

## **RULES & REGULATIONS: SECTION 9:**

### **SELLING OR REFINANCING YOUR UNIT** **TRANSFER OF OWNERSHIP**

When selling or re-financing your Unit, mortgage lenders and title companies require certain documents. Section 22.1 of the Illinois Condominium Act requires the seller of a condominium to provide certain information. The Association provides this information for a fee to cover the cost of materials. The management office must be notified upon listing of your Unit "For Sale" either by Owner or realtor/broker. Typically, the required documents include:

- a. Declaration and By-Laws
- b. Rules and Regulations
- c. Assessment Letter
- d. Disclosure Statement
- e. Certificate of Insurance
- f. Affidavit as to the Dana Point Condominium Association Declaration, By-Laws and Rules and Regulations

Frequently a property/insurance information form from the lender will also be required. The Association fees are determined by the number of documents required for your closing. Before the Association will release the documents, the following must be supplied:

- 9.1 The Owner will provide their full name, as it appears on the legal documents, current address, Unit address and forwarding address.
- 9.2 Owner will provide the name and current address and phone number of the purchaser.
- 9.3 Owner will provide the date of the closing.
- 9.4 Owner will provide names; addresses and phone numbers of the attorneys and/or real estate sales associated handling the sale of the Unit for both the seller and the purchaser.
- 9.5 Mortgage information (for the closing) will be provided by the Owner (generally name and address of mortgager for the purchaser).
- 9.6 All new Owners must acknowledge that they have received, read and understand the Dana Point Rules and Regulations and agree to abide by said Rules and Regulations.
- 9.7 Fees for the closing package as determined by the Association.
- 9.8 If an Owner transfers ownership by any means, including Quit Claim Deed, Warranty Deed, etc., the new Owner shall be subject to the Association's Rules and Regulations.

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9.9 All Owners may be requested to provide proof of liability insurance to the Association Office annually. Providing a current Certificate of Insurance upon purchase of the Unit and thereafter supplied upon renewal date. Failure to supply such proof of insurance may result in the Association purchasing coverage on behalf of the Unit Owner and charge premium costs back to the Owner on their Assessment statement.

#### **9.10 Owner Leasing Restriction:**

- a. All current Owners as of August 25, 2008 may lease their Unit or Units. Once such Units are sold or otherwise transferred (except as provided for under subparagraph (e) below); lease of such Units will no longer be permitted.
- b. A copy of all current leases must be on file with the Board no later than fourteen (14) days after the effective date of this Amendment. All tenants shall acknowledge in writing that they have received copies of the Rules and Regulations of the Association and a copy of the written receipt shall be submitted to the Board of Directors.
- c. After the effective date of this Amendment, to meet special situations and to avoid undue hardship or practical difficulties, the Board may, but is not required to, grant permission to an Owner who is not eligible to lease pursuant to subparagraph (a) above to lease his Unit to a specified lessee for a period of not more than one (1) year on such reasonable terms as the Board may establish. Such permission may be granted by the Board only upon written application by the Owner to the Board giving the reasons the Owner wishes to be considered for a hardship. The Board shall respond to each application in writing within thirty (30) days of the submission thereof. The Board has sole and complete discretion to approve or disapprove any Owner's application for a lease. The Board's decision shall be final and binding. Any lease approved by the Board shall be in writing and subject to the Declaration, By-Laws and rules and regulations governing the Association. Upon expiration of any lease approved under the paragraph, the Owner may apply for an extension of such lease, pursuant to the terms of this paragraph.
- d. Occupancy of a Unit by a blood relative of an Owner is permitted, and shall not constitute a lease as defined under the Dana Point Rules & Regulations even if there is no written memorandum or agreement executed between the parties. "Blood Relative" shall be defined as parents, children (whether natural or adopted), grandparents, grandchildren, siblings, and the spouse of the Owner.

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**9.10 Owner Leasing Restriction:**

e. The Owner of a Unit by documented inheritance received from an individual who owned such Unit prior to the effective date of this Amendment shall be treated as if they were the Owner of the Unit prior to the effective date of this Amendment.

f. Any Unit being leased out in violation of this Amendment or any Owner found to be in violation of the Rules and Regulations adopted by the Board of Directors may be subject to a flat or daily fine to be determined by the Board of Directors upon notice and an opportunity to be heard.

g. In addition to the authority to levy fines against the Owner for violation of this rule or any other provision of the Declaration, By-Laws or Rules and Regulations, the Board shall have all rights and remedies, including but not limited to the right to maintain an action for possession against the Owner and/or their tenant, under 735 ILCS 5/9-111, an action for injunctive and other equitable relief, or an action at law for damages.

h. Any action brought on behalf of the Association and/or the Board of Directors to enforce this Amendment shall subject the Owner to the payment of all costs and attorneys' fees at the time they are incurred by the Association.

i. All unpaid charges as a result of the foregoing shall be deemed to be a lien against the Unit and collectible as any other unpaid regular or special assessment, including late fees and interest on the unpaid balance.

## **RULES & REGULATIONS: SECTION 10:**

### **LEASING YOUR UNIT**

A Non-Owner Occupant, hereafter known as a "Tenant", is an individual or individuals who by a legal written agreement (Lease) Agreement between the Owner and the Non-Owner have a legal residence at Dana Point.

Provided an Owner is eligible to lease pursuant to Section 9 above, Owners must have written Lease Agreements with a tenant(s) to occupy their Unit and shall be required to comply with all Rules and Regulations of the Association.

10.1 Prior to entering into a written Lease Agreement, a Unit Owner must notify the Management Company of their intent to lease. The Owner's Intent to Lease Notice shall be delivered to Management no less than fifteen (15) days in advance of the effective date of the Tenant's Move-In Date.

10.2 Complete and return to Management the Tenant's Rider that is to be attached to the written Lease Agreement. The Owner shall provide a copy of the Association's Rules and Regulations to the prospective tenant(s). The Association reserves the right to charge for document copies.

10.3 Any replacement or new Tenant to be added to an existing Lease must follow the same procedures as detailed in the Rules and Regulations of the Association.

10.4 Units owned by corporations or other business entities may only grant occupancy to persons residing in the Unit for at least one year. No transient housing shall be permitted.

10.5 A signed copy of the original Lease (along with the following items) and must be delivered to the Association no later than date of occupancy or ten (10) days after the Lease is signed, or Tenant may be evicted by the Association:

- a. The completed "Owner's Intent Notice" application.
- b. A signed copy of the original Lease. The original Lease must contain the following provisions and must be signed by both the lessee and the lessor:
  1. The names of all adult occupants in a Unit.
  2. Lease Begin and Lease End dates. Lease duration shall be at least one full year and no more than two full years.
  3. Signed copy of original Tenant's Rider signed by both the renter and Owner.
  4. A fully completed emergency information form for both Owner and Tenant.

10.6 No Tenant may rent/lease any portion of the Unit to boarders.

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10.7 Unit Owner is responsible for any damages caused by their Tenants, or Tenants' guests and is responsible for any violations by the Tenant and/or their guests.

10.8 A Tenant is required to obtain renter's insurance.

10.9 All expenses of the Association, in connection with any violations under the Rules and Regulations of the Association shall be assessed to the account of the Unit Owner.

10.10. Any family member or members of any Unit Owners are subject to the provisions of the Association's Rules and Regulations.