7.1   <u>Rental</u>. The Leasing or Renting of a Unit by its Owner shall be governed by the provisions of this Section 7.1. "Leasing or Renting" a Unit means the granting of a right to use or occupy a Unit, for a specified term or indefinìte term (with rent reserved on a periodic basis), whether in exchange for the payment of rent (that is, money, property or other goods or services of value) or not; but shall not mean and include joint ownership of a Unit by means of joint tenancy, tenancy-in-common or other forms of co-ownership. With the exception of a lender in possession of a Unit following a default in a Mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of a foreclosure, no Owner shall be permitted to Lease his or her Unit for hotel or transient purposes, which shall be defined as Renting for any period less than 30 days.

7.1.1   <u>Partial Leases</u>. No Owner of a Primary, Parking or Storage Unit may Lease less than the entire Unit.

7.1.2   <u>Written Leases</u>. All Leasing, Rental or other occupancy agreements shall be in writing and be subject to the Declaration and these Bylaws (with a default by the tenant or occupant in complying with this Declaration and/or Bylaws constituting a default under the Lease, Rental or occupancy agreements).

7.1.3   <u>Payments by Tenant or Lessee to Association</u>. If a Primary Unit is Rented by its Owner, the Board may collect, and the tenant, lessee or occupant shall pay over to the Board, any amounts due to the Association hereunder for such Primary Unit, plus interest and costs if the same are in default over 30 days. The renter, lessee or occupant shall not have the right to question payment over to the Board. Such payment will discharge the lessee's, renter's or occupant's duty of payment to the Owner for rent, to the extent such payment is made to the Association, but will not discharge the liability of the Owner and the Primary Unit under the Declaration for assessments and charges, or operate as an approval of the lease or occupancy agreement. The Board shall not exercise this power where a receiver has been appointed with respect to the Unit or its Owner, nor in derogation of any right which a Mortgagee of such Unit may have with respect to such rents.

7.1.4   <u>Identification of Tenants</u>. Each Owner electing to rent or grant occupancy of his or her Unit shall, within 30 days after the rental or occupancy of such Unit, submit to the Board in writing the identity of and contact information for such tenant or occupant.

7.1.5   <u>Limitation on Number of Units</u>. At no time shall more than 30 percent of Primary Units be rented or occupied by non-Owner occupants. In order to insure that the foregoing limitation is not exceeded, Owners who intend to rent or grant occupancy rights to their Units shall provide 30 days written notice to the Board of their intentions. Each such Owner may proceed to rent or grant occupancy to non-Owner occupants for his or lier unit unless such Owner is provided written notice of the Board's refusal to allow such rental or non-Owner occupancy because such rental or non-Owner occupancy would exceed the limitation of the foregoing sentence. In the event of such Board refusal, the requesting Owner shall not rent or grant non-Occupancy to any person until the Board notices him or her that such rental or occupancy would not violate the limitation on non-Owner occupied Primary Units. The Board shall maintain a list of

Owners who requested and were denied the ability to rent or grant non-Owner occupancy of their Primary Units, on a first-come, first-served basis and shall promptly notify each Owner on such list as it becomes permissible to rent or grant non-Owner occupancy of such Owner's Primary Unit.

      7.1.6 <u>No Other Restrictions</u>. Other than as stated in this Section 7.1, there is no restriction on the right of any Owner to Lease or otherwise Rent his or her Unit.

      7.1.7 <u>Declarant's Activities</u>. The restrictions contained in this Section 7.1 shall not apply to the Leasing or Renting of Units owned by the Declarant.