

## UNIVERSITY TERRACE BERKELEY HOMEOWNERS ASSOCIATION

### RENTAL POLICY

*This Rental Policy (“Rental Policy”) for the University Terrace Berkeley Homeowners Association (“Association”) is intended to clarify and supplement Section 14.7 of the Declaration of Covenants, Conditions & Restrictions for University Terrace Berkeley Homes recorded on October 11, 1994, as Document No. 94-329463, in the Official Records of Alameda County, State of California, as amended from time to time (collectively, “Declaration”), and Sublease of Undivided Interest entered into by an Owner and the Association (collectively, the “Condominium Instruments”). All capitalized terms in this Rental Policy shall have the same meaning as set forth in the Declaration, unless otherwise clearly indicated.*

*The effect of this Rental Policy is to deter Owners from renting their Condominiums in violation of the rental restrictions that were meant to provide affordable housing for current and retired staff and faculty members permanently residing within this equity housing project. When adopted by the Board, this Rental Policy will become part of the Association’s Condominium Instruments, as that term is defined in the Declaration.*

1. Right to Rent. An Owner has a right to rent or lease his/her Condominium, subject to the requirements and limitations of the Declaration, the Owner’s Sublease of Undivided Interest (“Sublease”), and this Rental Policy.
2. Requirements to Rent. The following requirements apply to all leases and rentals for periods during which the Owner does not occupy the Unit as their primary place of residence.
  - (a) No lease agreement may exceed twelve (12) months.
  - (b) No lease can be signed if, when added to the term of any prior lease or rental agreement, the result would be occupancy by tenants of more than thirteen (13) months within the preceding thirty-six (36) months. (In other words, Owners cannot rent out their Units for more than a total of thirteen months every three years).

Requirements (a) and (b) may be waived under the following conditions:

- i. if the lease or rental agreement is entered in conjunction with an academic leave of Owner approved by the Chancellor of UCB, the occupancy of the Condominium by tenants may extend for the duration of such leave.
- ii. the Owner receives prior written consent of the Declarant (the Regents).

(c) Written Lease Required. Each Owner shall notify the Association’s manager within five (5) calendar days after execution of a lease (CC&Rs Section 4.25) and shall provide copies of the lease (with confidential terms redacted) to the Association’s manager within five (5) days after execution of a lease. The lease shall provide that it is subject to the provisions of the Condominium Instruments

and that failure of the tenant, Owners of tenant's household, invitees or guests to comply with the provisions of the Governing Documents shall constitute a breach of the terms of such lease or rental agreement.

- (d) Documentation of Waivers to Rental/Lease Requirements. The Owner must file either (i) documentation of the Chancellor's approval of an academic leave or (ii) prior written consent of the Declarant (the Regents) with the Association in concert with the submission of written leases or rental agreements that exceed the requirements listed under Section 2 (Requirements to Rent) above.
- (e) Roommates Permitted. Nothing in the Declaration or this Rental Policy shall be construed to prohibit roommates for a period of thirty (30) days or more, as permitted by California Civil Code section 4739. A "roommate" is defined as a person who is paying rent to occupy a bedroom within the Unit at the same time as the Owner occupies another bedroom as a principal place of residence.<sup>1</sup> If an Owner does not occupy the Unit for more than nine (9) months in a 12-month period,<sup>2</sup> the roommate may be considered a tenant (not roommate) subject to Section 2 (Requirements to Rent).
- (f) Recommended Provisions and Notice for Leases. Pursuant to the terms of California Civil Code section 1946,
  - (i) all leases should include a provision that "allows the owner to terminate the lease, if the owner, or their spouse, domestic partner, children, grandchildren, parents, or grandparents, unilaterally decides to occupy the residential real property."
  - (ii) all leases should, when applicable, provide written notice to their tenant(s) that "[t]his property is not subject to the rent limits imposed by Section 1947.12 of the Civil Code and is not subject to the just cause requirements of Section 1946.2 of the Civil Code. This property meets the requirements of Sections 1947.12 (d)(5) and 1946.2 (e)(8) of the Civil Code and the owner is not any of the following: (1) a real estate investment trust, as defined by Section 856 of the Internal Revenue Code; (2) a corporation; or (3) a limited liability company in which at least one member is a corporation."

3. Renter's Insurance. Owners shall recommend that their tenants obtain a renter's insurance policy (HO-4).

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<sup>1</sup> As used herein, the term "principal place of residence" shall mean the true, fixed and permanent home and principal establishment to which the owner, whenever absent, intends to return. In-state presence, vehicle registration, voter registration, bank accounts, and state income tax filings are among the matters to be considered in determining residency.

<sup>2</sup> The California Franchise Tax Board's (FTB Publication 1031) Guidelines for Determining Resident Status provides, in relevant part: "You will be presumed to be a California resident for any taxable year in which you spend more than nine months in this state."

