

FEB 27 2020

**LEASING POLICY
FOR
Willow Park Village Homeowners Association**

THIS LEASING POLICY FOR Willow Park Village Homeowners Association is made as of the 18th day of February, 2020, by the Board of Directors for the Willow Park Village Homeowners Association, Inc., a Texas non-profit corporation (the "Association").

WITNESSETH:

WHEREAS, the Association is the property owners' association created by the Declarant to manage or regulate the planned development covered by the Declaration, which property is more particularly described in the Declaration; and

WHEREAS, Article 4.4 of the Bylaws of the Willow Park Village Homeowners Association provides that the Board of Directors are required to establish rules for the Association as outlined in the Declaration; and

WHEREAS, the Board of Directors being dully elected in accordance with Article III of the Bylaws desires to establish a Leasing Policy for the Association; and

NOW, THEREFORE BE IT RESOLVED, the Board of Directors does hereby establish this Leasing Policy for the Willow Park Village Homeowners Association as follows:

Renting and Leasing.

a. **Definition of Leasing.** "Leasing," as used in this Section, is defined as regular, exclusive occupancy of a unit ("Unit") by any person other than the Owner. For purposes of this Section, if a Unit is owned by a trust and beneficiary of the trust is living in the Unit, that Unit shall be considered Owner-occupied rather than leased. A "Unit" is defined as the entire dwelling that is built on any lot within the Association. Leasing part or a portion of the dwelling unit is specifically prohibited.

b. **Lease Term and General Rule.** Units may be leased only in their entirety. No Unit or part thereof may be rented or used for transient or hotel purposes, which is defined as: (i) rental under which Occupants are provided customary hotel services such as room service for food and beverages, maid service, the furnishing of laundry and linen, busboy service, and similar services; or (ii) rental to roomers or boarders, that is, rental to one or more person of a portion of a Unit only. No lease may be for less than an entire Unit. All leases must be for an initial term of not less than one (1) year. Thereafter, leases may be renewed on an annual basis, provided the Owner must notify the Board of his intent to renew the lease on the Unit, and obtain the Board's permission to renew the lease. The Owner must make available to the lessee(s) copies of the Declaration, Bylaws and the rules and regulations of the Association.

c. Applicability. This rule shall not apply to any leasing transaction entered into by the holder of any first mortgage on a Unit who becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such mortgage; provided, however, that it shall apply to any leases by any purchaser from such mortgagee and any successor to such a purchaser.

d. Leasing and Occupancy Restrictions. In order to preserve the quality of life of other residents and high standards of maintenance and care of the general common elements and limited common elements (collectively, the "Common Elements"), and to promote the residence and/or leasing of Units by responsible individuals, a Unit shall be leased in accordance with the following provisions:

1. Notice of Intent to Lease. Whenever the owner of a Unit has received a bona fide offer to lease his or her Unit and desires to accept such offer, the Owner shall give the Board written notice of his or her desire to accept such offer, and provide, at the Owner's sole cost and expense, the following information to the Board:

(A) The name, date of birth, current address and driver's license number of the prospective lessee(s) and each prospective adult occupant (over age 18) along with current license plate numbers for all vehicles belonging to the prospective lessee(s) and occupants which will be parked in the Condominium project:

(B) A criminal background report, acceptable to the Board, and in a form required by the Board, for each prospective adult occupant of the Unit be made available to the Board upon request.

2. Qualifications of Prospective Occupants and Lessees.

(A) Occupancy. The total number of occupants allowed to reside in or occupy a Unit shall not exceed the maximum number of occupants allowed in the Unit pursuant to any ordinance, code or regulation of the City of Willow Park or State of Texas.

(B) Sex Offenders Prohibited. "Sex Offenders," as defined below, are prohibited from leasing, residing in or occupying any Unit and Owners are strictly prohibited from entering any lease with or allowing any sex offender to occupy or reside in a Unit.

Definition of "Sex Offender." For purposes of this Article, a "Sex Offender" is a person who is required to register as either a Level 3 (High) or Level 2 (Moderate) sex offender pursuant to Chapter 62 of the Texas Code of Criminal Procedure (Sex Offender Registration Program as it now exists or as it may be amended in the future) or pursuant to any other law of the State of Texas, or any municipal or county ordinance, or any other state or federal law or regulation. A "Sex Offender" for purposes of this Article also includes a person who is required to register as a sex offender but who has not been assigned a risk assessment level by the applicable authority or for whom such a risk assessment level is not yet available to the public via the applicable registry program.

