

# **Section 9**

## **Leases and Special Occupants**

# Leasing Cap Regulations

## Ref: Declaration Section 9.3 (c)

The Pacific Tower Condominium Association Declaration sets the leasing cap at 30% of the 94 units in the building. This means no more than 28 units are permitted to be leased at any one time. Unit owner(s) who wish to enter a unit into or to remain in the leasing cap or the waiting list must be current on all PTCA assessments. The City of Tacoma Municipal Code 6B.20 requires landlords to maintain a current business license.

### 1. Leasing Cap Waiting List

The association Manager maintains a waiting list for unit owners who wish to enter into the leasing cap as follows:

- a. The Unit owner must file a written request with the association Manager (See contact list) requesting placement of the unit on the waiting list. The Unit owner must specify the preferred means of contact in the request (phone, fax, email, or mail).
- b. Waiting list positions are determined in the order that written requests are received by the association Manager.
- c. The association Manager will provide written confirmation to the unit owner of placement of the unit on the waiting list.
- d. Inclusion on the waiting list does not guarantee that the Unit owner will be able to lease the unit.
- e. The unit's position on the waiting list cannot be assigned, sold or bartered to another Unit owner.
- f. An owner of multiple units may have more than one unit on the waiting list. The Unit owner must file a separate written request for each unit. Each unit will occupy a separate position on the list. Positions cannot be interchanged.

### 2. Notice of Leasing Cap Opening:

- a. When an opening in the leasing cap occurs, the association Manager will contact the Unit owner in first position on the waiting list using that owner's preferred contact method.
- b. The Unit owner has 10 business days to give the association Manager written notice of his intention to accept the offer, decline the offer, or request a one-time voluntary bypass.
- c. If the owner decides to accept the offer, the owner proceeds as outlined in paragraph 3 below.
- d. If the owner declines the offer, the unit is moved into last position on the waiting list.

- e. If the owner submits the written notice requesting voluntary bypass, his unit is passed over, allowing the manager to offer the leasing cap opening to the owner next in line.
- f. If the owner cannot be contacted or fails to provide the required written notice within 10 business days, the unit is moved to last position on the waiting list. This allows the manager to offer the opening to the owner next in line. Subsequent failure to provide updated contact information or respond within 10 business days will result in removal of the unit from the waiting list.

### **3. Requirements for Entry into the Leasing Cap from the Waiting List:**

- a. The Unit owner must be current on all PTCA assessments.
- b. The owner must provide written acceptance of the offer within the 10 business days specified in 2.b.
- c. Within 60 days the prospective landlord must:
  - meet all requirements of the PTCA Unit Leasing Regulations, and
  - qualify a new lessee and present the signed lease and other documents to the association Manager for approval.
- d. If all requirements above are not met, the association Manager will notify the Unit owner in writing of termination of eligibility for entry into the leasing cap. Under such circumstances, the Unit will be removed from the waiting list.
- e. After the association Manager provides the written notice required in 3.d. above, the Manager will provide the offer to the owner in the next position on the waiting list until the opening is filled.

### **4. Removal of a unit from the leasing cap:**

Removal from the leasing cap occurs with any of the following events:

- a. The Unit owner submits a signed and dated statement requesting removal from the leasing cap, [Section 9 Lease Cap Withdrawal Notice Fillable](#).
- b. The owner occupies the Unit.
- c. The owner requests and receives BOD approval for the Unit to be occupied by a "Special Occupant(s)" as defined by the PTCA Special Occupant Application.
- d. The owner allows a Unit to be occupied by a lessee/special occupant without prior PTCA approval.
- e. The Unit is vacant for more than 90 consecutive days.
- f. The owner becomes more than 60 days in arrears of assessments owed to PTCA.

## 5. Enforcement:

- ❖ Penalties for violation of any provision of the Leasing Cap Regulations by the Unit owner, agent, lessee/special occupant may include any/all of the following as determined by the BOD:
  - a. An immediate fine of \$250 levied to the owner's account. Additional fines of \$250 may be assessed every 30 days if the violation continues.
  - b. Placement of the Unit into last position on the waiting list.
  - c. Removal of the Unit from the waiting list.
  - d. Removal of the Unit from the leasing cap.
  - e. Collection of rent from the lessee sufficient to cover assessments in arrears plus interest and costs.
  - f. Cut off utilities to the Unit.
  - g. Eviction of the lessee/special occupant at the expense of the Unit owner.

