

RULE 6

(Amended and Adopted September 27, 2021)

VILLAS AT VALLEY COUNTRY CLUB'S RENTAL RULES

This Amended and Adopted Rule 6 hereby supersedes and replaces in all respects all prior Rule 6 Rental Policies.

Article III, paragraph 3.1.3 of the Sixth Amended and Restated Declarations of the Villas at Valley Country Club permits unit owners to rent their unit on either a short or long term basis. Short term rental is hereby defined to mean a rental for a term of not less than six (6) months nor more than one (1) year (the "rental period"). Long term rental is hereby defined to mean a rental for a term of more than one (1) year. Rentals for any period of time less than six (6) months are expressly prohibited.

CONDITIONS PRECEDENT TO RENTING A UNIT

Prior to renting a unit, the unit owner shall do the following:

1. Obtain a written background check on the prospective tenant, including information on any criminal and driving violations; and,
2. Obtain a credit report for the prospective tenant; and,
3. Require the prospective tenant to have or obtain one million dollars or more of liability insurance; and,
4. Require the prospective tenant to have or obtain Seven hundred thousand dollars of property and casualty insurance specifically covering any damages to the rental property and HOA owned common elements and improvements; and,
5. If the property has a mortgage, obtain written approval from the mortgage company for the rental of the property; and,
6. The unit owner shall sign an acknowledgement that the unit owner has received, read and understands the Villas at Valley Country Club's Rental Rule 6 and that the unit owner agrees to be bound by and comply with all of the terms of this Rule 6, and,
7. In the signed acknowledgement, the unit owner specifically agrees to be responsible for damages caused by the tenant(s) to the rental property or the HOA's common elements or improvements as a result of tenant(s) illegal or other acts or omissions.

The insurance required in paragraphs 3 and 4 above shall remain in full force throughout the lease period.

All of the above information and a copy of the proposed written rental agreement shall be provided to the HOA board for review and approval prior to the tenant occupying the property.

PROVISIONS RELATED TO THE RENTAL

A unit owner shall only rent the property to a single family or a single person. A single family is defined as a married couple or two individuals who are significant others. A single person is defined as an adult who lives alone.

A unit owner shall not rent the unit owner's property to the following:

1. Multi-families. Meaning more than one family, even if the multiple families are related.
2. Multiple unrelated tenants.
3. Multiple tenants who may be related but do not constitute a single family as defined above.

Within five (5) days of the execution of a lease/rental agreement, the unit owner shall provide a complete copy of the executed lease/rental agreement via hand-delivery or email to the Villas HOA Board President. These Villas at Valley Country Club's Rental Rules shall be given to the tenant and shall be attached to the written, executed lease/rental agreement. The executed rental/lease agreement shall incorporate by reference all of the terms and conditions of these Villas at Valley Country Club's Rental Rules and by execution of the rental/lease agreement the unit owner/landlord and the tenant agree to comply with and be bound by all of its terms and conditions.

All lease/rental agreements shall be in writing, executed by both the unit owner and the tenant(s), and shall set forth the commencement and end dates of the rental period. The written executed rental agreement shall specifically state that the tenant cannot sublet the property or any part thereof. In the event a tenant, for any reason other than bankruptcy of tenant, eviction of tenant per Colorado Statute, death of tenant or other good cause as determined by the HOA board in its sole discretion, vacates the rental property during the rental period, the unit owner shall not re-rent the property until after the end date of the rental period set forth in the written lease/rental agreement with the vacating tenant(s). If the unit owner claims the tenant vacated the premises for "good cause," the unit owner shall provide to the HOA board, in writing, everything the unit owner claims constitutes "good cause."

Notwithstanding the prohibition to re-rent the property during an existing rental period as set forth in the preceding paragraph, a unit owner shall be entitled to offer the property for rent, and rent same, during an existing rental period if the following conditions are met:

1. The Tenant vacates the property during the rental period; and,
2. The unit owner has collected rent owed for one or more of the months remaining for the rental period in which the Tenant does not occupy the unit; and,
3. Tenant has made a written demand or filed a claim or suit against the unit owner demanding return of the rent paid for the period running from the date Tenant vacated the property to the end of the lease/rental period; and,
4. In said demand, claim or suit, Tenant asserts that unit owner has failed to mitigate unit owner's damages by failing to make a good faith effort to rent the property to others.

Prior to offering the property for rent under the above conditions, the unit owner shall provide to the HOA Board proof of receipt of payment of rent collected for the month(s) tenant did not occupy the property during the rental period and a copy of any demand letter, claim or lawsuit.

PENALTY FOR VIOLATION OF THESE RENTAL CONDITIONS AND PROVISIONS

A unit owner who violates any of the terms of this Rental Rule shall be assessed, and pay to the Villas HOA, a fine of \$5,000.00. If a tenant violates any of the terms of this Rental Rule, then his/her lease shall be deemed null and void in its entirety and, if the tenant has occupied the unit, the tenant shall move out of the unit within 15 days of receiving notice of his/her violation from the Villas at Valley Country Club Homeowners Association. Notice may be given by 1st Class Mail, email or via hand-delivery to the unit owner or tenant.

AMENDMENT TO JANUARY 1, 2014

POLICY STATEMENT

RESPONSIBLE GOVERNANCE

The Board of the Villas at Valley Country Club does hereby amend IV. COVENANT AND RULES ENFORCEMENT of the January 1, 2014, Policy Statement, Responsible Governance as follows:

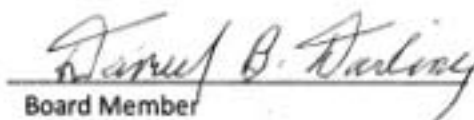
(h) On September 27, 2021 the Board approved and enacted the Villas at Valley Country Club's Rental Rules. These Rules are hereby incorporated herein by this reference in their entirety. The Rules were adopted to protect the integrity of the neighborhood, insure landlord and tenant compliance with the Villas Declarations of Covenants, Conditions and Restrictions and protect the property values of all unit owners. Notwithstanding anything to the contrary in paragraphs (a) through (g) of section IV. COVENANTS AND RULES ENFORCEMENT a fine of \$5,000 shall be assessed against the unit owner/landlord for any violation of these Rental Rules. Subject to this amendment, all other provisions of IV. COVENANT AND RULES ENFORCEMENT remain in full force and effect.

BE IT RESOLVED that effective September 27, 2021, that the above amendment to section IV. COVENANT AND RULES ENFORCEMENT is hereby approved and adopted.


Board Member


Board Member


Board Member


Board Member


Board Member

Board Member