Purpose of the Texas Sex Offender Registration Program. The Texas Sex Offender Registration Program, sometimes referred to as "Megan's Law", was adopted to address the danger of recidivism posed by sex offenders and offenders who commit other predatory acts against children. A system of registration was created by the State of Texas in order to identify and alert the public when necessary for public safety, and to provide enforcement officials with additional information critical to preventing and promptly resolving situations involving sexual abuse and missing persons. The Texas Department of Criminal Justice, the Texas Youth Commission, or a court determines the person's level of risk to the community. The State of Texas notes that the screening tool utilized for determining an offender's level of risk cannot determine whether a particular offender will re-offend but that it only indicates that a person with these characteristics has a higher probability of re-offending. Risk levels as defined by Texas statute are as follows:

High (Level 3) – indicating that the person poses a serious danger to the community and will continue to engage in criminal sexual conduct.

Moderate (Level 2) – indicating a moderate danger to the community and may continue to engage in criminal sexual conduct.

Low (Level 1) – indicating that the person poses a low danger to the community and will not likely engage in criminal sexual conduct.

Not all registered sex offenders are required to have a risk assessment under current Texas law. The term "Not Available" indicates the offender is not required to have a risk assessment or the offender's risk assessment has not been reported to the Texas Department of Public Safety.

The identity of Sex Offenders can be obtained from various public access Internet web sites, such as the Texas Department of Public Safety web site at <http://records.txdps.state.tx.us>.

Finding of Danger to Association Residents. The Board has determined that any individual who is required to register under the Sex Offender Registration Program, with the exception of an offender assigned a risk assessment of Level 1 (Low), presents an unreasonable danger to the residents of the Condominium Project by virtue of the Sex Offender's access to the Common Element facilities, such as the parking area and the community as a whole, to which all residents have shared access. Further, in traveling to and from these Common elements, the residents of the Project, especially children, are subject to contact with any such Sex Offender on a frequent and continuing basis. Such potential exposure, in light of the legislature's recognition of the serious danger posed by such an individual, dictates that a Sex Offender should be prohibited from permanently or temporarily residing in the Project.

Ownership and Residency Prohibited. A Sex Offender, as defined herein above, is prohibited from purchasing a Unit in the Project or owning any interest in a Unit in the Project. Owners are prohibited from conveying title or any interest in a Unit to a Sex Offender. A Sex Offender shall not reside, temporarily or permanently, in a

Unit at the Project. An owner who intends to lease or rent his Unit shall perform a background check upon each prospective adult occupant, to include but not limited to investigating to determine if a prospective occupant is a Sex Offender as defined in this Article. Owners shall not lease to, or allow any person to permanently or temporarily reside within the Project who is a Sex Offender.

Use of Common Elements Prohibited. A Sex offender shall not enter onto the Associations' Common Elements, with the exception that an Owner who is a Sex Offender may attend any duly called meeting of the Association's Board of Directors or Owners which may be held in one of the Association's Common Elements.

THESE REQUIREMENTS DO NOT CONSTITUTE A GUARANTEE OR REPRESENTATION THAT LESSEES OR OCCUPANTS RESIDING IN THE CONDOMINIUM PROJECT HAVE NOT BEEN CONVICTED OF A CRIME OR ARE NOT SUBJECT TO DEFERRED ADJUDICATION OF A CRIME.

3. Leasing limitations. Leasing is limited to one unit per Owner or any other blood relative to the third degree of consanguinity who owns a Unit or Units, regardless of the amount of Units owned by or between the Owner and/or blood relative.

This rule shall not apply to any leasing transaction entered into by the holder of any first mortgage on a Unit who becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such mortgage; provided, however, that it shall apply to any leases by any purchasers from such mortgagee and any successor to such a purchaser. Owners must have owned their Unit for a minimum of 2 years before being allowed to lease or rent their Unit.

