#### Grandridge Meadows Homeowners Association Policy Regarding Rentals

Adopted December 19, 2021

#### Introduction

This policy is an update and expansion of the CC&R 6.10.3 rentals policy first adopted by the Board in 2016. It now includes a section regarding rentals after one year of ownership, when limitations of CC&R 6.10.3 no longer apply. And it addresses issues which were not foreseen when the 2016 policy was adopted.

This policy is divided into two parts. The first is general information applicable to <u>ALL</u> rentals. Second is requirements specific to requests to rent during the first year of ownership (CC&R 6.10.3).

Forms described in the procedure are found in the appendices.

### Part I General Information Applicable to all Rentals

This rental policy is based on rules under which Grandridge Meadows Home Owners Association must operate, and the power within those rules that permit the HOA board to interpret and implement policy and procedure.

Some key clauses are:

- No one may rent a residence within one year of purchase without specific Board approval. (CC&R 6.10.3)
- A person may not rent or lease part of a lot or home. (CC&R 6.10.1)
- Any lease must be for at least 30 days duration.
- When the rules involve forms, those forms must be submitted to the board and no action can be taken without the Board's approval.

Because reading the CC&Rs can be mind-numbing, Appendix C to this policy is a summary of the most common violations. Owners are strongly urged to provide a copy of both Appendix C and the full text of CC&Rs to their tenants. Both documents can be found on the HOA website or requested from our management company.

Although Owners may delegate exterior maintenance (such as landscape maintenance) to their tenant(s), final responsibility for compliance with <u>all</u> CC&Rs remains with the Owner.

CC&Rs and state law allow for fines and/or injunctive relief to obtain compliance with the CC&Rs. If the HOA finds it necessary to request injunctive relief from a court of law to obtain compliance, CC&R 7.1 provides for the Association to recoup legal costs from the non-compliant owner if the Association prevails.

Owner is also requested to provide to the HOA Board, contact information for the Tenant (Appendix B). Appendix B contact information should be updated each time there is a new tenant. In the event of a violation, the tenant contact information allows ACC to contact the

tenant directly at the warning stage, potentially resulting in faster correction and less likelihood a fine will be issued.

NOTE: Restrictions of CC&R 6.10.3 apply any time there is a change of ownership, even if the selling owner has owned the property for more than a year. A new owner is <u>NOT</u> grandfathered, even if a tenant is currently resident in the property at the time of sale.

#### Part II Policy for Evaluating Rental Requests per CC&R 6.10.3 (First Year of Ownership)

#### Purpose

CC&R 6.10.3 provides that no owner shall rent or lease a property within one year of closing, except upon written approval of the Grandridge Meadows Board of Directors. This policy is to provide general guidelines for how the Board of Directors will evaluate requests to rent. It is intended to generally describe the type of information that will be required to consider a request and the approximate amount of time after all information is received that the Board requires to consider and vote on a request.

While this policy identifies one or more absolute requirements, it intentionally does not set forth a list of requirements that if complied with will automatically result in approval. Approval or disapproval in each case will be based on the Board's evaluation of the information and each member's assessment of whether approval will be in the best interest of Grandridge Meadows homeowners as a whole.

#### <u>General</u>

The Grandridge Meadows Homeowners Association Board of Directors will evaluate any request to decide if approval is or is not in the best interest of Grandridge Meadows subdivision and existing homeowners. All pertinent factors will be considered, including but not limited to, overall community sentiment as determined by the survey of homeowners conducted October 22, 2015, number of existing rental properties, proximity of existing rental properties, Requester's ties to Grandridge Meadows, Requester's experience owning and managing rental properties, Requester's rental policies, any additional information the Requester wishes considered, any information or comments current Grandridge Meadows homeowners wish considered, and such additional factors as the Board considers pertinent.

#### <u>Schedule</u>

Note: All durations provided in this section are estimates only and should not be considered in any way binding to a specific request.

The Board will strive to evaluate and decide a request in a timely manner and will attempt to limit the wait time to three weeks. Incomplete information, or any questions/concerns developed during the evaluation would necessitate even more time.

After the Board members have evaluated all of the information, including responses to any subsequent questions, a meeting (open to all Grandridge Meadows homeowners) will be scheduled. As the Board has no control over venues, no estimate can be made of the time required for this step.

#### Approval not Transferrable

Any approval is specific to the person(s) making the request and is **<u>NOT TRANSFERABLE</u>** to a subsequent owner.

#### Procedure

Requester notifies Grandridge Meadows Homeowners Association Board of Directors of his/her desire to rent a property in Grandridge Meadows prior to one year after closing. Requester must provide the information listed in Appendix A. No action will be taken until all of the requested information is provided.

Requester must sign the submittal, thereby signifying the provided information is correct and may be relied upon to reach a decision.

Any questions or need for additional information will be sent to the Requester using the contact information provided with the request.

After the Board completes verifying and evaluating the request, an open meeting will be scheduled for the purpose of receiving any additional information and voting on the request. If additional information is presented by the Requester or by current homeowners that the Board considers significant enough to require additional evaluation, the vote will be postponed. Otherwise, the Board President will ask for a motion to approve the request and stating conditions, if any, on which the approval is contingent. The request is approved if a majority of Board members vote in favor of the resolution.

