

BACKGROUND

There are no regulations in our governing documents, similar to other communities in the area that restrict rental units

There are now 35 rental units accounting for 20% of home ownership in Southern Valley. The board has determined that should this exceed 58 units that voting power will be shifted to individuals who do not live in the community where they can then control what future regulations are passed or rejected which effects the entire community

An amendment has been drafted by our attorneys to address and Cap the number of rentals to avoid this from happening but requires a 67% majority vote of the community. We need 120 votes to pass this amendment

APPROACH

On Tuesday October 25th from 7-8 PM voting will take place at the clubhouse. No ballots will be sent to homeowners to avoid any abuse of voting

Those homeowners unable to attend will need to cast their vote. This will be a manual effort to collect ballots.

- Beginning Wednesday October 26th we will begin the ballot collection process
- Each individual willing to help will be assigned a number of units to solicit votes
- You will be provided with information so that you can answer questions that arise
- You will provide the homeowner with a ballot and envelope
- The homeowner will be asked to fill out the ballot, vote, insert the ballot into the envelope, seal it and return it you while you are there.
- Voting will remain open and envelopes will be collected until we have enough to pass or fail the amendment.
- All homeowners may not be available when we walk around and may require several attempts to get their ballots

LEASING LIMITATIONS

1. No more than 10% of the total units may be rented at any given time. (17 units)
2. Owner/landlords may not hold more than 2 rental units at any time
3. Once the maximum number of permitted rentals has been reached no additional units may be leased unless they fall within the grandfather clause
4. Subletting of units is not permitted
5. Leases may not be less than 3 months in length
6. Any lease by and between a Unit Owner and their children, parents and/or grandparents will not constitute a leased unit

GRANDFATHERING

7. All homeowners of record upon execution of this amendment will be grandfathered and will be permitted to lease their unit according to the rules and regulations set forth in this amendment until the earlier of when the Unit is transferred and/or sold or the Unit does not have a current and valid lease for a period of six (6) consecutive months.

VIOLATIONS

8. A fine in the amount of \$500.00 will be assessed against any Unit which is rented or leased without notice to and approval of the Association. An additional fine in the amount of \$500 per month will be assessed for each successive month in violation
9. A fine in the amount of \$500.00 per month will be assessed against any owner which is deemed by the board to be subletting their unit. An additional fine in the amount of \$500 per month will be assessed for each successive month in violation
10. A fine in the amount of \$300.00 will be assessed against any Unit which has a change in occupancy without a new lease and lease registration form being submitted to the Association within 30 days of the lease effective date. An additional fine in the amount of \$300 per month will be assessed for each successive month in violation. After 90 days the unit will be removed from the approved leasing list and will lose its grandfather privileges

LEASING RULES AND REGULATIONS

11. A fully executed copy of the lease and the lease registration form must be furnished to the management company within ten (10) days of the lease execution
12. Supplied lease does not have to disclose the actual lease payment
13. The Unit Owner is responsible for providing their tenants/occupants with a current copy of the Declaration, By-Laws and Rules and Regulations
14. No lease may be of less than an entire Unit.
15. An annual administrative fee will be assessed against the unit owner of each rental unit or unit. Annual fees will be assessed each January. This fee will be determined by the actual cost of administration and will be reviewed yearly