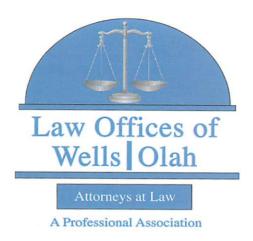
Condominium, Homeowner and Cooperative Associations

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June 7, 2018

Civil Litigation Construction Litigation

Michael W. Cochran, Esq. Jackson C. Kracht, Esq. Joseph A. Gugino, Esq. Brett M. Sarason, Esq.

Key Point Village Condominium Association, Inc. Att: All Unit Owners Sarasota, FL

Re: Notice of Rental Restrictions and Demand for Compliance

Dear Key Point Village Unit Owners:

This Firm represents **Key Point Village Condominium Association**, **Inc.** ("Association"). The Association is the legal entity responsible for the operation of **Key Point Village**, a **Condominium**, and the enforcement of the condominium documents and Association's Rules. The owner of each Key Point Village condominium unit is a mandatory member of the Association and is obligated to comply with the condominium documents and rules of the Association. The Association has requested that we assist it with first educating the fifteen (15) unit owners regarding the requirements of the condominium documents and Association Rules to rent your Key Point Village condominium unit and, if necessary, enforcing compliance with the condominium documents and Association Rules.

While in the past the Association has not strictly enforced its 2015 rental restrictions, this is to place all unit owners on <u>formal notice</u> that from the date of this letter going forward it intends to do so, strictly and without exception. This is, therefore, to encourage all unit owners and their rental agents to fully comply with the requirements of the condominium documents and Association Rules. In addition to the remedies and rights contained in Article 19 of the Declaration, the Association's Board of Directors may levy fines for each violation of the condominium documents and Association Rules in an amount not to exceed \$100 per violation and, for continuing violations of the condominium documents and/or Rules, the Association's Board of Directors may impose a daily fine of \$100 for each such violation.

Once the fines are properly levied by the Association, the Association will use all available legal remedies to collect said fines, including collection lawsuits, suspension of voting rights, suspension of common element and recreational facility use rights, seizing of unit rent to pay the fine(s) and other delinquent monetary amounts owed to the Association, etc. If the Association is compelled to incur attorney fees and costs to enforce the condominium documents and Association Rules, the Association will seek to recover its reasonable attorney fees and costs if it prevails in such litigation.

The Association urges each unit owner to review the provisions of the attached condominium documents and Association Rules and to fully abide by them subsequent to your receipt of this letter. The Association, its Board and your fellow unit owners look forward to your voluntary compliance with the requirements of the condominium documents and Association Rules without the inconvenience and substantial expense of legal action.

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The membership of the Association approved the Amended and Restated Declaration of Condominium, Articles of Incorporation and Bylaws of the Association (which condominium documents were recorded at Official Records Instrument Number 2015141147 of the Public Records of Sarasota County, Florida on November 13, 2015) at its September 18, 2015 membership meeting. A copy of the amended and restated condominium documents are enclosed with this letter for your review and information.

Article 12 of the Amended and Restated Declaration of Condominium for Key Point Village, a Condominium contains the use restrictions for the condominium property. Please review its terms and restrictions carefully. Article 12.1 requires that each unit must be occupied by only one family. "Family" is defined by Article 4.7 of the Declaration. Article 12.2 establishes the Association's pet restrictions. Please note that tenants are not permitted to have pets. Parking and vehicles are regulated by Article 12.6 of the Declaration. Any vehicle parked in violation of the restrictions may be towed or booted by the Association pursuant to Article 12.7.

Article 13 regulates unit occupancy in the absence of the owner and leasing of the condominium units. Article 13.1 provides that if the owner and his family who permanently reside with him are not occupying the unit, then any occupancy of the unit shall be considered a lease, whether or not the occupants are paying rent, and shall be subject to the provisions pertaining to leasing, except under certain well-defined circumstances.

The Association requests that all unit owners pay special attention to the requirements of Articles 13.2, 13.3, 13.4 and 13.5 of the Declaration (emphasis added) regarding leasing of the units, which provide as follows:

- **13.2 Leasing of the Units.** The following restrictions shall apply to the leasing of the units in the community:
- (A) All leases must be in writing, even if no rent or other consideration is involved.
- (B) No unit may be leased for a term of less than thirty (30) continuous days. No new lease may begin until at least thirty (30) days have elapsed since the first day of the last lease. For purposes of this restriction, the first day of occupancy under the lease shall conclusively determine in which year the lease occurs. No lease may be for a period of more than one (1) year, and no option for the lessee to extend or renew the lease for any additional period shall be permitted. However, the Board of Directors may, in its discretion, approve the same lease from year to year.
- (C) An owner may lease only his entire unit and no room rental or subleasing or assignment of lease rights by the lessee or unit owner is allowed.
- (D) The lessee must be a natural person as opposed to an artificial entity, such as a corporation, partnership, trust, etc.
- (E) The Association may file suit to evict any tenants in its own name and without consent of the owner in the event that any lessee violates the provisions of the governing documents or the rules or regulations of the Association. In such cases, the owner and the lessee shall be jointly and severally liable for all attorney's fees and costs, including those incurred prior to the filing of the lawsuit.
- (F) Any owner who is in arrears on the obligation to pay regular or special maintenance assessments or other financial obligation is deemed to have assigned the right to

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collect rents to the Association and, solely upon demand by the Association, the lessee shall make payment of all or such portion of the future rents that the Association specifies for so long as the Association specifies. The Association shall apply the rent to the owner's unpaid account in accordance with the priority established under Section 718.116, Florida Statutes, and shall promptly remit any excess over the amounts due on the account to the owner.

