

**RULES ON RENTALS**  
**China Falls Homeowners Association**

Pursuant to Article 6, Section 6.1 of the First Amended & Restated Declaration and Covenants, Conditions, Restrictions, Easements and Reservations (the “CC&Rs”) of the China Falls Homeowners Association (the “Association”) and R.C.W. 64.38.020, the following written Rules and Regulations are adopted in order to further and foster compliance by owners with the provisions and requirements of the CC&Rs, the Bylaws and Rules & Regulations (hereinafter collectively the “governing documents”) of the Association. These rules are intended to provide additional incentive for compliance with Article 3, Section 3.5.5 of the CC&Rs by owners who violate the requirements and provisions of the governing documents, not supplant or amend them, and in the event of an inconsistency or conflict between these Rules and the governing documents of the Association, the governing documents provisions will supersede and apply.

**I. Introduction**

The Board of Directors has discussed the special issues posed by tenants/non-owners residing in the community, regarding their knowledge of, and compliance with the CC&Rs, and the provisions of other governing documents including Rules & Regulations. Further, many owners are not providing rental information to the Association, often failing to notify the Association of a rental, of an Owner’s/Landlord’s off-site address for notice purposes, and other information required under this Rule regarding the Tenant(s). Also, Owners and/or their property managers are often not providing copies of the Association’s governing documents to prospective and actual tenants, or even informing them of the existence of these documents, and do not take any steps to ensure their Tenant(s) will be good occupants and neighbors regarding compliance with the Governing Documents.

The above issues cause confusion and inadvertent non-compliance by tenants, and problems for the Association in wasted time, resources and expenses that could be easily avoided. These issues result in the Association experiencing difficulty in communicating with landlord owners and/or the Tenant(s) about Association questions or issues.

In the interest of ensuring the Association has adequate information with which to communicate with Owners and their Tenants about Association issues, to enhance the Association’s ability to communicate regarding occupants’/tenants’ compliance with the provisions of governing documents, and to ensure that the Association’s costs are better covered in addressing information and compliance needs regarding rentals, the following Rule is adopted regarding owners who rent out their homes, and their tenants.

**II. Policy Statement – “RULE”**

All owners who rent or who are considering renting their home are subject to this Rule.

**A. Owner to provide governing documents to tenant**

At or before the time a lease agreement is signed between owner and a tenant(s), owner or owner's agent will provide copies of the CC&Rs and the Rules & Regulations (hereafter collectively the "governing documents"), and any amendments to them, to the tenant, urging him to read them. Copies of the governing documents may be obtained from the Association's website free of charge. Under R.C.W. 64.38.045, the Association may impose and collect a reasonable charge for copies and any reasonable costs incurred by the Association in providing access to records. Therefore, a fee of \$20 will be charged for copy sets requested from the Association, payable at the time of request.

**B. Lease requirements and use**

Lots shall be used only for single-family residential purposes. Owners are free to rent out their entire house, but may not lease less than his or her entire lot and the residential structure situated thereon. There shall also be no subleasing of residential structure(s) or assignments of leases.

All leases must be in writing. No lease term shall be less than six (6) months. The use of short-term or partial rentals to lease all or a portion of a home (whether online, through third-parties, or in person) is expressly forbidden.

**C. Tenant Standards**

All prospective Tenants must undergo a screening process conducted by Owner/Landlord, at Owner's expense, before Owner agrees to rent to such person. Owner/Landlord shall conduct screening through a professional screening company. The screening shall include credit, criminal and background check, with the final report including the items listed below:

1. Nationwide Credit Report
2. Name and Social Security Verification
3. Bank account verification
4. Court Records search
5. Current address verification
6. Prior address verification
7. Undisclosed address verification
8. Employment verification
9. State sex offenders' files
10. Felony conviction records.

If Owner decides to rent to a prospective Tenant, Owner shall provide proof that professional screening of the prospective Tenant was conducted. The Association does not require and should not be provided a copy of the

screening report. Written verification from the professional screening company that screening was done on the above points is sufficient proof.

