

CRESTWOOD VILLAS OF SARASOTA
MULTI-CONDOMINIUM ASSOCIATION, INC.

TRANSFER, LEASE AND OCCUPANCY POLICY

The Crestwood Villas of Sarasota Multi-Condominium Association, Inc. has promulgated the following Sales, Leasing and Occupancy Policy (“Policy”) governing transfers, leasing and occupancy within the Crestwood Villas of Sarasota, Section I Condominium, the Crestwood Villas of Sarasota, Section II Condominium, Crestwood Villas of Sarasota, Section III Condominium, Crestwood Villas of Sarasota, Section IV Condominium, Crestwood Villas of Sarasota, Section V Condominium (hereinafter collectively referred to as the “Condominiums”). The Policy establishes a process and criteria for the consistent consideration of transfers, leasing and occupancy within the Condominiums in a manner which promotes the health, happiness and welfare of all occupants. This policy, together with the Association’s other governing documents, shall be referred to herein as the “Governing Documents”. All definitions of terms set forth in the Governing Documents are incorporated herein by reference.

1. The transfer (including sales, gifts, or otherwise), lease or occupancy of a unit must be approved in writing in advance by the Association. Any transfer, lease, or occupancy without the Association’s prior written approval shall be void, unless subsequently approved by the Association.
2. To obtain the Association’s approval for a transfer, owners and prospective owners shall submit an Application for Unit Transfer in the form approved by the Association, which can be obtained from the Association’s manager. Where a prospective owner is an entity or trust with less than five individuals holding a legal or beneficial ownership interest (hereinafter “Closely Held Entity”), all such interest holders must complete and execute an Application for Sale of Unit. Notwithstanding the foregoing, transfers where the Association is a party or transfers pursuant to foreclosure of a bona-fide mortgage by an institutional mortgagee or deed in lieu thereof shall not require approval.
3. To obtain the Association’s approval for lease or occupancy, owners and all prospective lessees or occupants of a unit in the Condominiums over the age of 18 shall submit an Application for Unit Lease or Occupancy in the form approved by the Association, which can be obtained from the Association’s manager, and a fee of \$100 per applicant (except a husband and wife, or parents/dependent children, who are considered a single applicant for purpose of the fee owed). Lease modifications, extensions, renewals, assignments or subleases shall require submission of a new application.
4. The Application for Sale or Application for Lease or Occupancy form shall provide the name, address, telephone number and social security number of all prospective owners, tenants, or occupants aged 18 and older and the names of all proposed occupants under the age of 18, together with such other information as the Board may reasonably require.
5. A completed Application for Lease or Occupancy, together with all documentation required to be submitted therewith as provided in the application, must be delivered to the

Association's manager by registered or certified mail or hand delivery at least fifteen (15) days in advance of the commencement of the lease or occupancy. A completed Application for Sale, together with all documentation required to be submitted therewith as provided in the application, must be delivered to the Association's manager by registered or certified mail or hand delivery at least fifteen (15) days in advance of the commencement of the lease or occupancy. Other methods of delivery, such as email, are also acceptable, so long as the Association acknowledges receipt in writing, in which case the date of delivery shall be considered the date the Association acknowledges receipt.

6. The Association, through a third-party vendor, will conduct a background check on each person aged 18 or older, including credit and criminal history, for use in consideration of any application for transfer, tenancy or occupancy. Submission of an application to the Association shall constitute authorization for the Association to conduct or obtain such background check.
7. The Association shall not unreasonably withhold its consent to a proposed transfer, lease or occupancy.
8. The Association shall only deny a proposed transfer or lease due to the prospective owner or tenant's 1) financial irresponsibility, distress, or insolvency; 2) history of failure or refusal to comply with the Association or other community associations' governing documents; 3) criminal background as specified in paragraph 10 below; 4) material misrepresentation in the application process, 5) delinquent assessments or other amounts owed to the Association; or 5) other good cause.
9. The Association shall only deny approval of occupancy by someone other than an owner or lessee due to the prospective occupant's 1) history of failure or refusal to comply with the Association or other community associations' governing documents; 2) criminal background, as specified in paragraph 10 below; 3) material misrepresentation in the application process or 4) other good cause.
10. In order to ensure security of persons and property within the Condominiums, the Association may deny approval of a transfer, tenancy or occupancy to an individual or Closely Held Entity whose owners or principals have pled guilty to or otherwise been adjudicated guilty within the past five (5) years of any felony involving violence, theft, property damage or sexual misconduct, or any person who has been incarcerated as a result of such convictions within the past five (5) years, whichever is greater. In determining whether such conviction(s) warrant(s) denial of a lease application, the Association shall consider, to the extent information is provided by the unit owner or prospective tenant or occupant, without exclusion, the following factors:
 - a. The facts or circumstances surrounding the conviction(s);
 - b. The age of the individual at the time of conviction(s);
 - c. The total number of convictions (whether or not within the seven (5) year period);
 - d. The record and conduct of the individual subsequent to the conviction(s);
 - e. Evidence of rehabilitation efforts;
 - f. Character references; and
 - g. Any other relevant factors.

