

Rental Restrictions (Required Civil Code Sec. 4525)
New Horizons South Bay Association

Order: Q4S4ZMTQS
Address: 22623 Maple Ave
Order Date: 08-07-2026
Document not for resale
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7.16 Satellite Dishes. Satellite dishes may only be installed as provided for in the Resident and Guest Regulations, Architectural Standards, and applicable law.

7.17 Smoking. Smoking is prohibited in the Development, except as may be specified in the Resident and Guest Regulations.

7.18 Toilets. No “turbo” toilets or any other types of noisy toilets are permitted.

7.19 Use of Association Employees. Members may hire off-duty Association employees to perform work. However, the use of off-duty employees shall be at the employing Member’s expense and such Member shall be responsible for workers’ compensation and payroll deductions for that employee. In no event shall the Association be liable for the acts or omissions of employees hired by Members.

7.20 Use of Independent Contractors. Members may use independent contractors to perform work in their Unit. Such contractors shall be licensed and insured. The Association may, but is not required to, and is specifically relieved of any responsibility or liability for policing this provision.

7.21 Window Coverings. Appropriate window coverings must be installed on windows at all times. The color of such window coverings shall be in harmony with the exterior of the structure. No window may be covered by paint, aluminum foil, newspapers, bed sheets, cardboard, blankets, or other similar items.

ARTICLE 8: LEASE AND OWNERSHIP LIMITATIONS

8.1 Meeting Prior to Sale or Lease. Prior to the consummation of a sale or lease of a Unit, the prospective buyer or lessee shall meet with the chair of the Resident & Orientation Committee and one current or former resident Board member to receive an explanation of the rights, duties and obligations of residency within the Development including a review of the Association’s governing documents (including the CC&Rs, Bylaws, and the Resident & Guest Regulations). The Owner of the subject Unit is responsible for compliance with this section.

8.2 Residency Requirement. So as to achieve a stabilized community of owner-occupied units, to avoid artificial inflation of prices caused by resales by speculators, and to ensure compliance with secondary mortgage requirements, upon transfer of interest in a unit, the recipients of the transfer shall not lease the unit until they have physically resided in the unit as their primary residence continuously for at least two (2) years, except in cases of hardship. Hardship shall be determined at the discretion of the Board of Governors.

- a. *For Legal Entities.* The restriction applies as follows: (i) for corporations, a shareholder with a majority shareholder interest must reside in the unit; (ii) for partnerships, a partner with a majority partnership interest must reside in the unit; (iii) for any other legal entity, the majority owner of the entity must reside in the unit.

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- b. Exceptions to Restriction. This restriction shall not apply to units (i) transferred through inheritance, (ii) transferred into a trust for estate planning purposes, provided the owner transferring such interest physically resided in the unit as their primary residence continuously for at least one (1) year prior to transferring the interest into the trust, or (iii) owned by the Association.

8.3 Lease Requirements. No owner shall lease less than the entire unit nor shall the lease be for an initial term of less than one (1) year. Units may not be used for time-share purposes, hotel-like operations, or other transient purposes.

8.4 Ownership Limited to Three Units. Owners shall not be on title to any more than three (3) units. Being "on title" is defined to include the person or any entity which the person is a part of, including a company, corporation, partnership, or trust that is on title to the property.

8.5 Governing Documents. Owners shall provide their tenants with copies of all Governing Documents, including, but not limited to, the CC&Rs, Bylaws, and Rules and Regulations, as well as any applicable amendments, and must ensure compliance with all provisions of the Governing Documents.

8.6 Transfer of Common Area Privileges. Any owner residing off-site and whose unit is occupied by others automatically relinquishes to their unit's residents the owner's rights to use the Association's Common Area facilities until the owner re-takes possession of the unit.

8.7 Transfer of Occupancy. Owners living offsite shall promptly provide the Association with the name, address, phone number, and email address of all unit residents and any change in occupancy.

8.8 Repair Damage. Owners shall promptly repair any damage to the Common Areas which originates from their Units or was caused by owner, owner's tenant or their respective family, guests, invitees, or pets.

8.9 Unlawful Detainer. Owners who lease their units shall be responsible for assuring their tenants comply with the Association's Governing Documents. An owner's failure to take legal action against his/her tenant who is in violation of the Governing Documents (including the institution of proceedings in unlawful detainer) within ten (10) days after receipt of written demand to do so from the Board shall entitle the Association to institute unlawful detainer proceedings on behalf of such owner and against the tenant. Any expense the Association incurs, including attorneys' fees and costs of suit, shall become a special assessment against the unit.

8.10 Assignment of Rents. As security for the payment of assessments, fines, and other sums owed to the Association, owners who lease their units hereby pledge their rights as landlords (including the right to receive rent) to the Association. In the event an owner becomes delinquent in payment of assessments or fines to the Association, the

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Association may require owner's tenant to direct any and all rent payments to it until such deficiencies have been paid in full. Owners shall have no right to collect these amounts from tenants and may not evict tenants for complying with the Association's demand for rents.

8.11 Conflicting Terms. In the event any term or provision in this CC&Rs Amendment conflicts or is inconsistent with any other term or provision in the CC&Rs or Bylaws, the term or provision in this CC&Rs Amendment shall control.

8.12 Grandfathered Owners. Owners at the time of the recording of this CC&Rs Amendment are grandfathered in as to the number of units they own.

8.13 Supplemental Lease Agreement. Any lease or rental agreement between Member and Tenant shall be in writing. In addition, Member, Tenant, and the Association shall execute a Supplemental Lease Agreement containing, at a minimum, the following terms: (i) the lease is for the entire Unit; (ii) Member understands and agrees he/she is transferring to Tenant any right to use Common Area facilities; (iii) no assignments or subleases will be permitted; (iv) the lease is for not less than one year and Member cannot re-lease if Tenant moves out early; (v) Tenant agrees to comply with the Association's Governing Documents and to be subject to the same disciplinary procedures and fines as Members; (vi) Member agrees to assign rents to the Association in the event the Member becomes delinquent in payment of Assessments; (vii) Tenant agrees to carry renter's insurance; (viii) Member grants the Association the power to institute an unlawful detainer action on his/her behalf for violation of the terms of the Supplemental Lease Agreement; (ix) Tenant agrees to hold harmless the Association; (x) Member, Tenant, and Association agree to resolve disputes under the Supplemental Lease Agreement through binding arbitration; (xi) the prevailing party in an action arising out of the Supplemental Lease Agreement shall be entitled to recover attorneys' fees; and (xii) in the event of a conflict, the terms of the Supplemental Lease Addendum supersede the terms of any other agreement between Member and Tenant.

8.14 No Criminal Activity. No person may reside in any Unit if they engage in criminal activities. For purposes of this section "criminal activities" shall mean drug-related activities (including the illegal manufacture, sale, distribution, use or possession of a controlled substance), gang related activities, unlawful use or discharge of firearms, prostitution, or any misdemeanors or felonies enumerated in the California Penal Code. For purposes of this section "reside" shall mean the use, residency or occupancy of any Unit by any person for more than five (5) consecutive days or more than ten (10) aggregate days, whether or not consecutive, in any one calendar year. In addition, no Owner of a Unit shall permit, by rental agreement or otherwise, persons who engage in criminal activities to reside in their Unit.

ARTICLE 9: PETS

9.1 Pet Limitation. Usual domestic dogs, cats, fish, and birds may be kept as household pets. No more than two (2) dogs or two (2) cats or one of each may be kept as

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