The Association recommends an Owner/Landlord decline to rent to a prospective Tenant for which any of the following items apply:

1. having an open bankruptcy
2. any unpaid apartment collections, negative rental or incomplete reference
3. any eviction or unlawful detainer actions and/or any current 3-day or 10-day notices to evict
4. any conviction for the selling of drugs or possession of drugs with intent to sell, or any convictions for contributing to the delinquency of a minor
5. any registered or unregistered sex offender
6. any history of disruptive, malicious, violent behavior and/or more than 2 convictions or guilty findings of domestic violence
7. any false or misleading information provided by the applicant on the written application or omission of a material fact
8. a total of \$400 or more of unpaid collections in the past 7 years
9. any criminal conviction which involves theft, burglary, robbery, serious offense, or a crime of violence as defined in R.C.W. 9.41.010.

#### **D. Lease Addendum**

An owner/member intending to rent out his home will specifically include a Lease Addendum to the lease to be signed by Owner/Landlord and the Tenant(s), binding on Tenant, his family members and his guests (hereafter collectively "Tenant"). Owner/Landlord shall use the required Lease Addendum attached to this Rule and fully incorporated herein by reference.

In the course of leasing a home to a tenant, owner or owners' agent will inform tenant that the Lease Addendum provisions are part of the lease agreement and that Tenant will be required to sign and abide by the Lease Addendum. Notwithstanding anything to the contrary herein, in the event that Owner/Landlord does not utilize the required Lease Addendum, its provisions shall nonetheless be considered part of the Lease Agreement and fully binding on Owner/Landlord and Tenant.

#### **E. Owner will provide tenant information to the Association**

After a lease agreement is signed, owner or owner's property manager/agent will provide in writing to the Association a completed Tenant Information Form at least ten (10) days before commencement of the lease term. The Tenant Information Form shall, at a minimum, contain the following information:

1. owner's mailing address and phone number;
2. alternative contact information for a person other than the owner in event of an emergency;
3. the name of every tenant signing the lease agreement;
4. the mobile phone number of tenant;
5. if consented to by tenant, tenant's email address;
6. make/model and number of vehicles assigned to tenant(s);
7. lease commencement date and lease expiration date

Owner shall also provide written verification of tenant screening per Article C, Tenant Standards

***All owners with existing leases/tenants are to comply with this Rule and provide this information to the Association within twenty (20) days from the date this Rule is mailed to them.***

#### **F. Fines**

All owners/ or an owner's property manager/ agent will provide in writing to the association a completed Tenant Information Form at least ten (10) days before the commencement of the lease term. Failure to do so after the Association has mailed at least two (2) notice of violation of this Rule and request for compliance to owner has been refused or otherwise denied, fines may be assessed at **\$75.00 per day** against any owner after the last notice period expires without additional notice.

#### **G. Delivery of Notices**

Any notice letter or other notice document permitted or required to be delivered under the provisions of the Governing Documents may be delivered either personally or by mail. If delivery is made by mail, any such notice is deemed to have been delivered on the third (3) day after a copy has been deposited in the United States mail, postage prepaid, for first class mail, addressed to the person entitled to such notice at the most recent address given by such person to the Board, in writing, for the purpose of service of such notice, or to the most recent address known to the Board or the Association's property manager, if any. Notices and other written documents to be sent to Owner/Landlord shall be considered sufficient and delivered if mailed to the address of the rental home if no other mailing address has been given in writing by Owner to the Association.

**Adopted by the Board this 5<sup>th</sup> day of August, 2019.**

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[Signature page follows and is on file]

**LEASE ADDENDUM**  
**China Falls Homeowners Association**

**This Lease Addendum** is entered into by Owner/Landlord and Tenant(s) contemporaneously with their execution of a primary Lease Agreement in which the legal description and/or the property address is inserted for purpose of Tenant(s) renting the home/property owned, which legal description and/or property address is fully incorporated herein by reference.

Tenant agrees to abide by all provisions of the First Amended & Restated Declaration and Covenants, Conditions, Restrictions, Easements and Reservations (the "CC&Rs") of the China Falls Homeowners Association (the "Association"), and all other applicable governing documents (the "Governing Documents"). Tenant acknowledges receipt of a copy of the Governing Documents. Tenant further acknowledges that Tenant's failure to abide by the terms of the Governing Documents shall constitute a material breach of this Lease Addendum and the primary Lease.

The parties agree that all the covenants and agreements contained in this Lease Addendum shall be deemed to be part of the primary Lease and incorporated entirely in it as if included originally. The parties further agree that, in case of a conflict between the terms of this Lease Addendum and the primary Lease, the terms of this Lease Addendum shall take precedence.

The primary Lease is intended to be subject to and consistent with the provisions of the Governing Documents, as the same may be amended from time to time. In the event of any inconsistency between the primary Lease and the provisions of the Governing Documents, the provisions of the Governing Documents shall take precedence.

