

POLICY, PROCEDURES, RULES AND REGULATIONS FOR OCCUPANCY RESTRICTIONS

1. **Purpose.** Vista Del Lago Resort is intended and operated for occupancy by persons 55 years of age or older.

1.2 Occupancy Requirements.

1.2.1 **Purpose.** Except as provided for in the Declaration, at least one occupant of each occupied Property must be 55 years of age or older and no person under 18 years of age may occupy or reside on the Property. The Board and the Declarant, in its sole discretion, determines when a person “occupies” or “resides” in the Property.

1.2.2 **Approval Required for Exceptions.** Under the Declaration, the Board and the Declarant, in their sole discretion may permit persons, all of whom are under the age of 55, to occupy a property unless such permission would result in fewer than 80% of the Properties being occupied by one person 55 years of age or older or otherwise jeopardize the Community’s status as housing for older persons under the law. Proposed occupants desiring to reside on a Property where at least one proposed occupant is not 55 years of age or older shall submit a written request for approval of occupancy to the Board and the Declarant and are not allowed to take occupancy until written approval is granted by the Board and the Declarant.

1.2.3 **Verification of Occupancy Requirements upon Sale of a Property.** At the time a prospective purchaser enters into a purchase agreement, the purchaser is required to certify as to compliance with the 55 and older occupancy requirement. The certification attached hereto as Exhibit 2, shall be completed by the prospective purchaser and submitted to the Association and the Declarant for approval. Upon receipt of the certification containing all required information, the Board and the Declarant will determine whether the proposed occupancy of the Property is in compliance with the Declaration, and either grant or disapprove the proposed occupancy. The prospective occupants may not take occupancy until the Board and the Declarant grant written approval of the proposed occupancy.

1.2.4 **Verification of Occupancy Requirements for Leasing.** Each Owner shall comply with the following rules with respect to any lease or rental agreement for a Residence or Property.

- (i) Owners desiring to lease their Residence or Property shall submit a written request to the Board and Declarant for approval of the proposed tenants. The request must include (a) a completed Age Verification for Renters in the form attached hereto as Exhibit 2, (b) a copy of the lease or rental agreement signed by the proposed tenant (subject to Board and Declarant approval), which lease or rental agreement complies with all the provisions of this Subsection 1.2.4, and (c) the address and telephone number of the Owner. Upon receipt of the written request containing all required information, the Board and the Declarant will determine whether the proposed leasing of a Residence or Property is in compliance with the Declaration and

either grant or disapprove such request. The proposed tenant may not take occupancy until the Board and the Declarant grant written approval of the lease.

- (ii) The lease or rental agreement must contain provisions that (a) the proposed tenant has received a copy of the Governing Documents, (b) the lease or rental agreement is subject to the Governing Documents (including the age restriction requirements), and (c) any violation of the Governing Documents shall be a default under the lease or rental agreement;
- (iii) A copy of the lease or rental agreement signed by the Owner and tenant must be delivered to the Board President;
- (iv) Any Owner that leases or rents such Owner's Residence or Property shall keep the Association informed at all times of the Owner's address and telephone number. If any tenant breaches any restriction or rule contained in the Governing Documents, the Owner, upon demand by the Association, immediately shall take such actions as may be necessary to correct the breach, including, if necessary, eviction of the tenant. Notwithstanding the foregoing, the Association shall have all rights and remedies provided for under the Governing Documents.

1.2.5 **Exceptions for Visiting Children.** A person under 18 years of age may reside in a Residence or on the Property as a guest of the Owner(s) or occupant(s) of such Residence or Property and only at such time as the Owner or Occupant is present at Vista Del Lago. A person under 18 years of age may visit no more than 15 consecutive days, and no more than 20 days in any 3-month period. Minor Children constitute guests and shall abide by all Rules and Regulations.

1.3 **Age Verification.** At least once every 2 years, an age verification survey in the form attached hereto as Exhibit 3 (the "Age Verification Survey") shall be completed to verify occupancy of each Residence or Property in the Community. Pursuant to the Age Certification Survey, one adult occupant of each Residence or Property shall certify to the Association whether such Residence or Property is occupied by at least one Qualifying Permanent Resident. Such certification shall be supported by reliable official documentation of the age of the occupant(s) of such Residence or Property.