## Covenants and Restrictions for Leasing of Units Excerpt from the Declaration of Condominium of Wiggins Bay Villas, A Condominium

13 <u>LEASING OF UNITS</u>. In order to foster a stable residential community and prevent a motel-like atmosphere, the leasing of units by their owners shall be restricted as provided in this section. All leases of units must be in writing. A unit owner may lease only his entire unit, and then only in accordance with this Section, after receiving the approval of the Association. The lessee must be a natural person.

## 13.1 Procedures.

- (A) <u>Notice by the Unit Owner</u>. An owner Intending to lease his unit shall give to the Board of Directors or its designee written notice of such intention at least twenty (20) days prior to the first day of occupancy under the lease together with the name and address of the proposed lessee, a fully executed copy of the proposed lease, and such other Information as the Board may reasonably require, The Board may require a personal interview with any lessee and his spouse, if any, as a pre-condition to approval.
- (B) <u>Board Action</u>. After the required notice and all information or Interviews requested have been provided, the Board shall have twenty (20) days in which to approve or disapprove the proposed lease. If the Board neither approves nor disapproves within that time, its failure to act shall be deemed the equivalent of approval, and on demand the Board shall issue a written letter of approval to the lessee.
- (C) <u>Disapproval</u>. A proposed lease shall be disapproved only if a majority of the whole Board so votes, and in such case the lease shall not be made. Appropriate grounds for disapproval shall include, but not be limited to, the following:
  - 1 the unit owner is delinquent in the payment of assessments at the time the application is considered.
  - 2 the unit owner has a history of leasing his unit without obtaining approval, or leasing to troublesome lessees and/or refusing to control or accept responsibility or the occupancy of his unit;
  - 3 the real estate company or rental agent handling the leasing transaction on behalf of the unit owner has a history of screening lessee applicants Inadequately, recommending undesirable lessees, or entering into leases without prior Association approval;
  - 4 the application on its face indicates that the person seeking approval intends to conduct himself in a manner Inconsistent with the covenants and restrictions applicable to the Condominium;
  - 5 the prospective lessee has been convicted of a felony involving violence to persons or property, a felony Involving sale or possession of a controlled substance, or a felony demonstrating dishonesty or moral turpitude;
  - 6 the prospective lessee has a history of conduct which evidences disregard for the rights and property of others;
  - 7 the prospective lessee evidences a strong probability of financial irresponsibility;
  - 8 the lessee: during previous occupancy, has evidenced an attitude of disregard for the Association rules;
  - 9 the prospective lessee gives false or incomplete information to the Board as part of the application procedure, or the required transfer fees and/or security deposit are not paid; or
  - 10 the owner fails to give proper notice of his intention to lease his unit to the Board of Directors.

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- (D) <u>Failure to Give Notice or Obtain Approval</u>. If proper notice is not given, the Board at its election may approve or disapprove the lease. Any lease entered into without approval may, at the option of the Board, be treated as a nullity, and the Board shall have the power to evict the lessee with five (5) days' notice, without securing consent to such eviction from the unit owner.
- (E) <u>Applications</u>; <u>Assessments</u>. Applications for authority to lease shall be made to the Board of Directors on such forms and include such terms as the Board may provide from time to time. The legal responsibility for paying condominium assessments may not be delegated to the lessee.
- (F) <u>Committee Approval</u>. To facilitate approval of leases proposed during times when many of the members are not in residence, the Board of Directors may be resolution delegate its approval powers to an ad hoc committee, which shall consist of at least three (3) members.
- 13.2 <u>Term of Lease and Frequency of Leasing</u>. No unit may be leased more often than four (4) times in any calendar year. The first day of occupancy under the lease shall determine in which year the lease occurs. No lease may be for a period of more than one (1) year, and no option for the lessee to extend or renew the lease for any additional period shall be permitted, However, the Board may, in its discretion, approve the same lease from year to year. No subleasing or assignment of lease rights by the lessee is allowed.
- 13.3 <u>Exceptions.</u> Upon written request of a unit owner, the Board of Directors may approve one additional lease of the unit within the same calendar year, but only under unusual circumstances to avoid undue hardship and inequity.
- 13.4 Occupancy During Lease Term. No one but the lessee, his family members within the first degree of relationship by blood, adoption or marriage, and their spouses and guests may occupy the unit. The total number of overnight occupants of a leased unit is limited to two (2) persons per bedroom.
- 13.5 Occupancy in Absence of Lessee. If a lessee absents himself from the unit for any period of time during the lease term, his family within the first degree of relationship already in residence may continue to occupy the unit and may have house guests subject to all the restrictions in Sections 12 and 13.4 above. If the lessee and allot the family members mentioned in the foregoing sentence are absent, no other person may occupy the unit.
- 13.6 <u>Use of Common Elements and Association Property</u>. To prevent overtaxing the facilities, a unit owner whose unit is leased may not use the recreation or parking facilities during the lease term.
- 13.7 Regulation by Association. All of the provisions of the condominium documents and the rules and regulations of the Association shall be applicable and enforceable against any person occupying a unit as a lessee or guest to the same extent as against the owner. A covenant on the part of each occupant to abide by the rules and regulations of the Association and the provisions of the condominium documents, designating the Association as the owner's agent with the authority to terminate any lease agreement and evict the tenants in the event of breach of such covenant, shall be deemed to be included in every lease agreement, whether oral or written, and whether specifically expressed in such agreement or not.
- 13.8 Fees and Deposits Related to the Lease of Units. Whenever herein the Board's approval is required to allow the lease of a unit, the Association may charge the owner a pre-set fee for processing the application, such fee not to exceed the maximum amount allowed by law. No fee may be charged for approval of a renewal or extension of a lease with the same lessee. The Association may also require any deposits that are authorized by the Condominium Act as amended from time to time.