Section 3.2, the Board shall authorize the Owner who submitted the earliest application to lease or rent his or her Residence. Once an Owner obtains permission to lease or rent, he or she may do so to consecutive lessees or renters or for consecutive terms without interruption of more than thirty (30) days or may reoccupy his or her Residence for a period not to exceed thirty (30) days, without having to reapply to the Board for permission to lease or rent.
- j) **Owner Responsibility for Tenants' Actions.** Each Owner leasing or renting a Residence shall be strictly responsible and liable to the Association for the actions of such Owner's tenant(s) in or about all Residences and Common Area and for each tenant's compliance with the provisions of all Association Governing Documents. An Owner leasing or renting a Lot shall provide the tenant(s) with copies of the Governing Documents and all subsequent amendments.
- k) **Association Enforcement Rights.** In the event a tenant's conduct involves damage or misuse of any Common Area or facilities on any Common Area or constitutes an unreasonable nuisance to Residents, the Association shall be entitled to maintain an eviction action against such tenant to the same extent as the Owner of the Lot, the Association being deemed to be a third party beneficiary of any lease or rental agreement involving any Lot within the Development. The Association's right to maintain an eviction action shall arise only in the event that (i) the Association has given notice to the Owner detailing the nature of the infraction and the Owner has had a reasonable opportunity to take corrective action or to appear before the Board to present arguments as to why eviction by the Association is not necessary, and (ii) the Owner has not taken action to prevent and/or correct the actions of the tenant giving rise to the damage or nuisance.

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- l) **Indemnification of Association.** Every Owner of a Lot that is occupied by persons other than the Owner pursuant to a lease or otherwise, agrees to and shall indemnify and defend the Association, its officers, directors, and agents and shall hold them harmless from any cost, loss, claim, or damages of any kind, including but not limited to attorneys' fees arising out of the conduct or presence of the occupants of the Lot upon the Development, including any such arising or alleged to have arisen out of the enforcement or non-enforcement by the Association of the Governing Documents against such occupants. Without limiting the generality of the foregoing, all costs, including attorneys' fees incurred by the Association to enforce the Governing Documents against such occupants, including eviction as provided herein, shall be reimbursed to the Association by the Owner and may be assessed by the Association as a Reimbursement Assessment.
- m) **Requirements of Written Lease or Rental Agreement.** Any lease or rental of any Residence within the Development shall be by written lease or rental agreement, a copy of which shall be filed with the Board, which shall expressly provide that its terms are subject to all of the provisions of the Governing Documents, that the tenants and lessees of such Lot shall comply with all provisions of the Governing Documents, and that any violation of any provisions of the Governing Documents shall constitute a breach and default of the terms of such lease or rental agreement. Any lease or rental agreement entered into between an Owner and a lessee or renter shall be for a minimum term of six (6) months.

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Application to Lease or Rent Residence

Date: _____

Owner Information:

Member Name: _____

GVL Address: _____

Mailing Address: _____

City, St: _____ Zip _____

Phone: _____ Alt Phone: _____

Email: _____ Fax: _____

☐ I wish to be added to the waiting list for available spots on the rental list.

Tenant Information (If applicable):

Tenant Name(s): _____

Mailing Address: (If different than GVL address) _____

City, St: _____ Zip _____

Phone: _____ Alt Phone: _____

Email: _____ Fax: _____

Number of Occupants: _____ Term of Lease: _____

Agreement:

- ☐ I/we have read and understand the provisions of Article 3.2 of the Green Valley Lake CC&R's
- ☐ I/we have made my tenants aware of all rules and regulations pertaining to their occupancy within Green Valley Lake HOA and have provided them with a copy of the CC&R's.
- ☐ I/we understand that as owner(s), we are strictly responsible and liable to the association for the actions of the above tenant(s) and their compliance with the Green Valley Rules as is more fully stated in Article 3.2 of the CC&R's.

Owner Signature: _____ Date: _____

Owner Signature: _____ Date: _____