

SUN VALLEY IOWA LAKE ASSOCIATION

HOME RENTALS

RULES AND REGULATIONS

I. General.

The following Rules and Regulations pertain to the renting of homes at Sun Valley Lake Development and Sun Valley Iowa Lake Association (hereinafter “SVILA”) originally effective May 8, 2021, are hereby revised and amended to be effective May 1, 2022.

The SVILA Board of Directors has the sole authority to promulgate and interpret the rules of SVILA, provided such rules are not arbitrary or capricious. These Rules and Regulations (hereinafter “Rules”) are established to provide a safe, secure, and orderly environment within the Sun Valley Lake Development and SVILA

II. Renting of Homes by Members.

The renting of homes within the Sun Valley Lake Development (SVLD) is prohibited subject to the following:

- **Long Term Rental (LTR)** is identified as a Member Owner Home that is rented for 60 or more continuous days to the same individual or entity. These rentals are allowed, subject to the Rules noted below.
- **Exempt Short Term Rental (ESTR)** is identified as a Member Owner Home that is rented for less than 60 continuous days to the same individual or entity, and that is grandfathered in or exempted from the SVILA prohibition of short-term rentals. These rentals are allowed, subject to the Rules noted below.
- **Short Term Rental (STR)** is identified as a Member Owner Home that is rented for less than 60 continuous days to the same individual or entity, and not grandfathered in or exempted as provided in these Rules. These rentals are not allowed.

III. Definitions.

- a. The determination of LTR, ESTR, and STR are reasonably defined, however the SVILA Board has the sole authority to determine the designation of each property.
- b. Member Owner is defined as any person, corporation or other legal entity that owns a residence at Sun Valley Lake Development.
- c. Home is defined as a single-family residence and outbuilding as usual and necessary for occupancy as a residence.
 1. Rental of outbuildings only, undeveloped lots and docks are prohibited.
 2. LTR or ESTR to any corporate entity is not allowed. It is the responsibility of both LTR Owners and ESTR Owners to be thoroughly familiar with and adhere to these Rules.

IV. **Registration Requirement.**

Member Owners (both LTR and ESTR) intending to rent shall register their home with the SVILA office at least 14 days in advance of the first rental, on the form established by SVILA Board of Directors.

- a. Multiple Rental Locations: Each location owned must be separately registered with the SVILA Office and separately administered by the Member Owner.
- b. Member Owners will be required to provide the following to SVILA:
 1. The rental property owner's name, rental location address, and number of beds. In the case of a corporation or LLC, the registered agent and either an authorized officer or manager must be listed.
 2. Planned rental frequency.
 3. Proposed maximum number of rental occupants (based on beds) and cars permitted.
 - a. Rentals will be limited to the maximum occupancy and number of cars declared and accepted by SVILA. In the event of a dispute over the number of cars or maximum occupancy limits, the SVILA Board shall determine said amounts in its sole and reasonable discretion.
 - b. Violations will result in a fine or fines to be determined in accordance with Section IX.
 4. Member Owner or key principals 24/7 contact information for use in case of problems or emergency.

V. **Annual Requirements for ESTR Owners.**

Each year, ESTR Owners shall:

- a. Provide documented proof of renting prior to 12/31/2020
- b. Become registered, pay all fees, and be approved by SVILA.
- c. Fulfill an annual registration with SVILA. See below.
- d. Acknowledge and follow SVILA Rental Rules and Regulations. Violation of these Rules will result in fines, calculated in accordance with Section IX, and may result in loss of ESTR status.
 - 1) This ESTR status is non-transferable due to re-title of property or ownership change.
 - 2) A maximum of one ESTR home is allowed per entity rented prior to 12/31/2020.
 - 3) This exemption will expire and no longer be allowed after 12/31/ 2036.
- e. Execute an indemnification agreement signed by the Member Owner agreeing to indemnify, defend and hold harmless SVILA, and its directors, officers, and affiliates from and against any third-party claims, damages or costs brought by persons occupying, visiting, or invited to a rental home against SVILA or its affiliates. The form of indemnification agreement shall be approved by the SVILA Board.
- f. Produce proof of a current insurance certificate for a Comprehensive General Liability Policy or coverage for short term rental liability with minimum limits of \$1,000,000 Combined Single Limit. (A simple homeowner's insurance policy is not deemed adequate.) The policy shall name SVILA as certificate holder and name SVILA as an additional insured regarding rental operations at the described premises.
- g. Pay an annual fee of \$250 per rental unit to cover expenses for ESTR administration.

