

bonds, fidelity bonds and other insurance as it deems advisable, insuring the Board, any officers of the Association and the Management Company against any liability for any act or omission in carrying out their obligations hereunder, or resulting from their offices, membership on the Board or any committee thereof.

## ARTICLE 13

### **RENTAL RESTRICTION**

13.01. Approval. Lots shall not be leased without the prior written approval of the Association. Additionally, any guests of Owner (other than members of Owner's family or those who reside on the Lot with Owner) who occupy the Lot for more than 60 consecutive days shall be required to sign an occupancy agreement with Owner, which shall be subject to the prior written approval of the Association. The Association has the right to require that a substantially uniform form of lease or occupancy agreement be used, as approved by the Board. Any lease or occupancy agreement shall provide that the Association shall have the right to terminate the lease or occupancy agreement upon default by tenant or guest in observing any of the provisions of this Declaration, the Master Covenants, or any applicable Rules duly adopted by the Board or the Master Association from time to time. No lease shall be for a period of less than six (6) months. The proposed tenants or guests shall consist of not more than two (2) persons per bedroom in any dwelling. No portion of a Lot (other than an entire Lot) may be rented, and Lots may only be rented to one Family at a time. Subleases of Lots are prohibited. Lots shall not be leased more than once in any six (6) month period. Notwithstanding the lease or other occupancy of an Owner's Lot, all liabilities of the Owner under this Declaration shall continue unabated. The Association must either approve or disapprove a lease or occupancy agreement within ten (10) days after the next Board meeting following submission of a complete and accurate request for approval, which request shall be accompanied by such information as the Board may reasonably require, including but not limited to a background check/investigation of tenant/guest. If approved, a recordable Certificate of Approval shall be executed by the Secretary or other authorized agent of the Association at the expense of the tenant/guest. If the Association fails to give the Owner written notice of its approval or disapproval of the proposed lease or occupancy agreement within the aforesaid period, the lease or occupancy agreement shall be deemed acceptable to the Association. Grounds for the Association's disapproval of a lease of a Lot or occupancy agreement may include an Owner's delinquency in the payment of an assessment at the time the approval is sought, an unsatisfactory background check/investigation of the tenant/guest, and/or tenant's/guest's failure to observe any of the provisions of this Declaration, the Master Covenants, or any applicable Rules duly adopted by the Board or the Master Association, any or all of which as determined by the Board in its sole discretion. The provisions of this Article 13 shall not be applicable to Declarant or any Affiliate designated by Declarant or to an Institutional Mortgage lender who advanced funds to Declarant for the purpose of acquiring or developing the Property (but only for so long as such loan is outstanding). Notwithstanding anything herein or any Rule to the contrary, Declarant as well as any Person approved in writing by Declarant, shall be irrevocably empowered without any limitation at all times, whether for permanent or temporary occupancy, to sell, lease, rent or transfer Lots owned by Declarant or such Person, as the case may be, for any period and under any terms to any tenants, purchasers or transferees without the consent of any Person, including the Association, being required. Notwithstanding any provision of this

Declaration to the contrary, the provisions of this Section 13.01 may not be amended without the consent of Declarant.

13.02. Deposit. At the discretion of the Association, Owners wishing to lease their Lots shall be required to place in escrow with the Association a sum in the nature of a security deposit, as determined by the Association, which may be used by the Association to repair any damage to the Common Properties or other portions of the Property resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). The Owner will be jointly and severally liable with the tenant to the Association for any amount in excess of such sum which is required by the Association to effect such repairs or to pay any claim for injury or damage to property caused by the negligence of the tenant. Any balance remaining in the escrow account, less an administrative charge as determined by the Association, shall be returned to the Owner within thirty (30) days after the Association has been advised in writing by the Owner that the tenant and all subsequent tenants have permanently vacated the Lot. The Association is hereby deemed the agent of the Owner for purposes of bringing any eviction proceedings deemed necessary by the Association because of tenant's violation of this Declaration or applicable Rules. The Association and the Owner shall both have the right to collect attorneys' fees against any occupant or tenant in the event that legal proceedings must be instituted against such tenant for his eviction or for enforcement of this Declaration, with the Association having priority as to the full amount of its claim. Declarant and any of its Affiliates, as well as their tenants, are exempt from the provisions of this Section 13.02 with respect to any Lots leased by Declarant or Affiliate.

#### ARTICLE 14 GENERAL PROVISIONS

14.01. Enforcement. This Declaration, including the Articles, Bylaws and Rules, may be enforced by the Declarant, any Institutional Mortgagee, Owner or the Association, and shall be subject to the following:

A. Breach of any of the covenants contained in this Declaration or the Bylaws and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings by Declarant, or the Association or any Institutional Mortgagee or Owner. Any judgment rendered in any action or proceeding to enforce this Declaration or the Bylaws shall include a sum for attorneys' fees, in such amount as the court may deem reasonable, as well as the amount of any delinquent payment, interest thereon, costs of collection and court costs.

B. The result of every act or omission whereby any of the covenants contained in this Declaration or the Bylaws are violated in whole or in part is hereby declared to be and shall constitute a nuisance, and every remedy allowed at law or in equity with respect to nuisances, either public or private, shall be applicable and may be exercised by Declarant, or the Association or any Institutional Mortgagee or Owner.

C. The remedies herein provided for breach of the covenants contained in this