

RANCHO CASA BLANCA HOMEOWNERS ASSOCIATION POLICY

NUMBER: BOD-440

DATE: August 8, 2005

SUBJECT: Occupancy Age Restrictions (55+)

APPLIES TO: All Owners, Renters and Occupants

PURPOSE: To comply with and to enforce the provisions of various Federal, State, County and local laws governing and regulating the 55+ status of Rancho Casa Blanca.

REFERENCE: RCB CC&R's Article IV, Section 19
(Third Amendment to the RCB CC&R's passed February 19, 2005)
The FAIR HOUSING AMENDMENTS ACT of 1988 (the "Act")
HOUSING FOR OLDER PERSONS ACT 1995: FINAL RULE
(Department of Housing and Urban Development: 24 CFR Part 100)

INTRODUCTION

The Fair Housing Act (Title VIII of the Civil Rights Act) exempts "housing for older persons" from the Act's prohibition against discrimination because of familial status. Section 807(b)(2) (C) of the Act exempts housing intended and operated for occupancy by persons 55 years of age or older which satisfies certain criteria HUD has adopted implementing regulations further defining the "housing for older persons" exemption at 24 CFR part 100, subpart E (Housing for Older Persons Act, hereinafter: HOPA).

There are 4 factors required for a community to claim the 55 and older exemption:

(1) that the housing be intended and operated for persons age 55 and older; (24 CFR 100.304)

(2) that at least 80 percent of the occupied units be occupied by at least one person who is 55 years of age or older; (24 CFR 100.305)

(3) the housing facility or community must publish and adhere to policies and procedures that demonstrate its intent to operate as housing for persons fifty-five (55) years of age or older. (24 CFR 100.306)

(4) the housing facility or community must also comply with rules issued by HUD for the verification of occupancy. (24 CFR 100.307).

Rancho Casa Blanca is qualified for the exemption as a community for age 55 or older persons. The intent is stated in the Rancho Casa Blanca Owners Association CC&R's Article IV, Section 19 as well as by the age restriction rules adopted and enforced by the Association.

This document's purpose is to consolidate in one place for easy reference the age restriction policy adopted by Rancho Casa Blanca Owners Association within the rules and broad discretion permitted under the Act and HOPA. The Board of Directors, in its sole discretion, may add, delete or change its policies within the scope permitted by the Act and HOPA, California State laws, Riverside County ordinances or local laws.

Qualification for Exemption under the Fair Housing Amendments Act of 1988 (the "Act") and HOPA

In accordance with the Act and HOPA, Rancho Casa Blanca Owners Association has clearly indicated its intent to qualify as housing for older persons age 55 years or older in the following Governing Documents:

CC&R's Article IV, Use Restrictions, Section 19, Occupancy Age Restrictions

Pursuant to the Mobile Home Residency Act (*Civil Code Sections 798-799.5 et seq*), and any successor statutes, and consistent with the intent of the members of the Association and the covenants and restrictions set forth below, the Rancho Casa Blanca Owners Association, Inc. is intended to, and shall be, a senior citizen community.

It is further intended that the Association shall, pursuant to *42 U.S. Code Section 3607*, provide housing for older persons thereby exempting the Association from the provisions of the Federal Fair Housing Act pertaining to discrimination in the sale or rental of housing on the basis of age.

As a senior citizen community providing housing for older persons, no Recreational Vehicle Lot within the Association shall be occupied, leased, rented or used, as that term is more fully defined by Article IV, Section 1, of this Declaration, by more than two (2) persons, at least one of whom shall be fifty-five (55) years of age or older ("Senior Homeowner and/or occupant"). **GUESTS:** This restriction shall apply, except for "guests", as that term and such use are more fully defined and restricted elsewhere in this Declaration and in the Association's Rules and Regulations as may be promulgated and amended from time to time.

(a) Right to Share Recreation Vehicle Lot With Care Giver or With a Relative Who Requires Care.

(i) A senior homeowner and/or occupant may share his or her Recreational Vehicle Lot with any person 18 years of age or older if that person is providing live-in health care, live in supportive care, or supervision to the senior homeowner pursuant to a written treatment plan prepared by a physician or surgeon. A fee shall not be charged by management for that person. That person shall have no rights of tenancy in, and shall comply with the rules and regulations of, the Association.