If the request is approved, Requester will be required to sign a form (Appendix B) agreeing to provide any tenants with a copy of the Grandridge Meadows CC&Rs, and to assure the tenant understands he/she is obligated to comply with the conditions/restrictions set forth in this document. The original copy of the signed form will be kept by Grandridge Meadows HOA. A copy can be made for the Requester if desired. A letter will be sent to the Requester confirming Board approval and stating any conditions.

#### Appendix A Rental Requests per CC&R 6.10.3

CC&R 6.10.3 provides that no owner shall rent or lease a property within one year of closing, except upon written approval of the Grandridge Meadows Homeowners Association Board of Directors. Applications must be made in writing or via the Grandridge Meadows HOA website contact form and must include the requester's name and contact information. All information provided may be verified by the BOD. Owner/Requestor will be notified of the Board's approval or disapproval as soon as practical after the request is received.

#### If the request is approved, such approval is not transferrable to a subsequent owner.

To help the board arrive at its decision, the applicant is asked to answer each question. Use one or more separate sheets of paper. Please repeat the questions on your answer form or reference each answer to the question number given here. Please remember to include and sign the statement at the end.

- 1. Property address for which approval is requested?
- 2. Does the requester currently reside in Grandridge Meadows?
  - 2.1. If yes, for how long?
  - 2.2. If yes, does the applicant intend to continue living in Grandridge Meadows?
  - Applicant's experience with rental properties
  - 3.1. How many other properties are (or have been) owned/managed by requester?
  - 3.2. How long has each been owned?
  - 3.3. How long has each been rented, as compared to owner occupied?
- 4. For each of the rental properties currently or previously owned:
  - 4.1. What is the subdivision and address?
  - 4.2. Is there a homeowners association? If yes:
    - 4.2.1. Contact information for the HOA president or other Board member
    - 4.2.2. Is applicant current on HOA dues for all rentals?
    - 4.2.3. Have there been, or are there existing, any HOA issues such as ACC warnings or fines, or other non-compliance with CC&Rs? If so, provide details.
- 5. Have there been any violations of city/government codes/regulations?
- 5.1. If so, please elaborate.
- 6. Tenants

3.

- 6.1. Does applicant screen potential renters prior to acceptance?
  - 6.1.1. If so, how and for what criteria?
  - 6.1.2. What constitutes grounds for rejecting a potential renter?
- 6.2. Have any of applicant's current or previous renters/ tenants created a nuisance or engaged in activity that required a police response?6.2.1. If yes, please explain.
- 6.3. Are applicant's tenants given a copy of Appendix C of this policy, the CC&Rs and informed of their obligation to abide by them same as an owner would be obligated? **Note: This will be a requirement for approval.**

- 6.4. What is the maximum number of people who will be allowed to occupy this house if the request is approved?
  - 6.4.1. How many vehicles will be allowed?
- 7. Other topics that may be relevant to the specific case being considered
  - 7.1. The Requester may provide any additional information he/she considers relevant and wishes the Board to consider.

# If this request is approved, such approval is specific to the person(s) making the request and is <u>NOT TRANSFERABLE</u> to a subsequent owner.

| Printed Name                     |      |      |
|----------------------------------|------|------|
| Signature                        | Date | <br> |
| Requester's Contact Information: |      |      |
| Address                          |      |      |
| Telephone number                 |      |      |
| Email                            |      |      |

# Appendix B

## **GRANDRIDGE MEADOWS RENTAL INFORMATION**

| Date                              |       |
|-----------------------------------|-------|
| Rental address<br>(Please print)  |       |
| OWNER INFORMATION                 |       |
| Owner's Name<br>(Please print)    | Phone |
| Owner's Address<br>(Please print) |       |
| Owner's emergency contact person: |       |
| Name(Please print)                | Phone |
| TENANT INFORMATION                |       |
| Tenant's Name<br>(Please print)   | Phone |

#### Appendix C

#### **GRANDRIDGE MEADOWS COMMON CC&R VIOLATIONS**

The following are summary excerpts from the Declaration of Covenants, Conditions and Restrictions (CC&Rs). The CC&Rs should be read in their entirety prior to renting at Grandridge Meadows.

#### WHAT IS PROHIBITED

No trailers, boats, motor homes, RVs, trucks over 2 tons or any disabled vehicle can remain on the property – which includes the street – for more than 48 hours unless they are completely inside a garage or other approved enclosure.

No garbage containers may be on the street or front of homes except on collection day or collection day eve.

All buildings, pools, recreational equipment, fences, painting or repainting or reroofing visible from the street or from other lots must be approved by the board.

The sidewalk in front of each lot is the responsibility of the lot owner and should be kept clean (weed free).

No signs except one professional sign no more than one square foot or for-sale or rent signs four square feet. State law (RCW 64.038.034) allows a small candidate sign during primary or general election season.

No business of any kind may be conducted on any lot without the board's permission

No junk around any home.

No protruding air conditioners.

Animals shall not be allowed to roam loose outside of any lot on which they are kept.

No chain link fences anywhere.

Any waivers to covenants and clauses in the agreement must be in writing and signed by the board.