

# Heritage Glen Townhome Association

## Leasing Rules and Regulations

### Summary of the Covenants Applicable to Unit Leases

The Heritage Glen covenants state that the homes are intended for predominately owner-occupied use, which excludes leasing. However, they contain a provision that the Board of Directors may grant, at its discretion, a temporary hardship waiver for the following events:

1. Death of an owner and the subsequent settling of the estate.
2. An owner transferred by his employer to a location outside the Twin Cities metropolitan area.
3. An owner in the military reassigned to a location not in the Twin Cities metropolitan area.
4. An owner confronted with a medical emergency.

In these instances, and when the owner or family of the owner has a reasonable basis to believe that the unit will be re-occupied or sold within one year following the date of the event, the owner or successors may then submit an application for a temporary waiver period of one year, starting from the commencement of the lease. See Section 7.3 and 7.10 of the Declaration for more information.

### Applying for a waiver

Under any of the circumstances outlined above, the owner or successors should submit to the Board and/or the Association's management company, a written petition specifying the justification for the temporary leasing waiver at least 45 days in advance of the desired rental period. The Board must have at least 45 days to review the petition before it will approve or deny the temporary waiver.

The Board will respond to the petition by written letter. If approved, the owner will be permitted to enter into the lease for a one year period, subject to the rules and regulations specified in the governing documents.

If no submission has been made to the Board and/or the Association's management company and the unit is leased, the Association may proceed with tenant eviction, and may assess a fine of \$1500 (one thousand five hundred dollars) against the owner or successors, and will additionally charge the unit's owners or successors for any legal or maintenance expenses that it incurs as a result of the unauthorized lease. See Section 7.10 of the Association's Declaration for complete information.

### Leasing Rules/Leasing Procedure

When approval of a temporary waiver to lease is granted by the Board, the owner or successors shall provide the following information to the Board and/or the Association's management company:

- A copy of the signed lease. The lease must contain language stating that it is subordinate and subject to the provisions of the Declaration, Bylaws, Articles of Incorporation and any Rules and Regulations of the Association (the governing documents), and shall contain the agreement of the tenant to be bound to the governing documents, and that any failure of the tenant to comply with the terms of the governing documents will be a default under the lease. The lease must be for a period of 12 months (one year).
- A document stating the names of all owners and the names of all the intended tenants.
- Proof of homeowners' insurance (a copy of the HO6 policy).
- Proof of renter's insurance.
- The nature of each owner's interest in the property.
- The address at which the owner desires to receive notices with respect to the unit.
- The name and address of the secured party holding the first mortgage on the unit, if any.

### Additional Considerations

Owners seeking a temporary leasing waiver are encouraged to obtain a "tenant report", from a reputable tenant screening service to protect themselves and their Heritage Glen unit. This report includes information about an individual's credit worthiness and general reputation and character. It will enable the owner to make an educated evaluation about whether or not to lease to an individual.