

BRIDLE SPRINGS HOMEOWNER'S ASSOCIATION

Tenancy Identification and Procedures Resolution

Authority: ORS 94.630

Bylaws 4.7

Declaration Paragraph 4.23

Declaration Paragraph 4.6, as amended

Declaration Article 1, as amended

Powers of the Association

Powers

Rules and Regulations

Rental of Homes

Definitions

The Board of Directors (the Board) adopts this resolution to define the process by which the Board will administer the provisions in the Declaration for Investment Property in the Bridle Springs Homeowners Association. This Resolution replaces and rescinds all previous Resolutions of the same title.

The Investment Property cap as established in Paragraph 4.6 as amended is 25% of the total number of Lots in Bridle Springs, or 52 Lots.

A. Definitions

“Declaration” means the Declaration of Covenants, Conditions, and Restrictions for Bridle Springs.

“Investment Property” as defined by Article 1.23 of the First amendment of the Declarations, “shall mean any Lot in which the Occupant of the Home located upon such Lot is not the Owner of such Home.”

Terms such as “Owner,” “Lot,” and “Home” have the same definitions as in the original Declaration for Bridle Springs.

For the purpose of this resolution and in consideration of the language found in Article 1.23 of the Declarations as amended, “Tenant” means any person who is granted the right to use or occupy an Investment Property, whether or not rent is charged.

B. Waiting List:

If at any time there are less than 52 Lots approved for use as Investment Property, and there are Lots on the Waiting List, then the Management Company or Board President will send a notice to the next three Owners (if applicable) on the Waiting List to confirm their intentions for having their Lot to be approved for use as Investment Property. This notice will give the Owners two weeks to respond to this request in writing. Following the expiration of the two week period, at the next regularly scheduled Board meeting, the Board will review the Waiting List and may approve a Lot(s) on the Waiting List to be used as Investment Property. Unless Owners on the Waiting List have indicated they no longer wish to use their Lot as Investment Property, or unless the Owners have not communicated to the Board or Management Company in writing, **or unless the owners have previously had their property approved for use as Investment Property twice in the last year but had no agreement signed with a Tenant in the 90 day from the date of either approval** then the Board shall approve the first Lot on the Waiting List as Investment Property.

C. Owner/Board Responsibilities

1. The Board will notify an Owner of the status of the Investment Property cap when the information is requested of them and will make a reasonable effort to keep the status available on a website maintained by the Board.
2. A statement of Owner occupancy information shall be kept current by all Owners in the Association.

D. New Agreement with Tenant

1. When an Owner whose Lot is approved for use as Investment Property wishes to enter into a new agreement with a Tenant, the Owner is responsible for the following duties with regard to Tenancy:

- a. The Owner must notify the Board of the following information at least 15 days prior to entering into any new Rental/Lease or Occupancy agreement:
 1. The current name and address of the proposed Tenant(s).
 2. The provisions of the proposed agreement including the proposed Tenancy length.
- b. The Owner must include the following language in the written Rental/Lease, or Occupancy agreement and must provide the Board a copy of the agreement at least 15 days before it goes into effect:
 1. The Tenant shall be subject to all provisions of the Declaration, Bylaws and Rules and Regulations of Bridle Springs Homeowners Association, and
 2. Failure to comply with any provision of the Declaration, Bylaws and Rules and Regulations shall constitute a default under the rental or lease agreement.
- c. The Owner must provide the Tenant with a paper or electronic copy of the Rules and Regulations, Resolutions, the Bylaws, and the Declaration.
- d. If the Owner has been operating under a verbal agreement with the Tenant, the Owner must prepare a written agreement and provide it to the Board.
- e. If the Board determines that:
 - i. The rental or lease agreement is not less than 30 days;
 - ii. The proposed Tenancy will not exceed the current Investment Property cap;
 Then the Board will approve such Tenancy automatically without the need of a Board meeting.
- f. If the Board determines that the rental or lease agreement is less than 30 days, the Board will **automatically** deny such Tenancy and request the owner draw up a new agreement for the Home.
- g. If the Lot that is approved for use as Investment Property has no agreement with a Tenant prepared, the Community Manager will notify the Owner via US Mail that they have 90 days from the date on the letter to supply the Community Manager with a signed agreement with a Tenant. If no agreement is signed within that time frame, the Lot will be disallowed for use as Investment Property and will be added to the back of the Waiting List.

