

SECTION 39. Requirements to Transfer Property or Modify Ownership of Leasehold.

Prior to transferring a property lease, or adding or deleting leaseholder(s), the Association requires the lessee to adhere to and/or furnish the following:

A. Payment of all Lease Transfer Fees, Recording Fees, Assessments and any moneys due the Association on or before the date of closing. Property transfer fee \$300.00 from buyer and from seller and Name Change or Modification of Lease \$100.00

B. ~~An inspection~~ A review will be done ~~by the Chairman (or Assistant)~~ of the Sanitation, Shoreline & Boat Dock ~~Committee~~ for shoreline protection from erosion, the structural ~~integrity~~ and general appearance of any boat dock or boat house, and the upkeep of the grounds. By a Board Member.

C. The kind and age of the septic system must be established to adhere to Section 20, Sanitation, of these Rules and Regulations, the Macoupin County Health Dept., and the State of Illinois.

~~D. As part of the procedure for the transfer of an improved leasehold (one with a residence), an amount of money equal to 110% of the estimated cost of repair or replacement of the existing septic system to bring it into compliance will be required. The escrow moneys shall be placed in a non-interest bearing account in the name of the Sunset Lake Association for the benefit of the transferor or transferee as their interests may appear. Such moneys will be held in escrow by the Sunset Lake Association for the length of time as shown in the following table:~~

~~Type of System Age Escrow Time~~

~~Tank and Laterals Any Escrow funds for replacement system~~

~~Tank and Sand Filter 0-3 Years 3 months~~

~~Tank and Sand Filter 4 & up Years 6 months~~

~~Aeration System 0-1 Year 3 months~~

~~Aeration System 2 & up Years 6 months~~

1. An independent Septic Inspection must be completed prior to the transfer and a copy of the inspection must be submitted to the Board of Directors to remain in the lessee file. Any decisions regarding septic system escrow (both amount of escrow and time frame) is to be resolved solely between the buyer and seller (if needed). A review prior to the closing date and and lease transfer must be completed by one or more Board Members.

~~1. Should a disagreement exist between the transferor and transferee, the disagreement will be submitted to binding arbitration. The arbitrator shall be the Sunset Lake Association's attorney, who shall conduct proceedings in accordance with the Illinois Uniform Arbitration Act. Arbitration shall be commenced by either party on a form provided by the Sunset Lake Association, served by certified mail upon the opposite party; the arbitrator may accept any evidence he or she deems reliable, and shall issue a written award within seven (7) days following the close of proceedings. The cost of arbitration shall be borne equally by the transferor and transferee. The Sunset Lake Association shall furnish its office as a venue for any hearing, at no cost to the parties. The escrow shall continue during arbitration, until the arbitrator's decision becomes final as provided by law. If no request for arbitration is filed within the escrow period, the moneys shall be distributed 100% to the transferor.~~

2. Any improvements deemed necessary by the Association, to the shoreline, must be completed by the seller. Association observation and approval of the shoreline improvements must be completed prior to closing and lease transfer.

~~2. Any funds deposited will be refunded if not needed, or used to pay a contractor after the completion of a new system as the transferor and transferee arranged at the time of deposit. Should the work not be completed within the allotted time following closing, the Board of~~

~~Directors may arrange for the work to be done as soon as possible with the funds in escrow, remitting any excess to the depositor.~~

E. A survey done in the last ten years of the platted lot(s) by a registered surveyor is required to transfer the lease. A copy of the survey must be on file at the Sunset Lake office before the transfer of the property can be completed, or the funds must be escrowed from the transferor or transferee for the cost of the survey.

If at the time of the transfer, a survey of the lot(s) cannot be completed for whatever reason, the Association will require an escrow (deposit) of one hundred percent (100%) of the estimated cost for the survey. Upon completion, any escrow will be disbursed as the transferor and transferee arranged at the time of deposit. Should the survey not be completed within 60 days following the closing, the Board of Directors may arrange for the survey of the lot(s) to be done with the funds in the escrow, remitting any excess to the proper party(s).

~~F. The transferor and transferee are to receive a Lease Transfer Information Sheet furnished by the Office Manager, which lists all the fees and/or escrow required due to the condition of the shoreline, boat dock, grounds, or the septic/sewage disposal system.~~

G. The Association makes no ~~inspections~~ observations nor any representations on behalf of the transferor or transferee, and neither transferor nor transferee is entitled to rely upon any ~~inspections~~ observations performed by Association employees or Board members as creating any liability by the Association should the property in fact be in a condition different than the Association's inspection would indicate. No such ~~inspection~~ observations will result in any waiver of any provision of any lease. Any expense connected with such independent inspections and work is the responsibilities of the transferor and/or transferee.

H. Should the lessee decide not to transfer the leased property, or modify ownership of a leasehold, and the ~~inspections~~ observations called for hereunder disclose deficiencies, the lessee will be required to remedy any such deficiencies to the septic/sewage system and/or its connections to the wastewater plumbing system in the residence, and to the shoreline, boat dock and grounds in accordance with the Bylaws, and the Rules and Regulations of Sunset Lake Association.

I. Prior to issuing a lease to a transferee, name change or modification, the Association requires the transferee/new leaseholder must attend a new member orientation.

J. If current leasehold is transferred to his own trust or estate, or if modification of lease is only for addition or deletion of leaseholder(s), all items in this section 39 except ~~D & E~~ are applicable. (Modified December 2018)