## WEST POINT LOMA OWNERS ASSOCIATION, INC.

PROPERTY ADDRESS: 4532-4578 West Point Loma Blvd. San Diego, California 92107 Board @ Wplhoa.org

CORRESPONDENCE TO: 4542 WEST POINT LOMA BLVD. SAN DIEGO, CALIFORNIA 92107-1243

# **APPENDIX - RENTALS**

#### What Rentals Are Allowed or Prohibited

1. Long-term residential rentals (in excess of thirty (30) days) are permitted.

"Residential" relates to the use being made of the unit. The primary activity must in fact be one or more individuals sleeping, eating, and living in the unit. Incidental activity such as working from home, telecommuting, or maintaining a home office would not ordinarily prevent characterization as residential, provided that it involves little or no need for members of the public to be physically present at the unit and/or the complex.<sup>1</sup>

The persons renting the unit must intend to actually live in the unit, interpreted in a common sense manner. For example, it would include (i) parents entering into a lease on behalf of college age children, and (ii) an adult entering into a roommate situation with individuals who are not parties to the lease.

- 2. Short-term residential rentals (30-days or less) are not prohibited by the CC&Rs.<sup>2</sup> They may be governed by other provisions of state and local law (such as zoning).
- 3. Rentals that are not residential rentals are prohibited.
- 4. For security reasons, garages and parking spaces must not be rented<sup>3</sup> to persons who do not live in the complex. Garages and parking spaces may only be rented to other residents of the complex.

#### **Rentals in General**

- 5. Owners renting units must comply with all applicable municipal, state, and federal laws and acquire all necessary licenses (e.g., business license). If any governmental regulation would apply to a rental unit but would not apply to an owner-occupied unit, the owner must assure that the unit complies with the law. The owner is responsible for any and all government fees and licenses.
- 6. Owners must supply the HOA with full off-site contact information (mailing address and street address), even if the unit is being managed by a professional property manager. Failure to supply off-site contact information will result in mail and other notices being delivered to the owner at the unit. Contact information must be kept current.

<sup>&</sup>lt;sup>1</sup>An owner contending that municipal, state, or federal law permits a specific intended use that would not appear to qualify as "residential" as described herein should contact the HOA.

<sup>&</sup>lt;sup>2</sup>This is the HOA's understanding of the CC&Rs as of April 2021 based on the current state of case and statutory law.

<sup>&</sup>lt;sup>3</sup>"Rented" is used in a lay rather than legal sense. The garage and outdoor parking spaces are common area assignable by the HOA and not owned by any particular owner.

7. Owners should supply the HOA with a current email address and telephone number. Failure to provide this information may have adverse consequences if the HOA needs to contact the owner quickly.

## Tenants

8. Section 4740(c) of the California Civil Code provides in relevant part:

"<u>Prior</u> to renting or leasing their separate interest as provided by this section, an owner shall provide the association . . . the name and contact information of the prospective tenant or lessee or the prospective tenant's or lessee's representative." (emphasis added)

The name and contact information may be submitted via email using the current version of the HOA's tenant information form or the current version of the HOA's owner information form. The HOA is unable to accept the information orally, by telephone, or via text messaging.

When a unit is rented to multiple individuals, the name and contact information must be updated whenever any individual is added to the lease, moves into the unit without being added to the lease, is removed from the lease, or moves out of the unit.

The failure of an owner (and/or an owner's property manager) to provide timely written notice to the HOA of the name and contact information of each adult tenant or lessee will result in a fine: Up to \$250 for the first calendar month or part thereof, and thereafter up to an additional \$100 per calendar month or part thereof.

- 9. Failure of the owner and/or property manager must keep the HOA informed of the names of all tenants may result in the tenants being denied access to the complex until their status can be verified.
- 10. The HOA recognizes that there are privacy concerns relating to minor children. Any minor child may be identified to the HOA simply as "minor child" rather than by name.
- 11. Owners are responsible for the actions of their tenants (and their tenants' guests) at all times. If a tenant violates the Rules and Guidelines, the fine will be imposed on the owner. Owners are strongly encouraged to make compliance with the Rules and Guidelines an express provision of any lease, so that the tenant will ultimately bear the cost of any violation.

