

SEXTON PLACE CONDOMINIUMS OWNERS' ASSOCIATION

Leasing Process, Requirements and Fines

Resolution #2011-001 (Administrative)

The intent of this document is not to make changes to the current governing documents of Sexton Place, but rather to gather related information regarding the unit leasing process at Sexton Place into one document for easy reference or review. The documents relating to the leasing of units at Sexton Place that will be referenced are:

- Declaration (CC&Rs) recorded April 1, 2003
- Bylaws recorded April 1, 2003
- Resolution Amending Rules & Regulations Manual Relating to Fines and Leases dated May 28, 2009

The following is a summary of the leasing information. It is the Owner's responsibility to review the original documents in their entirety. All Sexton Place documents are available to owners on the community website at www.tmgassociation.com.

PRIOR APPROVAL - Each Owner desiring to rent/lease his unit shall submit the proposed lease agreement, Tenant Information Form and Vehicle Registration Form to the Managing Agent 10 business days prior to the first day of the lease term on the lease agreement. This information will be forwarded to the Board for pre-approval. The owner will be notified in writing that the lease has been approved.

TENANT SCREENING - The owner is encouraged to obtain a tenant screening on all adults who will reside in the unit except related parties. The owner is requested to certify to the Association at the time the lease is submitted for review and approval, that a tenant screening was obtained.

LEASES TO RELATED PARTY - Owners are required to report leases rented to related parties. Grandparents, parents, parents-in-law, siblings, siblings-in-law, parent siblings or lineal descendants of the Owner are considered related parties.

RENTAL FORMS - All leasing documents must be in writing, the lease must include language acknowledging the Association's rights and tenant's obligations under the governing documents. In addition to the lease agreement, the owner must provide a copy of the Tenant Information Form and a copy of the Vehicle Registration Form. It is the owner's responsibility to provide copies of the community rules to their tenants.

DENIAL OF REQUEST - An owner's request to lease a unit will not be denied except when a) the owner is not an Association member in good standing; b) the proposed lease does not comply with the leasing rule requirements; c) the owner has failed to perform the tenant screening of the applicant.

GENERAL LEASING RULES

- All Owners must notify the Managing Agent within ten (10) days when a rented unit becomes vacant.
- All leases must have a lease term no less than 6 months and no greater than 12 months.
- All leases must be updated with the Managing Agent at the end of their lease term or every 12 months.
- At the expiration of each initial lease, the owner must update the lease and extend the lease term even if the tenant has not changed.
- A new request for approval shall be submitted for any change in lessee and/or renter.
- A new lease shall be submitted for approval at least 10 business days before the start date contained in the new lease. Include a verification of the tenant screening, Tenant Information Form and Vehicle Registration Form.
- The terms of the lease are subject in all respects to the provisions of the Governing Documents and that any material noncompliance by the lessee or tenant with the terms of such documents shall be a default under the lease.
- All leasing or rental agreements shall be in writing and shall expressly include language acknowledging the Association's rights and tenant's obligations under the Governing Documents that they shall be subject to the Governing Documents (with a default by the tenant in complying with the Governing Documents constituting a default under the lease or rental agreement).
- The owner must be a member in good standing.
- It is the responsibility of the owner to inform their tenant(s) of the parking rules at Sexton Place. Neither Sexton Place Condominiums, the Board of Directors, nor the Managing Agent will be responsible for refunding parking fines or towing fees to the unit or vehicle owner of any sort that may be assessed against the tenant for illegally parking within the Association in violation of the SPC rules & regulations. There is no grace period.
- It is the owner's responsibility to supply his or her tenant(s) with a current copy of the rules & regulations and governing documents. Tenants are responsible for knowing the rules. In addition, owners of rental units are responsible for notifying the Managing Agent of any change in tenant vehicles.

LEASE FINES –The following fines will be levied for lease related violations.

\$100	One time fine for failure to submit lease documents for approval prior to leasing.
NTC	Notice To Correct an identified violation of the leasing rules. A deadline to correct the violation will be given. Typically 15 days.
\$75	If it is observed that the violation has not been corrected by the deadline in the Notice To Correct and the owner has not requested a hearing with the Board, a fine notice will be sent to the owner notifying them that a fine of \$75 has been imposed.
\$1000	Should the violation remain for another period of 15 days (violation would then not be remedied for 30 days), a fine of \$1000.00 will be assessed.

\$1000

For continuing lease violations a \$1000.00 fine will be imposed for every subsequent 30 days of noncompliance.

Violations are progressive, meaning that only one reminder may be given per violation type within a one-year period.

The homeowner is given 10 days from the date of the Notice to Correct to request a hearing with the Board of Directors. The purpose of the hearing is to provide an opportunity to be heard for the owner to discuss the alleged violation with the Board of Directors. When the owner does not agree that a violation exists, the Board hearing provides the owner an opportunity to present the relevant facts in support of their position. If the owner does not require a hearing, it is assumed that the owner agrees there is a violation and fines may be imposed.

Dated this 9th day of May 2011

SEXTON PLACE CONDOMINIUMS OWNERS' ASSOCIATION

By: Nanci Alley
Its: President
Attest: [Signature]
Its: Secretary