

Rule Regarding Restriction on Leasing of Units

In accordance with the Connecticut Common Interest Ownership Act C.G.S. 47-261b(f)(3) Mountaindale Condominium Association, Inc. hereby restricts the leasing of Units in order to reasonably meet first mortgage underwriting requirements of institutional lenders who regularly purchase or insure first mortgages on units.

- (a) No Unit Owners shall rent or lease his or her Unit until said Unit Owner of record has lived in the Unit for a period of 12 (12) months, even if the unit has been rented immediately prior to the date of purchase. The Unit Owner shall be required to provide to the Association a copy of his or her current driver's license and/or other reasonable evidence showing an address at Mountaindale Condominium Association, Inc. as his or her principal residence. Failure to provide such evidence of residency may result in a fine of \$25.00 per day for each day that such evidence is not provided to the Association Board.
- (b) Upon fulfilling the residency requirement no Unit Owner shall lease any Unit without first obtaining the prior written approval of the Executive Board. The Executive Board shall act upon a request to lease a Unit within fifteen (15) business days from receipt. Approval shall not be unreasonably withheld, provided, the Association can meet the leasing rules reasonably designed to meet first mortgage underwriting requirements of institutional lenders who regularly purchase or insure first mortgages on units in Common Interest Communities.

A portion less than a whole Unit shall not be leased and the minimum initial lease term shall be a full twelve (12) months for the first year of any new tenancy. After the first twelve (12) months, subsequent leasing to same tenant can be year-to-year or month-to-month. A new or different tenant(s) must have an initial twelve (12) month lease.

Any Unit Owner leasing his or her Unit shall, prior to occupancy of said Unit by lessee, provide his or her lessee with a complete set of the Mountaindale Condominium Association, Inc. Declaration, ByLaws, Maintenance Standards and Rules and Regulations ("Documents") which shall become an integral part of the lease agreement. Any violation by the lessee of the Documents shall constitute a default under the terms of the lease. The Unit Owner shall be responsible for paying any fines imposed as a result of violation of the Documents by a lessee. Notwithstanding, the Association may also impose fines directly against a lessee and/or take direct action to evict a lessee in accordance with the provisions of the ByLaws and 47a-23 et-seq. The Unit Owner shall be responsible for all attorney's fees and costs incurred by the Association as a result of a violation of said Documents by the lessee, irrespective of whether suit is instituted in accordance with the provisions of the Documents.

- (c) All Units currently leased shall be permitted to remain leased until such time as the current Unit Owner either transfers ownership of the Unit or occupies the Unit as a primary residence, whichever occurs first. The Unit Owners of all currently leased Units shall provide the Executive Board with a copy of the existing lease.
- (d) Notwithstanding the provisions of this Restriction on Leasing Units and subjection to the provisions of subjection (e) below, no more than 50% of units in the Association may be leased at any time.
- (e) The Executive Board may waive the restriction on the maximum number of Units to be leased, and term of lease, upon a showing by a Unit Owner that he or she will suffer irreparable economic harm if said waiver is not granted. The Executive Board shall convene a meeting within 30 days of its receipt of a written request for a waiver. At such a meeting, the Unit Owner shall be heard and may present evidence in support of the request for waiver. The Executive Board shall also hear any other evidence that it deems relevant in order to assist the Executive Board in reaching the decision. The decision of the Executive Board shall be rendered by a majority of the Directors present at said hearing with fifteen (15) days of said hearing.
- (f) Any purported lease of a Unit in violation of this article shall be voidable at the election of the Executive Board, and the Unit Owner shall be deemed to have authorized and empowered the Association to institute legal proceedings to evict the purported lessee in the name of the Unit Owner as the purported lessor. Said Unit Owner shall reimburse the Association for all expenses (including reasonable attorney's fees) incurred in connection with such proceedings, and the association may levy a special assessment therefore.
- (g) Any purported lease of a Unit in violation of this article may be subject to a fine or fines to be imposed by the Executive Board following notice to the Unit Owner and hearing before the Board.
- (h) Notwithstanding subsections (a) and (b), above, the twelve (12) month occupancy restriction shall not be applicable in the following situations:
- a. A Unit Owner obtaining ownership of the unit by inheritance provided that the deceased unit owner met the twelve (12) month occupancy restriction; or
 - b. A Unit Owner having absolute title due to the termination of a life estate interest provided that the person having held the life estate interest met the twelve (12) month occupancy restriction.

EXECUTIVE BOARD RIGHTS AGAINST LESSEES.

Any lease of a Unit shall be in writing and shall be consistent with the Documents. Any lease shall contain a clause or provision to the effect that the Unit Owner shall be solely responsible for the payment of all common expenses and special assessments. Any lease of a Unit shall contain a clause or provision to the effect that the lessee shall abide by the Documents and the Unit Owners shall be responsible for delivering a copy of the Documents to the lessee. A proposed lease shall be submitted to the Executive Board prior to the commencement of the lease term and prior to the commencement of occupancy for the purposes of determining if the written lease is in conformity with the Documents and this provision. Upon submission to the Executive Board, the Board shall within fifteen (15) working days, approve or disapprove the lease and inform the Unit Owner in writing of its decision. Should the Board fail to act within said period the lease shall be deemed approved. No lessee may take occupancy until such time as the Executive Board may have approved the lease. A copy of the signed lease shall be provided to the Executive Board.

Any non-resident Unit Owner shall file with the Executive Board his or her current address, telephone number and email address.

The Executive Board shall have the power to terminate any leases and bring summary proceedings to evict the lessee in the name of the landlord thereunder in the event of failure by the lessee to perform any obligation in the Documents in accordance with the ByLaws. Each lessee of a Unit shall be deemed to have attorned to the Association as landlord under the lease with respect to enforcement of any provisions of the Documents, provided that no enforcement proceedings shall be undertaken against a lessee by the Association without prior notice to the Unit Owner, and a reasonable opportunity given to the Unit Owner to cure any default or to enforce the provision(s), before the Association will proceed with enforcement proceedings.

The Board of Directors, after Notice and Comment to the Unit Owners, has adopted this Rule Restricting the Leasing of Units on this 21st day of APRIL, 2014.

**MOUNTAINDALE
CONDOMINIUM ASSOCIATION, INC.**



Its President