ISSUE #1

Section 13.08 - Sample Provision Excerpt (Public Preview)

Leasing Restrictions. No Owner shall be permitted to lease his Lot for transient or hotel purposes. No Owner may lease less than the entire Lot. Any lease or rental agreement must be in writing and be subject to the provisions of the Project Documents. No Lot may be leased or rented for less than 30 days.

MARKUP #1 ->

MARKUP #1 · STATUTORY EVICTION / LEASING VETO CONFLICT

BOARD & COUNSEL REVIEW

Sec. 13.08 (p. 1): Rental restriction conflicts with California Civil Code §§ 4740 and 4741 (AB 3182) protections regarding rental caps, minimum lease durations, or ADU/JADU exemptions.

Statutory / Legal Reference: Cal. Civ. Code § 4740 & 4741 (AB 3182)

Statutory Comparison: Under Cal. Civ. Code § 4741 (AB 3182), common interest developments may not adopt or enforce provisions that prohibit the rental or leasing of separate interests, restrict rentals to less than 25% of the separate interests in the development, or count an Accessory Dwelling Unit (ADU) or Junior Accessory Dwelling Unit (JADU) as a separate interest for rental-cap purposes. Entity Scope Qualification: Confirm whether this entity operates as a residential common-interest community, a sub-association vs. master association, or a commercial/recreational club, as residential HOA/Condominium statutory mandates apply only to qualifying residential common-interest associations.

CURRENT WORDING IN DOCUMENT:

Leasing Restrictions. No Owner shall be permitted to lease his Lot for transient or hotel purposes. No Owner may lease less than the entire Lot. Any lease or rental agreement must be in writing and be subject to the provisions of the Project Documents. No Lot may be leased or rented for less than 30 days.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Pursuant to California Civil Code §§ 4740 and 4741, any limitation on the total number of rented separate interests shall not be less than twenty-five percent (25%) of the separate interests in the development; any minimum lease duration requirement shall only prohibit transient or short-term rentals of thirty (30) days or less; and an Accessory Dwelling Unit (ADU) or Junior Accessory Dwelling Unit (JADU) occupied or rented in accordance with Civil Code § 4741(d) - (e) shall not be construed as a separate interest for purposes of any rental cap.