It shall be the duty of the unit owner and/or prospective tenant or occupant to provide the Association with any information or documentation to be considered alongside a history of a potentially disqualifying conviction(s) at the time of application for transfer, lease or occupancy. Any prospective owner, tenant or occupant whose application is denied due to potentially disqualifying criminal convictions who disputes that such convictions occurred may request reconsideration by the Association. Upon such request, the Association will consider any information or documentation provided by the prospective owner, tenant or occupant and notify the unit owner and/or prospective tenant of its decision.

11. Notwithstanding the above, no person or Closely Held Entity whose owners or principals have been convicted of the illegal manufacture or distribution of a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802) will be approved to own, lease, or occupy a unit in the Condominiums without regard to when such conviction occurred.
12. The Board of Directors or its designee will review an Application for Lease or Occupancy and notify the unit owner(s) of its decision within five (5) days of receipt of a completed application and required documentation and fees. The Board of Directors or its designee will review an Application for Sale and notify the unit owner(s) and prospective owner(s) within fifteen (15) days after receipt of a completed application, required documentation, and fees.
13. Owners must provide all prospective purchasers, lessees and occupants with a copy of the Governing Documents. The owner, lessee and all occupants residing in the unit must agree to abide by the Governing Documents.
14. No fraction or portion of a unit (other than an entire unit) may be leased. Individual rooms of a unit may not be leased on any basis.
15. No lease or rental agreement of any kind may be for a term of less than three (3) months. Shorter term rental agreements or licenses, including, but not limited to, those arranged via online peer to peer services (i.e., AirBNB, VRBO, or similar) are prohibited.
16. No unit may be leased more than three (3) times in any calendar year.
17. No bed and breakfast facility may be operated out of a unit.
18. Unit owners shall not be entitled to utilize amenities and other common elements during the lease term unless all tenants have waived the right to utilize such common elements in the lease or other written instrument provided to the Association, in which case the tenants shall not be entitled to utilize the amenities or other common elements.
19. Each owner and tenant shall be responsible for the acts and omissions, whether negligent or willful, of themselves and any tenant or occupant residing in the unit, and for all guests and invitees of any such tenants or occupants, and in the event the acts or omissions of any of the foregoing shall result in any damage to the Common Areas or to other units, or any liability to the Association, the owner, tenant and/or occupant shall be jointly liable for the same and shall defend, indemnify and hold harmless the Association. In addition, the owner and any person occupying the unit, and all guests and invitees of any such resident to the extent

responsible, may be assessed for any damage to the Common Areas or to units, and the owner, tenant and/or occupant shall be jointly liable for payment of such assessment.

20. If a tenant or occupant or their invitees fail to comply with the Governing Documents, the Association shall have the right to take any action against the tenant to which the Association may be entitled under Florida law or under the Governing Documents. Such rights may include, but are not limited to, imposing fines against the tenant or occupant or their invitees.
21. In the event that the Association takes action to enforce the Governing Documents against any tenant or occupant or their invitees, the Association shall not be liable to the owner for any loss or damages arising from or connected with such actions.
22. If the owner is delinquent in paying any monetary obligation due to the Association, the Association may demand, in writing, that any tenant pay to the Association the subsequent rental payments and continue to make such payments until all the monetary obligations of the owner have been paid in full and the Association has released the tenant, or until the tenant discontinues tenancy of the unit. Pursuant to § 718.116, Florida Statutes, any tenant paying rent to the Association must be given a credit against rents due to the landlord in the amount of assessments paid to the Association. The balance of any payment from the tenant shall be forwarded to the owner at such address as the owner may designate in writing or at such address as the Association has on record for the owner. The tenant's failure to make such payment directly to the Association shall be grounds for eviction or other legal action by the Association as an intended third party beneficiary to the lease between the owner and the tenant.
23. A tenant or occupant does not, by virtue of his or her tenancy or occupancy, have any of the rights of an owner other than use of the unit and appurtenant Common Elements (unless waived), including the power to vote in any election or to examine the books and records of the Association.
24. Owners shall provide prospective owners, tenants or occupants with the unit's mailbox number and key and a clubhouse/pool key.
25. Tenants are not permitted to keep pets of any kind.
26. This Policy shall be in effect until amended, added to or repealed by the Board.