

RULES FOR LEASING OF DWELLING UNITS  
Lotus Homeowners Association  
Effective: \_\_\_\_\_, 2019

1. Introduction. The Board of Directors of the Lotus Homeowners Association, acting pursuant to the powers set forth in the Declaration, Bylaws, and other duly enacted Rules and Regulations of the Homeowners Association (“the HOA Documents”), has enacted the following Rule effective as of the date set forth above.

2. Purpose. The purpose of this Rule is to balance the a basic property right of an individual Owner to lease his or her Unit to third parties, with the rights of all Owners to enjoy peaceful possession of their Units and expect that all Occupants, whether Owners or their tenants, will honor and observe all terms and conditions of the Declaration and HOA Documents.

3. Minimum Duration of Owner Occupancy before Leasing is Permitted. Dwelling Units shall not be leased until its Owner has owned and occupied the Unit for a period of at least six months. Upon application by the Owner, the Board may shorten or waive the six-month waiting period for cause, including members of the Owners family as tenants.

4. Leases to Be for a Minimum Duration (term). A Dwelling Units shall not be rented or leased for a of term less than three months.

5. Leases to Include Specific Provisions. A Dwelling Units shall not be leased unless the Owner, as the Lessor, and the Lessee shall complete and sign a Lease Addendum substantially in the form attached hereto and incorporated herein. The primary purpose of the Addendum is to make it clear that tenants are subject to all applicable provisions of the Declaration and HOA Documents, and that the tenant and Owner will both be responsible for rule violations.

6. Notice to Homeowners Association. An Owner leasing a Dwelling Unit shall give notice to the HOA of the duration of the lease (beginning and ending dates), and the full name, age, relationship to Owner, and contact information for each and every person in possession of the Dwelling Unit under the Lease.

CERTIFICATION

The undersigned secretary of the Lotus Homeowners Association, a Wyoming nonprofit corporation, certifies that the foregoing Rules for Leasing of Dwelling Units was duly adopted and approved by the Board of Directors of the Association at a meeting of the Board held on \_\_\_\_\_, 2019.

LOTUS HOMEOWNERS ASSOCIATION

BY: \_\_\_\_\_  
Secretary

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LEASE ADDENDUM

THIS LEASE ADDENDUM dated \_\_\_\_\_ is entered by and between \_\_\_\_\_, as the Lessor and Owner of the real property known as \_\_\_\_\_ [address] \_\_\_\_\_, also described as Unit No. \_\_\_\_\_ of the Lotus Townhomes (“the Unit”), and subject to the jurisdiction of the Lotus Homeowners Association (“the Homeowners Association” or “HOA”), and \_\_\_\_\_, as the Lessee. This Lease Addendum supplements and modifies that certain Lease dated \_\_\_\_\_ and entered by and between the Lessor and Lessee regarding the Unit (“the Lease”). The parties hereby agree as follows:

1. DECLARATION AND HOMEOWNER ASSOCIATION RULES. By executing the Lease and this Addendum to the Lease, and by taking possession of the Unit, the Lessee understands and agrees to abide and be bound by all provisions of the Declaration of Covenants, Conditions, Restrictions and Easements and Party Wall Agreement (“the Declaration”) and all Homeowner Association bylaws, policies, procedures, rules and regulations (“the HOA Documents”). To the Homeowners Association, the Lessor represents and warrants that true and correct copies or images of the Declaration and HOA Documents have been provided to the Lessee, and the Lessee acknowledges receipt of the Declaration and HOA Documents.

The Lessee agrees to perform, observe and abide by any and all applicable terms, provision and conditions of the Declaration and HOA Documents, and the Lessor understands and agrees that entering into the Lease with the Lessee does not and shall not in any manner relieve the Lessor from observing and abiding by all terms, provision and conditions of the Declaration and HOA Documents.

Both parties agree and understand that failure by either party to perform any duty under the Declaration and HOA Documents shall constitute material breach under the Lease, and in the event of such a breach, the HOA shall have the right, but not the obligation, to declare a default terminate the Lease, in which case the Lessor shall be obligated to bring summary proceedings to evict Lessee. In the event the HOA brings any action, proceeding or litigation to terminate the Lease, the HOA shall recover from Lessor and/or Lessee all costs and reasonable attorney’s fees incurred therefor.

2. USE AND OCCUPANCY. The Unit shall be used solely as a private residence for Lessee, and the following occupants (list the full name of any individual occupant of the Unit not a party to the Lease): \_\_\_\_\_

Lessee and any additional occupant listed above shall not use the Unit, or permit the Unit to be used, for any illegal, immoral, improper, offensive, hazardous or unlawful purpose, nor shall they make or permit any disturbance, noise or annoyance of any kind which is detrimental

to the Unit or any other Owner or Unit in the Lotus Townhome community. All valid laws, ordinances and regulations of any governmental bodies having jurisdiction over the Unit shall be observed by Lessee and any additional occupants listed above.

3. ASSIGNMENT AND SUBLETTING. Lessee shall not assign nor sublet the Unit or any part thereof, nor shall the Lease be assigned by Lessee, without the prior written approval of the Lessor and the Homeowners Association.

4. SUBORDINATION. The Lease and any renewals, modifications or extensions of the Lease is hereby expressly made subject and subordinate to all Homeowner Association assessments and any other obligations which may now or hereafter affect or become a lien upon the Unit.

5. INDEMNIFICATION. Lessee agrees to indemnify and hold the Homeowners Association harmless from and against any claims for damages to persons or property arising from Lessee's use of the Unit, or from any activity or work permitted or suffered by Lessee in or about the Unit. The Homeowners Association shall not be liable for any personal injury, or for damages to Lessee's personal property from theft, vandalism, fire, water, rain storms, smoke, explosions, riots or any other causes whatsoever. The provisions of this paragraph shall survive the termination of the Lease.

6. MODIFICATION OF LEASE. The Lease may not be modified, amended, extended or assigned without the renewal and execution of a current Lease Addendum form approved by the Homeowners Association.

7. NO LIABILITY TO HOMEOWNERS ASSOCIATION. None of the terms and provisions contained in this Lease Addendum shall be deemed to create any rights or privileges of Lessee under the HOA Documents or in the Homeowners Association. Requiring and approving this Addendum for the parties' Lease shall not be deemed to make the Homeowners Association a party to the Lease or this Lease Addendum, or create any obligation or liability on the part of the Homeowners Association to the Lessor or Lessee.

IN WITNESS WHEREOF, the parties have set their hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Lessor

\_\_\_\_\_  
Lessee

SEEN AND APPROVED:  
Lotus Homeowners Association

BY: \_\_\_\_\_

Date: \_\_\_\_\_