- (G) Owners shall provide the Association with a copy of the proposed lease and fully completed application for approval of the lease not less than twenty (20) days prior to the proposed occupancy.
- (H) The Association may determine the form of the application for approval of leases, prescribe a form of lease to be used by the owners, and may conduct interviews and background checks on all proposed occupants.
- (I) Lessees must include identification of all of the lessee's family members who will be occupying the unit during the term of the lease.
- (J) The Association may charge an application fee and collect a security deposit in the maximum amount allowed by law.
- (K) A proposed lease may only be disapproved for good cause. Appropriate good cause grounds for disapproval shall include, but not be limited to, the following:
- (1) The owner is delinquent in the payment of assessments at the time the application is considered.
- (2) The owner has a history of leasing the unit without obtaining approval, or leasing to troublesome lessees, and/or refusing to control or accept responsibility for the occupancy of his unit.
- (3) The real estate company or rental agent handling the leasing transaction on behalf of the owner has a history of screening lessee applicants inadequately, recommending undesirable lessees, or entering into leases without prior Association approval.
- (4) The application on its face indicates that the prospective lessee or any proposed occupants intends to act in a manner inconsistent with the restrictions applicable to the property.
- (5) The prospective lessee or any proposed occupants have been convicted of a crime involving violence to persons or property, or are registered as a sexual predator and/or offender, or a crime involving sale or possession of a controlled substance, or a crime demonstrating dishonesty or moral turpitude.
- (6) The prospective lessee or any proposed occupants have a history of conduct which evidences disregard for the rights and property of others.
- (7) The prospective lessee or any proposed occupants evidence a strong possibility of financial irresponsibility.

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- (8) The prospective lessee or any proposed occupants have, during previous occupancy, evidenced an attitude of disregard for the Association Rules.
- (9) The prospective lessee or any proposed occupants have given false or incomplete information to the Board of Directors as part of the application procedure, or the required transfer fees and/or security deposit is not paid.
- (10) The owner fails to give proper notice to the Association of the intention to lease the unit.
- 13.3 Unapproved Leases. Any lease of a unit that has not been approved by the Association may, at the option of the Association, be treated as a nullity, and the Board shall have the power to evict the lessee without securing consent for such eviction from the owner. The unit owner shall be jointly and severally liable with the unapproved occupant for all attorney fees and costs incurred.
- **13.4 No Discrimination.** The Association is an equal opportunity provider of housing and no lease shall be denied for an illegal discriminatory reason.

## 13.5 Additional Restrictions Use and Occupancy During Lease Term.

- (A) If the lessee(s) and all of the family members who are approved to reside in the leased unit are all absent, then no other person may occupy a leased unit.
- (B) The Association may also impose additional conditions on lease approval and rules for lessees that are stricter than those that apply to owners, including, but not limited to, the number of vehicles that lessees and their visitors and guests may park in the community.

Section 718.303(1), Florida Statutes, provides as follows:

- (1) Each unit owner, each tenant and other invitee, and each association is governed by, and must comply with the provisions of, this chapter, the declaration, the documents creating the association, and the association bylaws which shall be deemed expressly incorporated into any lease of a unit. Actions for damages or for injunctive relief, or both, for failure to comply with these provisions may be brought by the association or by a unit owner against:
- (a) The association.
- (b) A unit owner.
- (c) Directors designated by the developer, for actions taken by them before control of the association is assumed by unit owners other than the developer.
- (d) Any director who willfully and knowingly fails to comply with these provisions.
- (e) Any tenant leasing a unit, and any other invitee occupying a unit.

Article 19 of the Declaration contains additional authority and procedures of the Association to enforce its condominium documents and Association Rules. Article 19 of the Declaration provides as follows:

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## 19. ENFORCEMENT.

- 19.1 Duty to Comply: Right to Sue. Each unit owner, his tenants and guests, and the Association shall be governed by and shall comply with the provisions of the Condominium Act, the condominium documents, and the rules and regulations of the Association. Actions for damages or for injunctive relief, or both, for failure to comply may be brought by the Association or by a unit owner against: the Association; a unit owner; anyone who occupies or is a tenant or guest in a unit; or any member of the Board of Directors who willfully and knowingly fails to comply with these provisions.
- 19.2 Waiver of Rights. The failure of the Association or any member to enforce a right, provision, covenant, or condition which may be granted by the condominium documents shall not constitute a waiver of the right of the Association or member to enforce such right, provision, covenant, or condition in the future, A provision of the Condominium Act may not be waived by a unit owner if the waiver would adversely affect the rights of the owner or defeat the purpose of the provision, except that unit owners or Directors may waive notice of specific meetings as provided in the Bylaws.
- 19.3 Attorney's Fees. In any legal proceeding arising out of an alleged failure of a guest, tenant, unit owner, or the Association to comply with the requirements of the Condominium Act, the condominium documents, or the Association's Rules and regulations, as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such attorney's fees as may be awarded by the Court.
- 19.4 No Election of Remedies. All rights, remedies, and privileges granted to the Association or unit owners under the law and the condominium documents shall be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party from exercising any other rights, remedies, or privileges that may be available.

Once again, this letter will serve as your notice that the Association intends to start enforcing the rental restrictions adopted by the membership and to exercise its enforcement rights, including imposing fines, against those unit owners found to be in violation of such rental restrictions.

Very truly yours,

LAW OFFICES OF WELLS | OLAH, P.A.

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