# **Unit Leasing Regulations**

## **Ref: Declaration Sections 9.3 and 13.5**

### **1. Leasing Agents**

Owners may hire an agent to handle the leasing of their unit. The use of an agent does not relieve the owner from the responsibility for compliance with the Governing Documents at Pacific Tower Condominium. It is the unit owner's responsibility to provide the agent with a copy of the leasing regulations and all other PTCA Governing Documents at the time of entering into a management agreement with the agent. Unit owners using an agent must notify the association Manager in writing of the name, address, and telephone number of the agent. The notification must be signed and dated by the Unit owner, who is responsible for the actions of his agent.

### **2. Lease Requirements**

- a. No more than thirty (30) percent of the Units (total of 28 Units) may be leased at any given time. Refer to the Leasing Cap Regulations for specific information.
- b. Subleases are not allowed.
- c. The Unit owner must have insurance on their leased Unit naming PTCA as additional insured. Evidence of such insurance must be provided to the association Manager with each new leasing agreement. Landlords are responsible for advising lessees/special occupants to insure their personal property with their own renters insurance.
- d. The Unit owner must provide the lessee with a copy of the PTCA Governing Documents before a lease is signed.
- e. At expiration of a minimum one-year lease, a new, signed lease permitting month to month occupancy with the same lessee is allowed.
- f. No Unit owner may lease less than the entire unit including all assigned parking spaces.
- g. A statement signed by the Unit owner attesting to satisfactory results of a criminal background, rental history and credit check of the prospective lessee must accompany the signed lease.
- h. Occupancy is not permitted until:
  - the owner has been notified of PTCA approval of the lease and
  - the owner has been notified that the insurance is satisfactory
  - the lessee/special occupant has signed and submitted the Moving Day Rules and coordinated a move-in date as specified in the PTCA Governing Documents

i. The lessee shall be subject to all the provisions of the PTCA Governing Documents. Any failure by the lessee to abide by the Governing Documents will be a default under the lease.

j. The lease must provide for termination of the lease upon the sale or foreclosure of the Unit.

k. Family members or others permitted to occupy the Unit rent-free, without the Unit owner also in residence, are Special Occupants. Prior to occupancy the Unit owner and special occupant must each sign and submit the Special Occupant Application. Approval of the Special Occupant Application is at the discretion of the BOD. Special occupants are bound by all PTCA Governing Documents.

### 3. Special Occupancy Requirements

In keeping with the PTCA Declaration establishing Pacific Tower as a primarily owner-occupied property, special occupancy is limited. Each application for special occupancy will be carefully considered since approval constitutes an exception to the leasing cap. Special occupancy is subject to approval by the BOD of Directors. A Unit owner who wishes to allow a special occupant to occupy his unit must complete and submit [Section 9 Special Occupant Application](#) to the association Manager for BOD approval. BOD approval is contingent upon the following conditions.

a. The Unit owner must be current in all assessments owed to PTCA.

b. The Unit owner has submitted to the association Manager a completed Special Occupant Application and satisfactory documentation of insurance naming PTCA as additional insured.

c. All criteria for special occupancy as listed on the application are met to the satisfaction of the BOD.

d. If the Unit is sold, enters foreclosure, or if the Unit owner becomes 60 or more days in arrears with assessments owed to PTCA, any previously approved Special Occupant Application is immediately voided.

### 4. Enforcement

- ❖ Failure to comply with or violation of any provision of the Unit Leasing Regulations by the Unit owner, agent, or lessee/special occupant will result in an immediate fine of \$250 assessed to the unit owner's account. Additional fines of \$250 may be assessed every 30 days if the violation continues.
- ❖ If the Unit owner is in default of assessments owed to PTCA for over sixty (60) days, the BOD may:

- collect from the lessee so much of the rent for such unit as is required to pay any amounts due the Association plus interest and costs
  - cut off utilities
  - demand eviction of the lessee
- ❖ Default in assessments by 60 days or more or failure to meet the criteria for special occupancy of a unit by the Unit owner or the special occupant may result in cutoff of utilities and/or demand for eviction. If the Unit owner fails to evict the special occupant within 30 days of an eviction demand, the BOD may begin eviction proceedings and may have a lien against the Unit for the costs associated with the eviction including attorney fees, court costs and other reasonable expenses.
- ❖ If a lessee, special occupant, or their guest(s) violates any of the PTCA Governing Documents the Unit owner will be notified in writing. The Unit owner is responsible for payment of fines and/or other corrective actions resulting from such violations as specified in the Governing Documents.
- ❖ After notice of such violation has been given on two (2) occasions, the BOD may demand that the Unit owner evict the lessee or special occupant. If the Unit owner fails to evict the lessee or special occupant within 30 days of an eviction demand, the BOD may begin eviction proceedings and may have a lien against the Unit for the costs associated with the eviction including attorney fees, court costs and other reasonable expenses.