

RULES & REGULATIONS

RENTAL OF SINGLE FAMILY HOMES/TENANTS

I. Introduction

The Board of Trustees has discussed the special issues posed by tenants/non-owners residing in the community, regarding their knowledge of and compliance with the Declaration of Covenants, Conditions and Restrictions (the “Covenants”), and the provisions of other governing documents including Rules & Regulations (R&R). Investigation has determined that many owners, owner’s agents and property managers are not providing copies of the Association’s governing documents to tenants or even informing their tenants that they exist. This has caused confusion and inadvertent noncompliance by tenants, and problems for the Association that might be avoided. Furthermore, some owners do not inform the Association they are renting out their house(s), or do not provide the Association any information about their tenants, so the Association experiences difficulty in communicating with owner and/or the tenant about Association questions or issues.

In the interest of ensuring the Association has adequate information with which to communicate with owners and their tenants about Association issues, and to enhance the Association’s ability to communicate regarding occupants’/tenants’ compliance with the provisions of governing documents, the following R&R is adopted regarding owners who rent out their homes, and their tenants.

II. Rule:

All owners who rent or who are considering renting their home are subject to this R&R, including where owner rents to a family member.

1. No partial leasing of a single family home. No partial leasing of a single family home is permitted. In other words, an owner cannot reside in his home while also leasing a portion of it to a third party. Density, traffic, parking and noise are factors that can adversely impact the community, all of which are adversely affected when subleasing of a home is done by an owner.
2. Owner to provide governing documents to tenant. At or before the time a lease agreement is signed between owner and a tenant or tenants, owner or owner’s agent will provide copies of the Covenants and the Rules & Regulations (hereafter collectively the “governing documents”) to the tenant, urging him to read them. [Copies of the governing documents may be obtained from the Association’s web site (www.fairwoodgreens.org) or by contacting the Association at P.O. Box 58053, Renton, WA 98058, phone 425/227-3997. A small fee of \$10.00 (ten dollars) will be charged for copy sets requested from the Association, payable at the time of request.]

Owner will require tenant to sign a document acknowledging tenant received a copy of the governing documents and will abide by and comply with their requirements. A form document for this purpose is available on the Association's website.

A copy of the acknowledgment document must then be forwarded to the Association at P.O. Box 58053, Renton, WA 98058.

3. Lease agreement/provisions. All lease agreements should be in writing and be for a term of at least 6 months unless otherwise permitted in writing by the Association for special or exigent circumstances.

4. Owner will provide tenant information to Association. After a lease agreement is signed, owner or owner's agent will provide to the Association in writing:

- (a) owner's correct residence mailing address and phone number;
- (b) the name of every tenant signing the lease agreement;
- (c) the phone number of tenant;
- (d) if consented to by tenant, tenant's email address.

All owners with existing leases/tenants are required to provide this information to the Association within twenty (20) days from the date this R&R is mailed to them.

5. Existing leases. All owners with an existing written lease agreement in place or tenant residing in their house must comply with all the provisions of this R&R at the time of renewal or extension of such lease or when they lease to another tenant, whichever first occurs. Owners who have rented out their house under verbal agreement, or who have tenants in their home on a month to month basis due to their written term lease agreement expiring and tenant continues to live in and/or rent the house must comply within twenty (20) days from the date this R&R is mailed to them.

6. Leasing Defined. The term "leasing" shall incorporate "renting" and shall, in addition to its ordinary meaning and definition, mean the granting of a right to use or occupy a Unit/House, for a specified term or indefinite term, in exchange for the payment of rent (that is, money, property or other goods or services of value), and the occupancy of a Unit/House solely by a person or persons other than its Owner, whether or not rent is paid or any other consideration received by the Owner. The term "leasing" does not mean or include joint ownership of a Unit/House by means of joint tenancy, tenancy-in-common or other forms of co-ownership, or the occupancy of a Unit/House by any person who resides in a Unit/House with its Owner, whether or not rent is charged (however, such non-owner occupancy in conjunction with the Owner may be subject to and prohibited by the single family residency purpose set forth in these covenants). Leasing shall also include the assignment of a lease or rental agreement.

III Infraction

Once a possible violation has been reported by an individual Homeowner and/or by the Fairwood Green's Security Patrol, or the Board otherwise learns of a possible violation, the Board will investigate and determine whether a violation of this Rule exists. If it is determined that there is a violation, the Board or a committee designated by the Board will notify the violating Homeowner in writing, and, if not corrected in a timely manner, fines may be assessed according to Section IV.

At the Board's discretion, legal action may be taken against the violating Homeowner at any point once a violation has been confirmed. Additional fines will continue to be assessed while the legal action is in process if the Homeowner continues to violate the declaration. Homeowner shall be liable to the Association for all attorneys' fees and costs it incurs in the enforcement of this declaration, and such costs are an assessment against the lot of Homeowner and are lien able and collectible in the same fashion as assessments under the covenants.

The opportunity to appeal the Board's decision is available under our R&R on "Appeal Process".

IV Fines

Fines for violation will be imposed at the rate of \$10 per day until full compliance of Homeowner occurs.

V Rule Enforceability

If any portion of this rule is determined to be legally unenforceable, it shall not negate the enforceability of the remaining portions of the rule

MOTION; Approve new language, "Defining Leasing", to be added as item #6 under "II Rule" into the R&R for Rental of Single Family Homes/Tenants. **Second?** Yes. **Discussion:** None.

Vote: 6-0, 1 abstains. **MOTION CARRIED.**

DATED AND ADOPTED this 27th day of April 2010