

Upon the effectiveness of this regulation, future rentals of less than 30 consecutive days, or the advertisement thereof, will be prohibited and certain requirements will be required in connection with other leases of dwellings.

RENTAL REGULATION

- 1. <u>Purpose and Intent.</u> The purpose and intent of this regulation is to establish minimum requirements for the rental of dwellings located in the Residence Districts of Class A, B and C (as such terms are used in the Rancho Santa Fe Protective Covenant (the "Covenant") and are collectively referred to as (the "Residence Districts") in order to preserve the character, quality and stability of the Residence Districts. This regulation does not apply to any hotel, dormitory, boarding house, lodging house, fraternity or club otherwise permitted by the Covenant.
- 2. <u>Vacation Rental.</u> The rental of any dwelling (including any accessory building) subject to this regulation, in whole or part, in the Residence Districts to any person or group of persons for less than 30 consecutive days is strictly prohibited. Any rental of any such dwelling for any lesser period is referred to in this regulation as a "Vacation Rental".
- 3. Rental or Lease Agreement. The rental or lease agreement relating to any dwelling subject to this regulation (the "Lease") shall be in writing and shall provide that the Lease is subject to the Covenant and the Articles of Incorporation, Bylaws and rules and regulations of the Rancho Santa Fe Association (collectively referred to as the "Governing Documents"). The Lease shall further provide that any failure to comply with any provision of the Governing Documents shall be a default under the terms of the Lease. The Member shall provide a copy (by paper or electronically) of the Governing Documents to each renter of a dwelling subject to this regulation. The Member shall at all times be responsible for such renter's compliance with the provisions of the Governing Documents.
- 4. <u>Entire Dwelling.</u> The Lease must be for the entire dwelling and not merely for a portion of a dwelling. A sublease of a dwelling subject to this regulation is strictly prohibited. The rental of accessory buildings referred to in paragraph 88 of the Covenant is strictly prohibited.
- 5. <u>Advertising.</u> The posting on the internet (or otherwise), publishing, circulating, emailing, broadcasting or maintaining any advertisement for any Vacation Rental by a Member, directly or indirectly, is strictly prohibited.
- 6. <u>Violations.</u> Violations of this regulation may result in fines pursuant to the published fine schedule as approved from time-to-time by the Board of Directors of the Rancho Santa Fe Association. Some fines are assessed on a per-day basis. A "day" is all, or any part, of a day that a dwelling is occupied in violation of this regulation. For example, a tenancy starting on Friday and ending on Monday would be four calendar days. Fines may be levied separately for each violation of this regulation. For example, advertising a dwelling subject to this regulation as a Vacation Rental is a separate violation from actually renting of the dwelling for such use.

Violations for other breaches of the Governing Documents are considered as separate violations and may result in the imposition of additional fines.

- 7. <u>Notification.</u> Members who, directly or indirectly, rent dwellings subject to this regulation shall promptly notify the Manager in writing of the names of all occupants of such dwelling, the make(s), model(s) and license number(s) of all occupants' vehicles, the telephone number(s) and the e-mail(s) for the tenants(s), the number and type of pets kept by the occupants and a complete copy of the Lease and any other information reasonably needed by the Manager. This information shall be kept current. Any Member renting any dwelling subject to this regulation shall, directly or indirectly, promptly notify the Manager of the address(es), telephone number(s) and e-mail(s) where such Member can be reached.
- 8. <u>Leases in Existence.</u> This regulation shall not apply to any Lease in existence on the date of the adoption of this regulation or to any renewal thereof if such renewal is solely at the tenant's option and is provided for in writing on such date of adoption.