4. Owner Liable for Violations of Condominium Instruments by a Tenant. An Owner shall be liable for any violation or infraction of the Condominium Instruments by their tenant, Owners of tenant's household, invitees or guests.
5. Repair Damage. Owners shall promptly reimburse the Association for the costs to repair any damage to the Common Area or Association property which is caused by the Owner's tenants or by the tenants' family, guests, invitees, or pets.
6. Responding to Occupancy Inquiries. In order to keep accurate records of Owner occupancy in the Association and enforce any occupancy and rental restrictions in the Condominium Instruments, Owners must promptly respond to inquiries from the Association regarding occupancy of their Units, including the Resident Information Form attached hereto as Exhibit A. If legal title to the Unit is in the name of the trustee(s) of a trust and the Unit is occupied by a beneficiary of the trust, the trustee shall provide the following to the Board: (i) a copy of the recorded deed; and (ii) a copy of the trust or an abstract of trust demonstrating that the occupant is a beneficiary of such trust. The Board may levy a daily fine for failure to respond to such an inquiry by the deadline established by the Board pursuant to Sections 4.28, 13.9, and 14.10 of the Declaration and the Association's Enforcement Policy and Schedule of Fines.
7. Security Issues. All rules and policies pertaining to the safety and security of residents must be strictly followed by everyone entering and/or occupying the Project. Rental listings, marketing materials or advertisements, which publish in any format, security protocols shall be considered a violation of this Rental Policy of the most serious type and will be subject to fines and other disciplinary consequences as authorized by the Condominium Instruments. The Association may levy a special assessment to recover costs for rekeying the building and/or Unit in the event an Owner or Owner's tenant or family member provides copies of the keys to unauthorized persons.
8. Move-In/Move-Out. At least five (5) business days prior to the move-in or move-out of a tenant/lessee, Owner shall notify the Association's manager of the tenant/lessee's name, telephone number and date of move-in or move-out. Owner will be responsible for any damage caused by a tenant/lessee during a move-in or move-out. Owner will be further responsible for any security issues arising from tenant/lessee's move-in or move-out.
9. Enforcement.
  - (a) Warning Letter. In the event of a violation, the Association shall send a warning letter by email and regular first-class mail requesting compliance within thirty (30) days or the Association will provide notice of a hearing to levy fines and/or special assessment for legal fees incurred to obtain compliance.
  - (b) Hearing to Levy Fines and/or Special Assessment. If the Owner does not correct the violation, the Board will provide notice of a hearing to levy fines and/or special assessment for legal fees incurred to obtain compliance with the CC&Rs pursuant to the Association's Enforcement Policy and Schedule of Fines, which is distributed annually with the Association's annual budget report.

(c) Suit. In addition to the imposition of fines and/or special assessment, the Association may elect to file suit seeking an injunction, money damages, and attorneys' fees and costs to enforce the CC&Rs and these Rules.

(d) Termination of Sublease. The Association may terminate the Owner's Sublease of Undivided Interest for failing to occupy the Condominium as a principal place of residence.

(e) Irrevocable Offer to Sell. The Association may determine that the Owner's violation of 14.7(b) of the Declaration constitutes an irrevocable offer to sell the Condominium to The Regents of the University of California pursuant to Section 14.7(c) of the Declaration.

*The foregoing Rental Policy was adopted by the Board of Directors of University Terrace Berkeley Homeowners Association at an open meeting of the Board held on December 12, 2024, following notice to the Owners, the opportunity for Owner comment, and Board consideration of Owner comments, all as required by Civil Code section 4360.*

Date: December 16, 2024

**UNIVERSITY TERRACE BERKELEY  
HOMEOWNERS ASSOCIATION**

By:   
Andrew Leong, Secretary

Attachment:  
Exhibit A – Resident Information Form

## EXHIBIT A

### UNIT INFORMATION FORM

**University Terrace Berkeley Homeowners Association**

*All owners must complete and sign this form.*

Unit Address:

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Owner's Name(s):

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Owner's Mailing Address:

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If the Owner's mailing address is different from the Unit address, we will assume the Unit is rented. If this is not the case, please state why the addresses are different:

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Owner's Phone Number(s):

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Owner's Email Address:

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Occupancy Status:  My Unit is NOT rented  My Unit is rented  
(Check one)

If your Unit is not rented, please sign the bottom of this form and return to the address below.

**If your Unit is rented, please complete the following and attach a copy of your lease agreement. The information provided will only be used to track rentals and will not be provided to third parties. You may redact with a marker confidential information on the lease such as bank account, social security and rental cost information.**

Name on lease: \_\_\_\_\_

Additional Tenant Name(s): \_\_\_\_\_

Tenant's Phone Number(s): \_\_\_\_\_

Tenant's Email Address: \_\_\_\_\_

Start Date of Lease: \_\_\_\_\_

I certify the following: the information in this form is accurate; I have provided copies of the Association's Condominium Instruments to my tenants (if any); that I have advised them of their duty to comply with the Condominium Instruments; that the lease complies with the Condominium Instruments; and that I am responsible for damage caused by my tenants.

Owner's Signature(s) \_\_\_\_\_ Date \_\_\_\_\_

Return this completed/signed form and a copy of the lease, if applicable, to the Board Secretary or their delegated agent:

**Owners are required to provide an updated form if a tenant change occurs before the lease expires.**