VI. Registration of Renters.

- a. **Member Owner Responsibility:** Prior to renting their home, a Member Owner must register their renter(s) with the SVILA Office on the on-line form established by SVILA, with the renters' acknowledging rules and regulations, and provide SVILA with a copy of the Member Owner Rental Agreement.
- b. **Member Owner Rental Agreements:** Members are encouraged but not required to complete background and criminal record checks on all renters. SVILA will not perform background checks and the Member Owner takes full responsibility for the actions of their tenants/renters.
- c. **Renter Responsibility:** Prior to commencement of any rental period, each renter must sign the SVILA Registration Form acknowledging and stating they will abide by all rules and regulations of SVILA. Registered renters must be over the age of 21.
- d. **Failure to register renters by the Member Owner** will result in a fine to the Member Owner in the amount of \$250.00 per violation, calculated in accordance with Section IX. The third violation in one twelve-month period will result in the loss of use of Member Privileges (defined in Section IX(e) below) for Member Owner's properties for one year calculated from the date of final determination.
- e. The SVILA Board of Directors may establish a nominal fee for the renter registration payable upon registration at the SVILA office.
- f. **ESTR Identification:** At registration and check in, each ESTR and their guests will be given a numbered and dated guest pass. This guest pass is required to be displayed on the windshield of the renter and any guest vehicle while in the SVL Development.

VII. Exempt Short Term Rental Owner (ESTR) Prohibitions/Restrictions While Renting.

An ESTR Member Owner of SVILA may not operate a power-driven boat/vessel affiliated with the registered rental property while the owner's home is being rented. If a property owner, renter, or other person is found to be boating with a power-driven boat/vessel registered to the property being rented, a fine in the amount of \$500.00 will be levied for the first offense, \$750.00 for the second offense and \$1,000.00 fine and loss of boating privileges for all properties of the Member Owner for one year (calculated from the date of final determination) for the third and all subsequent offenses, calculated in accordance with Section XI.

VIII. Exempt Short Term Renters Privileges.

During the period of rental occupancy, the short-term renter shall have available for use:

- a. Access to Sun Valley Lake for swimming, floating, canoe and paddle boating.
- b. No power boat / vessel usage is allowed on SVL by renters.
- c. Non power boat / vessel usage is allowed by LTR and ESTR of boat / vessels owned by the Member Owner. All use must be in accordance with SVILA rules and regulations. No renter

owned non power boat / vessels are allowed.

- d. No fishing is allowed by any renter, to lessen the chance of introduction of live bait or external invasive species into SVL.
- e. ESTR are allowed use and access to SVILA beach and swimming areas as well as the Clubhouse Restaurant, if open. Sun Valley Golf Club is open to the public, run by a separate organization.

IX. Procedures and Enforcement.

- a. Compliance: All renters shall comply with all rules and regulations of SVILA. Failure to abide by any rule and regulation will result in fines which shall be the responsibility of the Member Owner renting their home.
- b. Fines: Any Member Owner who rents their home will be responsible for paying all fees or fines assessed by SVILA against any renter. All Members Owners are responsible for behavior and conduct of their renters and guests and are liable for any violation of SVILA rules and regulations by their renters and guests.
- c. Fine Schedule: Any violation of these Rules shall be subject to the fines or penalties as described in these Rules. If any fine is not defined, it shall be subject to the Fine Schedule shown below. The number of each “Violation Occurrence” shall be determined on a yearly basis, with the year beginning on the date the Property Registration is approved and renewing automatically on each year thereafter that the rental property continues to be a qualified and effective rental. All fines shall be paid to SVILA promptly, and any penalties will be enforced by SVILA.

Fine Schedule		
Type of Violation	Violation Occurrence	Fine and/or Penalty
Failure to Register Renter	Any (First, Second, Third, etc.)	\$250
	Third violation within any 12-month period	Loss of Member Privileges (defined in subsection (e) below) for Member Owner’s properties for one (1) year, calculated from the date of final determination.
Other Rule Violation	First offense	\$50
	Second offense	\$100
	Third offense	\$250
	Fourth or any subsequent offense	\$500 and loss of Member Privileges for Member Owner’s properties for one (1) year, calculated from the date of final determination.

Section VII Boating Violation	First Offense	\$500
	Second Offense	\$750
	Third or any subsequent offense	\$1,000 and loss of boating privileges for all properties of the Member Owner for one (1) year, calculated from the date of final determination

- d. Loss of Member Privileges: In the event a Member Owner’s violations of these Rules results in the loss of use of the Common Areas owned and controlled by SVILA, including Sun Valley Lake(collectively, the “Member Privileges”), such Member Privileges shall be lost for a period of one (1) year, calculated from the date of final determination, and shall last until the Member Owner is reinstated and returns to good standing with SVILA, Member Owner’s loss of Member Privileges shall not apply to the use of the roads, and Member Owner will continue to be assessed for the use of the roads during any period of time in which Member Privileges have been suspended.
- e. Reinstatement: Member Privileges may be reinstated, and Member Owner may return to good standing, by paying all fines owed to SVILA for violations of the Rules, and paying any annual assessments owed for use of the Common Areas, for the year in which Member Privileges are reinstated, following the defined period of privilege loss.