E. Request for Approving a Lot for use as Investment Property.

1. If an Owner notifies the Board that they wish to use their Property as Investment Property, the Board will review the information from the Owner and respond during the next scheduled Board meeting by notifying the owner the following:
 - a. If the Board determines that the proposed Tenancy will exceed the current Investment Property cap, then the Board will add the Lot to the end (back) of a waiting list;
 - b. If the Board determines that the Lot is already occupied by a Tenant and has not already been approved by the Board for use as an Investment Property;
Then the Board will
 - i. add the Lot to the end (back) of a waiting list;
 - ii. As per Declaration Section 4.6 the Board may deny the Tenancy and/or the Board may follow the procedures outlined in the Financial Penalties Resolution and may cause the termination of such Tenancy and evict such Tenants for cause.
 - c. If the Board determines that the proposed Tenancy will not exceed the current Investment Property cap, **and the owner has not previously requested to use their property as Investment Property.** then the Board will approve the Lot for use as Investment Property.
 - d. **If the Board determines that the proposed Tenancy will not exceed the current Investment Property cap, and the owners have previously had their property approved for use as Investment Property twice in the last year but had no agreement signed with a Tenant in the 90 day from the date of either approval, the Board may choose to deny an owner 's request to use their Property as Investment Property.**
2. A Lot will be disallowed for use as Investment Property and will not be added to the Waiting List if **any** of the following situations is true:
 - a. The recorded title changes to a new Owner listed on the title. The rights of a Lot to be used as an Investment Property cannot be sold or transferred to a new or different owner.
 - b. Or an Owner has failed to correct a violation of the governing documents for more than 90 days after the Association mailed notice to the owner of the violation.

3. If a Lot is approved for use as Investment Property but has no agreement with a Tenant prepared, the Community Manager will notify the Owner via US Mail that they have 90 days from the date on the letter to supply the Community Manager with a signed agreement with a Tenant. If no agreement is signed within that time frame, the Lot will be disallowed for use as Investment Property and will be added to the back of the Waiting List.

F. Board Enforcement

1. The Board will seek to determine whether a Home is occupied by a Tenant if at any of the following occur:
 - a. If the address of the Owner is not the property address as listed in:
 - i. the Linn County property tax records
 - ii. or in the Board contact information
 - b. If the Board receives notice from more than one source that the Home is occupied by a Tenant and the occupancy information on file shows that the Lot has not been approved for use as an Investment Property.
 - c. The Board has not already determined the occupancy of the Home.
2. If at any time the Owner does not provide the requested information or perform the necessary tasks outlined in Owner/Board Responsibilities Section 3 and has a Tenant occupying the Home, then the Board may deny any future Tenancy and/or the Board may follow the procedures outlined in the Financial Penalties Resolution and may cause the termination of such Tenancy and evict such Tenants for cause as described in the Declaration Section 4.6.
3. Each Owner is solely responsible for any violations by their own Tenants of the Declaration, Bylaws, and the Rules and Regulations and shall be responsible for correcting or eliminating the violations, or causing the Tenant to do the same.
4. If at any time during the Tenancy:
 - a. The Tenants have not corrected a violation as notified by the Board and
 - b. The Owners have not taken the appropriate steps to correct the violation, and
 - c. According to the Financial Penalties Resolution the Board has begun to fine the Owner for violations, then
 - i. In addition to the fines outlined in the Financial Penalties Resolution, the Board may cause the termination of such tenancy and evict such Tenants for cause with or without joining the Owner of such Lot/Home in any such action.
 - ii. Any cost incurred during the process of enforcement will be billed to the Owner at cost.

Nothing in this resolution will prevent the Board from taking immediate legal action, as the Board finds reasonably necessary to stop conduct which it determines is in violation of the Declaration, Bylaws, Rules and Regulations, or applicable state or federal law.

Adopted 4-1-14 E Aguinaga, C Mihaylo, T Stigen, M Cook