LEASE RESTRICTIONS

WANIS VIEW ESTATES HOMEOWNERS ASSOCIATION

All Owners and occupants of properties within the Wanis View Estates Homeowners Association ("Association") are bound to comply with the restrictions and requirements contained in the Association's governing documents. The governing documents include, among others, the Association's recorded Declaration of Covenants, Conditions and Restrictions, and any amendments and supplements thereto (collectively, "CC&Rs") and any Rules and Regulations.

The CC&Rs at Article 3, Section 3.3.4 authorize the Board of Directors ("Board") to adopt rules which govern matters that are in furtherance of the purposes of the Association and the restrictions contained in the CC&Rs. The lease restrictions contained in this document ("Lease Restrictions") have been adopted in accordance with the authority granted to the Board under the provisions of the CC&Rs enumerated below and constitute enforceable operating rules of the Association with which all Owners, occupants and guests must comply.

Section 7.1. <u>**RESIDENTIAL USE**</u>. All Residential Lots within the Project shall be improved and used solely for single-family residential use; provided, however, that this provision shall not preclude any Owner from renting or leasing all of his or her Residential Lot by means of a written lease or rental agreement, which requires the lessee to comply with the provision of this Declaration and the Association Rules adopted by the Board. No Residential Lot shall be used or caused to be used or allowed or authorized to be used in any way, directly or indirectly, for any business. commercial. manufacturing. mercantile. storage. vending or other non-residential purposes...(CC&Rs, Article 7, Section 7.1.)

Section 7.3. <u>RENTAL OF RESIDENTIAL LOTS</u>. An Owner shall be entitled to rent the Owner's entire Residential Lot (but not a portion thereof) subject to the restrictions contained in this Declaration. Any lease agreement shall be in writing. shall provide that the lease is subject to this Declaration. the Bylaws. Articles and the Association Rules. and shall provide that any failure to comply with any provision of the Governing Documents shall be a default under the terms of the lease agreement. A copy of this Declaration shall be made available to each tenant by the Owner so renting. The Owner shall. at all times. be responsible for his or her tenant's compliance with all of the provisions of this Declaration pursuant to the occupancy and use of the Residential Lot. A tenant shall have no obligation to the Association to pay assessments imposed by the Association nor shall any tenant have any voting rights in the Association. No Owner may rent a Residential Lot situated thereon for hotel. motel or transient purposes or any other purpose inconsistent with the provisions of this Declaration. Any lease which is either for a period of fewer than thirty (30) days or pursuant to which the Owner provides any services normally associated with a hotel shall be deemed to be for transient or hotel purposes. (CC&Rs, Article 7, Section 7.3.)

All undefined capitalized terms used in these Lease Restrictions shall have the meaning set forth in the CC&Rs and the other documents defined in the CC&Rs as the governing documents.

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1. <u>General Lease Requirements</u>. The agreement for rental or leasing of a Lot within the Association must: (a) be in writing, (b) provide that the terms of such lease shall be subject in all respects to the provisions of the Association's governing documents and any applicable agreements between the Association and any of the Federal, State and Local governmental agencies, and (c) provide that any failure by the tenants ("Tenants") to comply with the Association's governing documents shall be a default under the lease.

2. <u>No Partial Leases/Subleasing</u>. Any Owner who wishes to lease out his or her Lot must lease the entirety of the Lot (no leasing of individual rooms or portions of a Lot is permitted).

3. <u>No Transient, Hotel or Commercial Purposes</u>. No Lot may be leased for transient, hotel or commercial purposes, which means a rental for a period of less than thirty (30) days or any rental whatsoever if the occupants of the Lot are provided customary hotel services such as room service for food and beverage, maid service, furnishing of laundry and linen, and bellboy services.

4. <u>Assessments</u>. Tenants shall have no obligation to the Association to pay Assessments imposed by the Association. Each Owner remains liable for the payment of such Assessments.

5. <u>**Owner's Liability & Additional Obligations**</u>. The Owner of a leased or rented Lot shall be responsible for ensuring the Tenants' compliance with the Association's governing documents. The Owner shall additionally furnish the Board of Directors with the following information:

- **a.** The names of all Tenants currently residing in the leased Lot under a single lease agreement *and* copies of the registration cards for all vehicles belonging to the Tenants. Should the information contained in that list change, the Owner shall notify the Board within seven (7) days of the same and furnish the Board with an updated list.
- **b.** A statement certifying that the Lot will not be used for any commercial purpose or will be operated as any type of residential care or treatment facility, except as otherwise permitted by law.

6. <u>Insurance</u>. Owners are responsible for ensuring that their Tenants maintain the appropriate renter's insurance in sufficient amounts to cover the cost of replacement of all such Tenants' personal property during the entire term of their respective lease agreements. The obligation of the Tenants to maintain renters' insurance in no way limits or replaces the insurance obligations of Owners under the governing documents. Since each insurance carrier may vary in policy, it is each Owner's responsibility to obtain the appropriate type of insurance for such Owner's Lot while it is leased and ensure that the form of such insurance, including all coverage amounts, complies with such Owner's obligations under the applicable governing documents. Depending on the insurance carrier, an Owner may be required to change their property insurance coverage to a commercial or other type of business policy as dictated by such Owner's individual insurance carrier. Neither the Association, nor the Association community manager, may advise you on such matters.

7. <u>Enforcement</u>. Any Owner in violation of these Lease Restrictions will be subject to the enforcement process as outlined in the Association's governing documents. If the Board discovers a violation of these Lease Restrictions, action will be taken according to the Association's Rules Enforcement Policy. This includes the Board's right to invite an Owner to a violation hearing and to request said Owner to produce the aforementioned documents discussed at Section 5(a), including the lease agreement, list of Tenants' names and vehicle registration cards.

The success of this policy is imperative for the safety and well-being of every homeowner, resident, guest, and service person in the community.