

## Rules and Regulations Regarding the Leasing of Units

[To replace Section III of the current Timber Creek Crossing Village Homeowners Association Rules and Regulations.]

### III. **Rental/Leasing Policy**

The following rules and regulations have been adopted for any Owner leasing his or her Unit. These rules and regulations shall apply to all leases, including the renewal of an existing lease, which is entered into on or after February 9, 2011.

A. A lease must be for the entire Unit and its garage, and may not be for only a portion of the Unit and/or garage. Subleases are not permitted.

B. No Owner may lease his or her Unit to any tenant with a criminal background which would pose a health or safety risk to the other Owners and Occupants of the Association or their property, including a tenant who has been convicted of or pled guilty to any of the following:

- Assault, battery or other violence against persons or property
- Sexual assault or other criminal sexual activity
- Stalking, harassment or similar acts
- Robbery, burglary, murder, rape or other violent felony against persons or property; or
- Drug-related activity.

#### C. **Procedure required before an Owner may lease or rent his Unit.**

- a. An Owner must obtain written approval from the Board of Directors before entering into a lease agreement for his or her Unit. Such written approval shall be obtained by submitting a written request to the Board of Directors, together with a copy of the proposed lease.
- b. Before entering into a lease with a tenant, Owner shall require a "residential tenant report" to be provided by a "residential screening service" as described in Minn. Stat. § 504B.235. Copies of the residential tenant report must be maintained by the Owner for the entire term of the lease, and any renewal terms, and shall be made available to the Association upon request.

#### D. **Lease Requirements.**

- a. All leases must be in writing, and must include the Timber Creek Crossing Village Homeowners Association Lease Addendum provided by the Association.

- b. No Unit may be leased for transient or hotel purposes. No lease may be for a term of less than three consecutive months or for a term longer than twelve consecutive months.
- c. The lease must state that it is subordinate and subject to the Timber Creek Crossing Village Declaration; Articles of Incorporation; Bylaws; Rules and Regulations; and the Minnesota Common Interest Ownership Act (MCIOA). The lease must also state that the tenant's failure to comply with the terms of such documents or laws constitutes a default under the lease.
- d. At the time the lease is signed, the Owner shall provide to tenant a copy of the Timber Creek Crossing Village Declaration; Articles of Incorporation; Bylaws; and Rules and Regulations (collectively the "Governing Documents"). Additional copies of the Governing Documents may be obtained from the Association, by Owner or tenant, for a fee of \$25.00.

E. An Owner who is permitted to lease his or her Unit must provide the following documents and information to the Board of Directors, on or before the date of commencement of the lease:

- a. A copy of the fully executed lease agreement;
- b. A Background Check Certification, in the form provided by the Association;
- c. The name(s) and telephone number(s) of the renter(s) and all occupants of the Unit;
- d. Owner's address, and residence, mobile and work telephone numbers; and
- e. The name and telephone number of any agent of Owner's who is authorized to manage the Unit.

A fine in the amount of \$100.00 per month may be assessed against the Unit and Owner for failure to provide the information set forth in this Section.

F. Owner is responsible for communicating all Association policies to the tenant, and for ensuring that the tenant complies with all policies and the Governing Documents. The Association will bring to the attention of the Owner any violation of the Governing Documents by a tenant or occupant, or their guests, when such violation becomes known to the Association. If the Owner fails to address the violation and enforce the Governing Documents within ten (10) days after notification, the Association

shall enforce the Governing Documents in accordance with the enforcement policies set forth in these Rules and Regulations and/or the Declaration. A fine in the amount of \$20.00 per day may be assessed against the Unit and Owner for failure of the Owner to enforce the Governing Documents after notification by the Association under this Section.

G. Owner is responsible for any damage caused by a tenant or occupant, or their guests, whether to the Unit, the Common Elements or any other property of the Association. Costs for repair and/or replacement of damaged property shall be assessed against the Unit and Owner in accordance with the provisions of the Governing Documents.

H. Owner shall complete all maintenance and repairs to the Unit, except for those repairs and maintenance which are the responsibility of the Association under its Governing Documents. Owner shall maintain the Unit in accordance with the requirements of the Governing Documents.

I. Owner shall handle all communications from tenant, and shall not direct tenant to contact the Association or its managing agent. A fee may be assessed against the Unit for each communication received by the Association from a tenant, except in the case of an emergency involving repairs or maintenance which are the responsibility of the Association, which fee shall be equal to the greater of (i) \$75.00 per communication or (ii) the actual fees and costs billed to the Association by its managing agent for the communication(s).

J. Owner is responsible for payment of all assessments, including any fines and late fees. The Association will not accept payment of assessments, including any fines and late fees, from a tenant.

K. Owner is responsible for ensuring that the tenancy complies with all federal, state and local laws, including but not limited to occupancy limits and rental licenses.