(ii) A senior homeowner and/or occupant may share his or her Recreational Vehicle Lot with any person 18 years of age or older if this person is a parent, sibling, child or grandchild of the senior homeowner and requires live-in health care, live in supportive care, or supervision pursuant to a written treatment plan prepared by a physician or surgeon. A fee shall not be charged by management for that person. That person shall have no rights of tenancy in, and shall comply with the rules and regulations of, the Association.

(b) Documentation of Age/Records. The Board shall compile and make available at the on-site office of the Association a permanent record which shall contain: (1) the name, on-site address and birth date; and (2) proof of age of the senior homeowner which information shall be provided by said senior homeowner upon request from the Association. Such records shall be

reviewed by the Board not less than once every two (2) years and be kept current showing deletions and additions as they occur

(c) **Occupancy Minimums** There shall be maintained, as near as practical, a ratio of 80% or more occupants being of age fifty-five (55) or older. The Board shall make a good faith attempt to maintain such percentage by advertising, promotion or otherwise.

(d) **Notices/Advertising.** All advertising, notices and public disclosures by the Association shall indicate that the Association is intended for occupancy and use by persons fifty-five (55) years of age and over.

(e) **Compliance with Regulations.** The Association shall comply with all applicable federal, state, county and/or city regulations in order to maintain its status as a development intended for occupancy by persons fifty-five (55) years of age or older.

RANCHO CASA BLANCA OWNERS ASSOCIATION **AGE RESTRICTION POLICY**

1. Occupancy Age Restrictions

1.1 There must be at least one person that is fifty-five (55) years of age or older (age qualified) residing in each dwelling unit. (24 CFR Section 100.304)

1.2 No person under the age of 19 may reside in Rancho Casa Blanca.

1.3 Persons under the age of 19 may reside in Rancho Casa Blanca as guests for a maximum period of 30 days in any 12 month period as long as there is an age qualified person also occupying the dwelling unit.

1.4 Persons 19 years of age or older may reside in Rancho Casa Blanca as long as there is an age qualified person also residing in the dwelling unit.

1.5 These age restrictions apply to Owners, renters and to house guests who occupy the dwelling unit in the absence of the age qualified Owner or renter.

1.6 Owners of record, occupants and those persons opening escrow prior to the adoption of Section 19 of Article IV of the RCB CC&R's on March 24, 2005 are considered to be "grandfathered" and thereby retain their previous rights for anticipated use and are exempt as to the above restrictions except as pertains to leasing or renting the owner's separate interest.

2. Occupancy Exception

2.1 The policy of Rancho Casa Blanca Owners Association is not to permit under-age occupancy in any dwelling unit.

2.2 The only exception to the 55 age qualification is for the non-age qualified surviving spouse of an age qualified decedent Owner who had occupied the dwelling unit, until such time as the non-age qualified surviving spouse remarries at which time the exception expires.

2.3 There are no exceptions for other non-age qualified heirs or any other non-age qualified persons who come into possession of a dwelling unit in Rancho Casa Blanca except those heirs of owners of record prior to March 24, 2005.

2.4 Appeal for a temporary exception to the occupancy rules must be made in writing to the Board of Directors. The Board of Directors, in its sole discretion, may grant or refuse to grant such temporary exception in any particular case. The grant of a temporary exception in a particular case does not invalidate or waive the particular occupancy rule in subsequent cases.

3. "80/20 Rule" (24 CFR 100.305)

3.1 HOPA requires that no less than 80% of the occupied dwelling units shall be occupied by at least one age qualified person. This does not mean that 20% must be occupied by non-age qualified persons. It means that as long as 80% of the dwelling units are occupied by at least one age qualified person Rancho Casa Blanca maintains its exemption under HOPA as an age 55 and above restricted community

3.2 The policy of Rancho Casa Blanca Owners Association is to maintain the percentage of age qualified occupancy as close to 100% as possible without mandating a greater percentage than the minimum 80% required by HOPA.

