## WESTWOOD III HOA GUIDELINES TO OWNERS AND PROSPECTIVE OWNERS FOR NON-OWNER OCCUPIED UNITS

As per the CC&R's, owners must receive Board Approval for their homes to be "non-owner occupied." This includes units that are *either* rented or occupied by owner family members. There is a strict limitation on the number of non-owner occupied units permitted and "Any Building Structure must be lived in by the owner of record for a minimum of one (1) year prior to requesting approval for non-owner occupancy. Exceptions to the one-year requirement may be made pursuant to rules and regulations adopted by the Board from time to time."

Per the above, the CC&Rs further provide the ability for the Board to create specific procedures and requirements for non-owner occupation. In 2020, the Board adopted the following:

The Board hereby makes a distinction between two categories of non-owner occupied units. The first is immediate family members of the owners (defined exclusively and specifically as adult children 18 years or older, parents, or grandparents) of the actual on-the-record owners of the unit. The second is non-family tenants (includes extended family and renters).

For a unit that is being purchased specifically to be used by family members, the Board should be notified and "one-year owner occupation" requirement will be waived assuming an opening is available. The limitation of non-owner occupied units remains fixed at 7 total within the HOA. If there are already 7 non-owner occupied units, regardless of the type of occupant, other units cannot be utilized as non-owner occupied. For prospective buyers considering the purchase of a unit for a family member, please check with the Board prior to completing your sale to confirm that the unit can be designated as non-owner occupied.

A unit that is occupied by family members cannot be converted to a non-family occupation without Board approval. Note also that the use of a unit by a family member does not count towards the one-year occupation requirement by the owners, so if the family member vacates the premise, the unit will lose it's eligibility to be "non-owner occupied" unless the one-year owner occupation requirement has been/is met.

The Board will not require applications to be submitted by the owner for family members but the Board must be provided a listing with contact information for residents.

In the case of either type of non-owner occupied unit, all non-family residents must be approved by the Board through the rental application. This includes non-family adults living with a family member. These applications must be accepted by the Board before residency.

All non-family member rental contracts must be a minimum of one year in length.

Use of property manager to oversee a rental is at the owner's choice. The Board must be informed of the contact details of the property manager and if requested by the owner, will contact them first regarding rental applications and/or any concerns and, if requested, they can be added to the general mailing list. However use of a property manager does not waive or limit the ultimate responsibilities of the owner.

The owner is the member of the HOA and therefore remains responsible for all HOA dues, fees, and assessments of all types. If a tenant violates a rule, it is the owner's responsibility to remedy the situation and if a fine is assessed, it will be assessed against the owner, not the tenant. If a renter continues to break HOA rules or be a nuisance to the community, the HOA may pursue appropriate legal action against the landlord. Please incorporate into your lease agreements means to address these concerns with your tenants as appropriate. (For example, you may wish to specify that fines assessed against you because of a tenant's action will become your tenant's responsibility.)

Finally, the Board has set the following special condition for non-owner occupied units of all types:

• The unit may not have more than 3 cars associated with residents, regardless of the number of adults residing there and only one car at a time may utilize street parking. Additional cars belonging to residents of a non-owner occupied unit may be towed without notice.

The Board further revised and updated the application by a homeowner or a prospective buyer for requesting a unit's designation as a non-owner occupied property as well as the rental application document and procedures. Please see updated material on the HOA website.