

**PROPOSED AMENDMENTS TO THE DECLARATION OF COVENANTS,  
RESTRICTIONS FOR CANTAMAR HOMEOWNERS ASSOCIATION, INC.**

**Proposed Amendment to Article 7.5 of the Declaration (Additions are indicated by underline; deletions by -----)**

7.5 Leases. ~~All leases of a UNIT must be in writing and shall be specifically subject to this DECLARATION, the ARTICLES and the BYLAWS and copies of all leases shall be delivered to the APPROVING PARTY prior to occupancy by the tenant (s). No lease shall be for a period of less than 3 months, and no UNIT may be leased more than two times in any consecutive 12-month period. Without the consent of the APPROVING PARTY~~

(a) As provided for in this Section, the Board must approve transfers of any Unit by lease. All leases of a Unit must be in writing and specifically be subject to this Declaration, the Articles, the By Laws, and Rules and Regulations and copies delivered to the Association prior to occupancy by the tenant(s). Without the prior written consent of the Association, which may be withheld in the Association's sole discretion, no lease shall be for a period of less than one (1) year, and no UNIT may be leased more than two times in any consecutive 12-month period in circumstances involving the early termination of a one (1) year lease. Any person(s) occupying a Unit in the absence of the Owner shall be deemed occupying the Unit pursuant to a lease, regardless of the presence of absence of consideration with respect to the occupancy. Notwithstanding the foregoing, an Owner may permit members of his/her immediate family to occupy his/her Unit as a guest in his absence for periods of less than one (1) month, provided the Association is given written notice of such occupancy. Subleases and Assignments of Lease are prohibited. The Board of Directors shall have the right to require a substantially uniform form of lease be used or in the alternative, the Board's approval of the lease form to be used shall be required. After approval, Units may be leased, provided the occupancy is only by the Lessee, his family and social guests with occupancy in accordance with Article 7.3 of this Declaration.

(b) Procedure for Lease. Should a Unit Owner wish to lease, or rent his or her Unit, the Unit Owner shall, before accepting any offer to lease or rent his or her Unit, deliver to the Board of Directors of the Association a written notice containing the terms of the offer that has been received or which he or she wishes to accept, the name and address of the person(s) to whom the proposed lease is to be made, two bank references and three individual references (local, if possible), and such other information, including proof of income, that the Board of Directors deems necessary in its sole discretion, (to be requested within ten (10) days from receipt of such notice) as may be required by The Board of Directors of the Association. The Board of Directors is authorized to waive any or all references aforementioned. In addition, simultaneously with the giving of a notice to lease or rent his or her Unit, the Association may require the payment of a preset screening fee of \$100.00, or the maximum amount allowable by law. No fee shall be collected in connection with

background investigation as to the proposed lessee's finances, credit history, criminal history, residential history or otherwise. The Board may designate a committee to review prospective leases which committee may be composed of at least one (1) Board member. It shall be the duty of the Association to notify the Owner of approval or disapproval of such proposed lease within thirty (30) days after receipt of the application, complete with all required information, and the personal interview of the proposed lessee, whichever date last occurs. Failure of the Association to respond in writing within thirty (30) days shall be deemed to constitute approval.

(c) Disapproval of Leasing. If the Association disapproves a proposed lease or renewal, the Owner shall receive a statement indicating same and the lease shall not be made or renewed. Any rental of a Unit made in violation of this Declaration shall be voidable and the Association may invoke any remedies provided by law, including but not limited to the initiation of immediate eviction proceedings to evict the unauthorized persons in possession. The Association shall neither have a duty to provide an alternate tenant nor shall it assume any responsibility for the denial of a lease application.

(d) Approval of Leasing All leases shall be subject to prior approval of the Association. Approval shall not be unreasonably withheld. Within a reasonable time, not less than thirty(30) days prior to the commencement of the proposed lease term, an Owner or his agent shall apply to the Association, in accordance with the procedures set forth in this Article for approval of such lease; if desired, the Board or its managing agent may prescribe the application form. The Association may waive the application requirement if the tenant/tenants has/have resided in the Unit pursuant to an approved lease or other occupancy prior to the effective date of the instant lease. However, this shall not be construed as to allow leasing, renting, or occupancy by persons other than permitted guests without the advance written approval of the Board. The Board may require the use of a uniform lease or require the addition of an addendum, protecting the Association's interests. The Owner or the intended lessee shall furnish such information as the Association may reasonably require, including a copy of the proposed lease, and the prospective lessee shall make himself or herself available for a personal interview, if desired by the Board, prior to the approval of such lease. The Association may require a background investigation as to the proposed lessee's finances, credit history, criminal history, residential history or otherwise. The interview may be conducted over the telephone if it would be inconvenient for the applicant to appear for a personal interview. It shall be the Owner's obligation to furnish the lessee with a copy of the Declaration and applicable Rules and Regulations. Each lease, or addenda attached thereto, shall contain an agreement of the lessee to comply with the Declaration and applicable Rules and Regulations and shall provide or be deemed to provide that any violations of the aforementioned documents shall constitute a material breach of the lease; shall contain a provision appointing the Association as agent for the Owner so the Association may act on behalf of the Owner to enforce the lease, evict the lessee, or otherwise. The Owner shall not be relieved of any liability or responsibility hereunder by virtue of the existence of said lease or any of the foregoing provisions. The Owner shall have a duty to bring his or her tenant/tenants conduct and actions into compliance with the Declaration and applicable Rules and Regulations by whatever action is necessary, including without limitation the institution of eviction

proceedings, without notice to cure, where legally permissible. If the Owner fails to bring the

conduct of the tenant into compliance with the Declaration and applicable Rules and Regulations, the Association shall then have the authority to act as agent of the Owner to undertake whatever action is necessary to abate the tenant/tenants non-compliance with the aforementioned documents, including without limitation the right to institute an action for eviction against the tenant/tenants in the name of the Association. The Association shall have a right to recover any costs or fees, including attorney's fees, from the Owner which shall be secured by assessment and lien in the same manner as common expense charges.

(e) Disapproval of Lease. The Board may accept the recommendations of any committee organized to review applications but is not bound to do so. Approval of the Association shall be withheld only if a majority of the entire Board so votes and its decision must be reasonable. The Board (or its designated committee) may consider such factors including, but limited, to the existence of a criminal record of the proposed lessee (or any proposed occupants of the Unit under a lease). The Board (or its designated committee) may also consider the financial history of the proposed lessee. In any event, the Board may issue an absolute denial should the application for lease fail to meet any of the prior conditions as set forth herein such as the failure to meet income guidelines, failure to submit to screening, or failure to tender a security deposit.

(f) Responsibility of Owner for Lessees. The Owner shall be responsible for the negligence, conduct, acts, or omissions of the Owner's Guests, Lessees and Invitees. The Owner shall be responsible for any damage caused to the Association's common areas by the Owner's Guests, Lessees and Invitees . In the event of non-payment by the Owner of any damage to the common areas, such amounts will be considered assessments and collectable in the manner as provided in Article 9 of this Declaration.