3.3 One of the primary reasons for the 80/20 rule by Congress was to accommodate under age surviving spouses of age qualified decedents and to permit flexibility in specific situations at the sole discretion of the Board of Directors without endangering the HOPA exemption. Such exemption is permitted as long as the minimum 80% age qualified requirement under HOPA is not reduced. HOPA was enacted for the protection of the age restriction exemption and not to grant any rights to under age persons to occupy the 20% which is solely within the discretion of the Board of Directors.

4. Verification of Age (24 CFR 100.307)

4.1 All residents, whether Owners, renters or house guests of absentee Owners or renters, must show evidence that at least one resident in the occupied dwelling unit is age qualified. Any of the following documents are considered reliable documentation of the age of the occupants of the housing facility or community:

a) Driver's license

b) Birth certificate

c) Passport

d) Immigration card

e) Military identification

f) Any other state, local, national or international official documents containing a birth date of comparable reliability

g) A certification in a lease application, affidavit or other document signed by any member of the household age 19 or older asserting that at least one person in the unit is 55 years of age or older.

4.2 A facility or community shall consider any one of the forms of verification identified above as adequate for verification of age, provided that it contains specific information about current age or date of birth.

4.3 Such evidence must be shown at the time such Owner or renter comes to the Association offices to confirm age compliance with HOPA.

4.4 If the occupants of a particular dwelling unit refuse to comply with the age verification procedures, the Association may, if it has sufficient evidence, consider the unit to be occupied by at least one person 55 years of age or older; such evidence may include:

a) Government records or documents such as a local household census

b) Prior forms or applications; or

c) A statement from an individual who has personal knowledge of the age of the occupants. The statement must set forth the basis for such knowledge and be signed under penalty of perjury.

5. Surveys for Compliance

5.1 Rancho Casa Blanca Owners Association will conduct surveys at least every two years and maintain a data base to verify age compliance as required by HOPA. All residents of Rancho Casa Blanca are required to respond to the surveys. Proof of occupancy by at least one age qualified person in the occupied dwelling unit as noted above must be provided in response to the survey unless already provided, in which case a reliable affidavit of current compliance is all that is required.

5.2 Copies of supporting information gathered in support of the occupancy verification may be segregated in a separate file and are considered confidential and not generally available for public inspection. They are created for the sole purpose of complying with HOPA and are to be kept separate from the general or resident files that may be widely accessible to employees or other residents.

5.3 A summary of occupancy surveys shall be available for inspection upon reasonable notice and request by any person.

6. Disclosure of 55 Age Restriction Policy

6.1 Any Owner or Realtor who sells or leases real property in Rancho Casa Blanca shall disclose in the advertisements, purchase or lease documents that Rancho Casa Blanca is an age 55 restricted community under HOPA. (100.306). In the case of a lease/rental of real property in Rancho Casa Blanca the lease/rental agreement shall verify that at least one occupant is age qualified by specific current age or date of birth recorded in the lease agreement. (24 CFR 100.306 (a) 3).

6.2 A copy of this Age Restriction Policy shall be provided by every Owner/Seller/Lessor to any prospective buyer or lessee to read and acknowledge. This document is to be included as part of the Purchase or Lease/Rental documents.

6.3 Disclosure shall also be made to any persons permitted by the Owner or renter to occupy the dwelling unit as house guests in the absence of the age qualified Owner or renter. At least one house guest of such absentee Owner or lessee must be age qualified. The under 19 years of age occupancy prohibition rule also applies to such house guests.

6.4 Non-disclosure by the Owner/Seller/Lessor shall not prevent Rancho Casa Blanca Owners Association from enforcing this age restriction policy against any Owner and renter for non-compliance.

6.5 All "For Sale" or "For Rent" signs in Rancho Casa Blanca, whether by Owner or by a Realtor, shall prominently display that this is a "AGE 55 RESTRICTED COMMUNITY".

7. Enforcement

7.1 Rancho Casa Blanca Owners Association will vigorously seek any and all remedies available to it by law including, but not limited to, fines and liens against the offending Owner's real property for non-compliance by the Owner renter or house guests.

7.2 The reporting and enforcement procedures for non-compliance shall be through established rules enforcement procedures under BOD-140, Rules/Regulations Enforcement and BOD-141 Enforcement Hearing Panel Procedure.

If this document contains any restriction based on race, color, religion, sex, familial status, marital status, disability, national origin, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.1 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

APPROVED: _____
President, Board of Directors

Date