### Rental Unit Property Managers

- 12. California law requires that a person or entity acting as a property manager for compensation be a licensed real estate broker. The HOA will not knowingly deal with unlicensed persons or entities.
- 13. Owners must notify the HOA in writing if they employ a rental unit property manager ("rental PM").
  - (a) The HOA may refuse to deal with a person claiming to be a rental PM until written notice is received from the owner. Acceptable forms of notice are:
    - (i) A letter signed and dated by the owner;
    - (ii) An email from the <u>owner's</u> email address of record,<sup>4</sup>
    - (iii) An email from the rental PM that has expressly been cc'd to the owner's email address of record; and
    - (iv) A copy of the California Association of Realtors' form Property Management Agreement or similar document signed by the owner.

<sup>&</sup>lt;sup>4</sup>If the owner does not have an email address on file with the HOA, then email is not an option.

- (b) The notice must include the mailing address, street address (if different from the mailing address), telephone number, and e-mail address of the rental PM.
- (c) The notice must give the legal name of the licensed broker. If the broker is an individual and does business under a name other than his or her own, the owner must supply the fictitious business name as well.
- 14. Owners must provide their rental PM with a complete and up to date copy of the Rules and Guidelines.
- 15. Owners and/or rental PMs must provide tenants with a complete and up to date copy of the Rules and Guidelines. An up to date copy can be found on the HOA's website.

Owners and/or rental PMs are strongly encouraged to include an express provision in each lease requiring the tenant(s) to comply with the Rules and Guidelines.

- 16. Owners are responsible for the actions of their rental PM at all times. The HOA is never responsible for the acts or omissions of a rental PM. Examples:
  - (a) The owner arranges for the rental PM to pay monthly dues. Unbeknownst to the owner, dues are paid late or not at all. Late payment fees will be imposed on the owner.
  - (b) The rental PM is responsible for leasing a unit. The rental PM does not inquire about animals before approving the lease and/or fails to ensure that the tenants comply with the Pet / Animal Policy by registering their animals. Fines will be imposed on the owner.
  - (c) Tenants are not provided with the Rules and Guidelines by the owner and/or rental PM. Tenants violate a rule. Fines will be imposed on the owner.
  - (d) The rental PM fails to submit tenant name and contact information to the HOA in a timely manner. Fines will be imposed on the owner.
- 17. In any matter having legal significance or having long-term consequences, the HOA requires either (i) a written document signed by the owner expressly related to the pending issue, or (ii) a valid power of attorney.<sup>5</sup> The C.A.R. form mentioned above is usually insufficient.

The HOA does not consider installation of a satellite dish or consent for tenants to have an animal to be minor or purely administrative matters. Owner signatures are always required. Rental PM signatures are insufficient.

- 18. A power of attorney is not necessary to have an agent vote for an owner at an HOA annual meeting. The HOA will recognize a proxy for a single, specific, clearly-identified meeting or for a single, specific vote-by-mail election provided it is signed and dated by the owner and otherwise complies with the legal requirements for proxies. The HOA does not recognize proxies of indefinite duration.
- 19. California Probate Code §§ 4120 et seq. contain detailed provisions regarding powers of attorney. The HOA will not recognize individually drafted documents failing to comply with those sections. California has adopted a form "California General Durable Power of Attorney." The HOA will recognize that document if completed and signed/witnessed/notarized as specified in the instructions to that form.

<sup>&</sup>lt;sup>5</sup>Whether the law related to agency would allow the HOA rely on the rental PM's purported authority is not controlling. The HOA has the right to determine when, if at all, it may insist on dealing direct with the principal rather than a purported agent. As a practical matter, the HOA wants to be sure that owners are in fact aware of what is going on when serious issues arise. This is particular true when the issue involves an alleged error on the part of the rental PM, such as failing to inquire about animals before renting a unit.

20. The HOA is not a rental unit property manager. Items such as lost or misplaced keys, or repairs to the interior of units such as plumbing or appliances, should ordinarily be dealt with by the owner and renter without involving the HOA.

Note: This policy statement in this form was new as of October 2018. It combined the substance of the Rental Unit Property Managers policy adopted in 2007, items from the Rules and Guidelines of particular relevance to rentals, and changes in applicable law since 2007. It was updated in April 2021.