Owner/Landlord hereby transfers and assigns to Tenant for the term of the primary Lease any and all rights and privileges that Owner/Landlord has to use the Association's common elements arising from or through the rental home property, including, but not limited to, the use of any and all recreational facilities and amenities. Owner/Landlord and Tenant acknowledge that the Association reserves the right to withhold access to common elements amenities from Tenant for any reason that would, under the terms of the Governing Documents, be authorized to refuse a member Owner such access, including Tenant's failure to comply with any provisions of the Governing Documents, or Owner's/Landlord's failure to pay assessments when due.

All vehicles of Tenant and his or her family members and any others who reside in or on the rental home property must be registered with the Association.

In the event of a default by Tenant in the performance of the terms of the primary Lease or this Lease Addendum, or of the Declaration, Bylaws, and/or the Rules and Regulations as they may be amended from time to time, then, in addition to all other remedies that it may have, the Association or its representative shall notify the

Owner/Landlord of the primary Lease or Lease Addendum defaults and/or the violations of the Governing Documents, and demand that they be corrected through the Owners'/Landlord's efforts within 30 days after such notice. If the default(s) or violation(s) are not corrected within the 30 day period, the Owner/Landlord shall immediately thereafter, at his or her own cost and expense, institute and diligently prosecute an eviction action against Tenant. The eviction action shall not be settled without the prior consent of the Association or its representative. In the event the Owner/Landlord fails to fulfill the foregoing obligation, the Association shall have the right, but not the duty, to institute and prosecute an action as attorney-in-fact of the Owner/Landlord, at the Owner's/Landlord's sole cost and expense, including all legal fees incurred. The Owner/Landlord hereby irrevocably names, constitutes, appoints, and confirms the Association as his or her attorney-in-fact to take all such actions as it deems appropriate on his/her behalf. All costs and attorneys' fees incurred by the Association to enforce the terms of the primary Lease or this Lease Addendum, or of the Declaration, Bylaws, and/or Rules and Regulations of the Association, or to evict Tenant pursuant thereto, will be assessed against the Lot and the Owner thereof, and shall be deemed to constitute a lien on the Lot involved. The Association may enforce collection of the lien in the same manner as an assessment. Both the Owner/Landlord and Tenant acknowledge that the Association is a third-party beneficiary of the primary Lease and this Lease Addendum.

Notwithstanding anything to the contrary in the primary Lease or this Lease Addendum, in the event the default(s) and/or violation(s) result in imposition of Fines, it is agreed that Owner/Landlord and Tenant(s) shall be jointly and severally liable for their payment to the Association, including without limitation any interest and/or late charges which accrue due to their non-payment.

**Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.**

**LANDLORD:**

\_\_\_\_\_  
Print name: \_\_\_\_\_

**TENANT(S):**

\_\_\_\_\_  
Print name: \_\_\_\_\_

\_\_\_\_\_  
Print name: \_\_\_\_\_

**Tenant Information Form**

Owner (Landlord) Name: \_\_\_\_\_ Lot #: \_\_\_\_\_

Owner Mailing Address: \_\_\_\_\_

Owner Telephone Number and Email: \_\_\_\_\_ / \_\_\_\_\_

Name of Designated Agent (if applicable): \_\_\_\_\_

Address of Designated Agent: \_\_\_\_\_

Telephone Number and Email of Designated Agent: \_\_\_\_\_ / \_\_\_\_\_

Length of Lease: \_\_\_\_\_ Beginning Date: \_\_\_\_\_ End Date: \_\_\_\_\_

Tenant Name(s): \_\_\_\_\_

Tenant Telephone Number and Email: \_\_\_\_\_ / \_\_\_\_\_

Tenant's Vehicle Information (license to include State of Issue and Number):

No. 1: License: \_\_\_\_\_ Make / Model: \_\_\_\_\_ Color: \_\_\_\_\_

No. 2: License: \_\_\_\_\_ Make / Model: \_\_\_\_\_ Color: \_\_\_\_\_

I (we) hereby attest by our signatures below, that I (we) have received, read and agree to abide by the Governing Documents of the China Falls Homeowners Association. I (we) hereby attest by our signatures below that we are renting the full residence.

\_\_\_\_\_  
Signature of Tenant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Tenant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Tenant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Tenant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Owner (Landlord)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Owner (Landlord)

\_\_\_\_\_  
Date