

THE TOWN HOMES AT LUDLOW BAY ASSOCIATION

Rules & Regulations: Short Term Rentals

These Rules and Regulations govern the short term rental use of Town Home Lots within Ludlow Bay Village and have been adopted pursuant to Section 4.13.2(3) of the Amended and Restated Master Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Liens, Reservations and Easements for Ludlow Bay Village and Certificate of Amendment (hereinafter "Master Declaration"). These rules and regulations ("Rules") are intended to supplement the Master Declaration, and in the event of an inconsistency or conflict between these Rules and the Master Declaration or Bylaws of the Association, the Master Declaration and/or Bylaw provisions shall supersede and apply.

I. Restatement of Master Declaration Section 4.13.2

"4.13.2 Short Term Rental. The following shall apply to short term rental, which shall be defined as rental on a daily, weekly, monthly or other periodic period less than six (6) consecutive months to the same tenant. The entire Dwelling Unit may be let to a single-family tenant from time-to-time by the Owner on a short-term rental basis only under the following terms and conditions:

- (1) The rental shall be made only through a Managing Agent approved in advance by the Condominium Association Board as to the Condominium Units, by the Town Home Association Board as to the TH Lots, and by the Master Association Board as to the SF Lot. The Associations may pool the management of short-term rentals through one or more Managing Agents in their discretion;
- (2) Each tenant must enter into a written rental agreement, in a form approved by the Managing Agent, which among other provisions provides that (1) they are subject to each and every requirement, covenant, condition and restriction of the Master Declaration and other Governing Documents; (2) any failure by the tenant to comply with the terms of the Governing Documents shall be a default under the lease or rental agreement; and (3) the Owner grants to the Condominium Association Board, Town Home Association Board, or Master Association Board, as applicable, and to the Managing Agent, the authority to evict the short term tenant on the Owner's behalf in the event of default, upon not greater prior notice than is required under applicable law. Even if any rental agreement entered into with any tenant fails to contain the foregoing provisions, such provisions shall nevertheless be deemed to be a part of the rental agreement and binding upon the Owner and the tenant by reason of inclusion in the Governing Documents. Neither the Condominium Association Board, Town Home Association Board, Master Association Board, nor their respective Managing Agents shall be liable to the Owner or the tenant for any eviction under this subsection that is made in good faith. Copies of all rental agreements shall be delivered by the Owner to the Condominium Association Board, Town Home Association Board, or Master Association Board, as applicable, prior to commencement of any short-term rental;

- (3) The Condominium Association Board as to the Condominium Units, the Town Home Association Board as to the TH Lots, the Master Association Board as to the SF Lot, and the Master Association Board as to the entire Property, shall have the right from time-to-time to establish rules and regulations relating to short term rental use of Dwelling Units and/or other property within Ludlow Bay Village.”

II. Rentals Regulated. The short-term rental of a TH Lot shall be governed by these Rules and Regulations and the Master Declaration.

III. Additional Regulations.

1. **Check-In.** To confirm that tenants have, in fact, taken possession of a TH Lot, Managing Agent shall require that the tenant (listed on the rental application) text or email a photo of such tenant, or provide other proof of arrival, to the Managing Agent upon arrival at the TH Lot they are renting. Nothing herein shall prevent Managing Agent or Owner from physically checking-in tenants in person, in lieu of the electronic check-in process described in the preceding sentence.

2. **Governing Documents.** In advance of tenants taking possession of a TH Lot, the TH Lot Owner shall place a legible copy of the Governing Documents and the Board’s summary of community rules and neighborhood courtesies, in a conspicuous location in the TH Dwelling Unit, which location shall be together with any other welcome materials, instruction manuals, or other pamphlets relating to the tenants occupancy of the TH Dwelling Unit.

3. **Violations.** After notice and opportunity to be heard, a fine of \$100 shall be imposed against the TH Lot Owner for each violation of this Section III or Section IV (below).

4. **Confirmation of Occupancy.** Owner will provide to the Town Home Association the weekly confirmation of the dates of occupancy and number of occupants for the following week provided by the Managing Agent to the Owner.

IV. Managing Agent. Short term rentals shall be made only through a Managing Agent approved by the Town Home Association Board of Directors. The term, “Managing Agent” is defined under Section 1.34 of the Master Declaration to mean “a professional real property management company doing business in Jefferson County, Washington.” No short-term rentals are allowed by any TH Lot Owner unless the rental is handled by a Managing Agent approved by the Board. To be approved by the Town Home Association Board, a Managing Agent shall be required to meet the qualifications and requirements of Sections 1.34 and 4.13 of the Master Declaration.

V. Owner Responsibility. The TH Lot Owner shall be responsible for ensuring that all tenants and their guests and invitees are aware of and comply with the Association's Governing Documents. Owners shall be personally liable for any violation fines, fees, damages or costs of enforcement incurred, directly or indirectly, as a result of the actions or inactions of their tenants, or their tenants’ family members, guests, invitees, or animals.

VI. Additional Rules Regarding Rentals

1. Violation Fines. Except as otherwise provided herein, fines for violations of the Governing Documents shall be imposed and enforced according to the Town Home Association's procedures relating to notice of violation fines, opportunity to be heard, and fine schedule.

2. Annual Rental Fee. An annual rental fee of \$250 shall be payable to the Town Home Association for each TH Lot that is rented during a calendar year. The annual rental fee is charged for the purpose of offsetting the costs of administering the rental program and shall be required to be paid by TH Lot Owner prior to the first rental of said Owner's TH Lot in any given calendar year.

3. Compliance with Applicable Laws and Ordinances. TH Lot Owners shall comply with all applicable laws, ordinances, and codes pertaining or relating to the short-term rental of TH Lots.

This Rule shall become effective when adopted by the Board and a copy has been provided to Owners.

Dated and Adopted by the Board of Directors this 13th day of May, 2021.



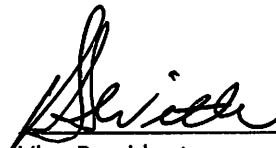
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