

§ 2.10 Rental of Owner Properties:

(a) Delegation of Use and Leasing of Residences. Any Owner may lease or delegate the use of his property to his or her family members, tenants, lessees, or contract purchasers who reside in the Residence provided, however, that any rental or lease may be limited to no more than six occupants at any given time if two-bedroom, or if a larger property, to more occupants with the consent of the Board or its delegee.

(b) Owner's Duty to Notify Association of Tenants. Each Owner shall notify the Secretary of the Association of the names and contact information of any tenant or tenants residing in the Owner's Lot.

(c) Governing Documents. Any rental or lease of a Residence shall be subject to the provisions of the Governing Documents, all of which shall be deemed incorporated by reference in the lease or rental agreement. Each Owner-Lessor shall provide any tenant or lessee with a current copy of all Governing Documents and shall be responsible for compliance by the tenant or lessee with all of the provisions of the Governing Documents during the tenant's or lessee's occupancy and use of the Residence. A copy of the fully executed lease or rental agreement shall be delivered by Owner to the Association's Secretary prior to the occupancy of the Residence by the tenant or lessee.

(d) Requirements That Must Be Observed in All Residential Leases. The following specific limitations shall apply to all leases or tenancies of a Residence:

- Any rental shall be evidenced by a written lease or rental agreement, which shall include provisions stating that: (1) the tenancy is subject to the terms of the Governing Documents and that the tenant or lessee acknowledges that he/she/it has received a copy of the Governing Documents and agrees to comply with all covenants, conditions, restrictions, bylaws, rules, and regulations contained in the Governing Documents; (2) any failure of the tenant or lessee to comply with the terms of any Governing Document relating to residential leases, property use restrictions, or the use and enjoyment of any portion of the Common Area and Common Facilities shall constitute a default under the lease or rental agreement and shall entitle the Owner to terminate the tenancy on 30 days written notice, or such shorter notice period as may be permitted under applicable state laws and/or the lease or rental agreement; (3) there shall be no right of assignment or sublease; and if the tenant or lessee has a vehicle, automobile insurance with minimum coverage limits as required by state law.
- The Owner-Lessor's right to terminate a lease or rental agreement because of the tenant or lessee's violation of the Governing Documents shall in no way restrict the right of the Association, the Declarant, or any Owner to enforce the Governing Documents, when the Owner's tenant or lessee is violating the Governing Documents.

(e) Discipline of Lessees. Subject to subparagraph (e), if any tenant or lessee fails to honor the provisions of any Governing Document, the Association shall be entitled to take such corrective action as it deems necessary or appropriate under the circumstances to preserve the well-being of the association and quiet enjoyment of other Owners and residents of the

Development.

(f) The Owner-Lessor shall be equally responsible for a tenant's violation of the Governing Documents, upon written notice of the violation from the Board, and may be assessed appropriate damages as provided in the Governing Documents, after a reasonable opportunity to take corrective action and a hearing before the Board, if requested.