4. Rejection of Lease by Board of Directors. If the terms of the lease and/or the lessee(s) or occupants do not meet the standards and criteria described in these Occupancy Rules, then the lease is rejected and the Board may notify the Owner of the rejection of the lease within 15 days of the submission of the proposed lease to the Board. Owner shall not lease to or allow anyone to reside in the Unit who do not meet the standards and criteria set out above.

e. Contents of Lease. All leases shall be in writing and may be in any format of the Owner's choosing. The Owner must provide a copy of the lease to the Board. Any lease of a Unit shall be deemed to contain the following language and that if such language is not expressly contained in the lease, then such language shall be incorporated into the lease by existence of this Rule. Any lessee, by occupancy of a Unit, agrees to the applicability of these Rules and incorporation of the following language into the lease:

The lessee shall comply with all provision of the Declaration, Bylaws and all rules and regulations of the Association and shall control the conduct of all other occupants and guests of the leased Unit in order to ensure their compliance and that lessee has received a copy of the foregoing documents of the Association.

Any violation of the Declaration, Bylaws or rules and regulations by the lessee, any occupant or any person living with the lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Texas law. The Owner, by entering into a lease, delegates and assigns to the Association, acting through the Board, the power and

authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, Bylaws and rules and regulations of the Association, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner.

The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Elements of the Condominium Project.

Pursuant to Section 82.113(a) of the Texas Uniform Condominium Act, the Association's Assessment Lien shall also extend to the rents and insurance proceeds received by the Unit Owner and relating to the payment of its obligations to the Association for annual operating assessments, special assessments, special individual Unit assessments, fines, charges, late charges or other amounts levied against the Unit by the Association of sixty (60) days or more, the Association may enforce the Assessment Lien against rents and insurance proceeds by delivering written notice by United States certified mail, return receipt requested, to the tenant or insurance carrier obligated to pay such rents or insurance proceeds directly to the Association to be applied against the Unit Owner's obligations. The Association may, alternatively, enforce the Assessment Lien against rents and insurance proceeds in any other manner provided by law.

f. Compliance with Condominium Instruments. Each Owner shall cause all occupants of his or her Unit to comply with the Declaration, Bylaws and the rules and regulations of the Association and shall be responsible for all violations and all losses or damage resulting from violations by such occupants, notwithstanding the fact that such occupants of the Unit are fully liable and may be personally sanctioned for any violation.

In the event the Association proceeds to evict the lessee, any costs, including attorney's fees and court costs, associated with the eviction shall be assessed as an assessment against the Unit and the Owner, such being deemed an expense which benefits the leased Unit and the Owner hereof.

g. Grandfathering. Notwithstanding this exemption for Units already subject to a valid written lease on the effective day hereof, upon termination of that lease, the Owner must comply with the above rules. Any Unit purchased before the date of recording of this Fourth Amendment is exempt from the one lease per owner or any other blood relative to the third degree of consanguinity who owns a unit(s), regardless of the amount of units owned by or between the owner or blood relative.

h. Hardship Exception to the Leasing Rules. Notwithstanding any provision to the contrary, the Board shall be empowered to allow leasing of Units in excess of the lease limitations described in (h) d 3 "Leasing Limitations" above upon the Owner's written application for an exception because of undue hardship on the Owner. By way of illustration and not by limitation, circumstances which would constitute undue hardship are those in which (i) an Owner must relocate his or her residence because of changes in employment, marital status or health reasons and cannot, within one hundred twenty (120) days from the date the Unit was placed on the market, sell the Unit while offering it for sale at a reasonable price no greater than its current appraised market value; (ii) the Owner dies and the Unit is being administered by his or her estate; (iii) the Owner takes a leave of absence or temporarily relocates and intends to return to reside in the Unit; and (iv) the Unit is to be leased to a member of the Owner's immediate family, which shall be deemed to encompass children, grandchildren, grandparents, brothers, sisters, parents and spouses. Those Owners who have

demonstrated that the inability to lease their Unit would result in undue hardship and have obtained the requisite approval of the Board may lease their Unit for such duration as the Board reasonably determines is necessary to prevent undue hardship.

i. Non-compliance. Any lease or sale of a Unit entered into without complete and full compliance with the terms herein shall be deemed void and of no force and effect and shall confer no title or interest in a Unit to the purported lessee. For violations of the above Rules, the Association may impose an initial fine in the amount of \$750.00. Thereafter, additional fines may be levied in amounts not to exceed \$100.00 per day for each day the violation remains uncured.

IT IS FURTHER RESOLVED that this Leasing Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on 2-19-2020, and has not been modified, rescinded or revoked.

DATE: 25 FEB 2020

Paul L. Krueger
Secretary

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Lila Deakle

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Fee: 86.00
Lila Deakle, County Clerk
Parker County, Texas
NOTICE