

This document contains the proposed changes to bylaws 7.1 (rentals), 7.16 (animals) and 9 (insurance). For the text of the current bylaws, please consult the current Tate bylaws, found on the residents' website, under "Governing Documents."

Section 7.1 Rentals and leases

NOTE: Some subsections of this proposal are entirely new language; for example, the various definitions related to the rental limits & exceptions. Other subsections are exactly the same as the current bylaws, but have a different number. For example, proposed 7.1.7, *Payments by Tenant or Lessee to Association*, is current 7.1.3, and proposed 7.1.10, *No Other Restrictions*, is current 7.1.5.

I. IT IS PROPOSED that Section 7.1 of the Bylaws be replaced in its entirety as follows:

7. OCCUPATION AND USE.

7.1 Rental Restrictions. Each Owner shall have the right to lease their Unit. An Owner shall not rent Parking or Storage Units to any person other than an Owner or tenant of a Residential Unit. Any lease shall be in writing and shall provide that its terms shall be subject in all respects to the provisions of the Association's Articles of Incorporation, the Declaration, and these Bylaws. Any failure by the lessee to comply with the provisions of said Articles, Declaration or Bylaws shall constitute a default under said lease. If the Board finds that a lessee or tenant has violated any provision of the Declaration, these Bylaws or the Rules and Regulations, the Board may require the Owner to terminate such lease or rental agreement. Any such lessee shall be entitled to the use and enjoyment of the Common Elements except for those uses restricted to owners by said Articles, Declaration or Bylaws, provided an owner may not sever the right to the use and enjoyment of the Common Elements from the right to occupy his Unit thereon by means of lease or otherwise. The following rules apply to the renting and leasing of Units within the Condominium.

7.1.1 Definitions. As used in this Section 7.1:

7.1.1.1 "Mortgagee Exception" means the right of an Owner to rent or lease a Unit under Section 7.1.4 below.

7.1.1.2 "Hardship Exception" means the right of an Owner to rent or lease a Unit under Section 7.1.5 below.

7.1.1.3 "Renting or Leasing a Unit" or "To Rent or Lease a Unit" means to grant a right to use or occupy a Unit for a specific term or indefinite term (with rent stated on a periodic basis), in exchange for the payment of rent (money, property or other goods or services of value). "Renting or Leasing a Unit" or "To Rent or Lease a

Unit” does not mean: (1) joint ownership of a Unit by means of joint tenancy, tenancy-in-common or other forms of co-ownership, (2) an agreement between the owner and a roommate occupant under which the owner and another person or persons share joint use of the Unit or (3) granting a right to use or occupy a Unit to an Owner’s Immediate Family Member. For purposes of this section, the term “lease” includes, without limitation, a month-to-month rental agreement.

7.1.1.4 **“Tenant”** means a person who is granted the right to use or occupy a Unit as described in Subsection 7.1.1.3 above.

7.1.1.5 **“Immediate Family Member”** means with respect to an Owner, the Owner’s spouse, domestic partner, child, stepchild, grandchild, parent, stepparent, grandparent, sibling, stepsibling, or any other individual who, in the reasonable discretion of the Board, bears a similar close familial relationship to the Owner.

7.1.2 **Rental Limit.** An Owner may not rent or lease a Unit if the rental or lease results in more than ten (10) Units (the “Rental Limit”) being rented or leased. The rental or lease of a Unit under the Mortgagee Exception counts as a rental or lease for the purpose of calculating the Rental Limit. The rental or lease of a Unit under the Hardship and Long-Term Owner-Occupant Temporary Relocation Exception counts as a rental or lease for the purpose of calculating the Rental Limit.

7.1.2.1 **Rental Priority.** Except for Owners with a Mortgagee Exception under Subsection 7.1.4 below, an Owner is not eligible to rent more than one (1) Unit until the pending applications of (1) all Owners who are not currently renting or leasing a Unit and (2) all Owners who are currently renting or leasing fewer Units than the applicant Owner are approved.

7.1.2.2 **Board Approval.** Except in the event of a Mortgagee Exception as provided in Subsection 7.1.4 below, a Unit may not be rented or leased without the approval by the Board of an Owner’s application in accordance with rules adopted by the Board. All rental agreements must be received by the Board in advance of the rental. On the first day of each rental, an owner must provide the Board with the Tenant’s name, phone number, and email address.

7.1.3 **Additional Restrictions.** Except in the event of a Mortgagee Exception as provided in Subsection 7.1.4 below:

7.1.3.1 **Entire Unit.** An Owner may not rent or lease less than the entire Unit unless the Owner continues to reside in the Unit during the rental period.

7.1.3.2 **Transient or Hotel Purposes.** A Unit may not be rented or leased for transient or hotel purposes, which for the purposes of this Section shall include all rentals with periods of less than thirty (30) days.

7.1.3.3 **Short Term Rental Prohibition.** A Unit may not be rented or leased for a period of less than thirty (30) consecutive days.

7.1.3.4 Prior Owner-Occupancy. A Unit may not be rented or leased until it has been resided in by an Owner for a period of at least twelve (12) months. This subsection shall not prevent rental or lease of a Unit before it has been Owner occupied for at least twelve (12) months if the Owner is residing in the Unit during the period of its rental or lease.

7.1.4 Mortgagee Exception. The Rental Limit, Subsection 7.1.2 above, does not apply to a first mortgagee who acquires a Unit by foreclosure or deed in lieu of foreclosure. A successor to the first mortgagee is subject to this Section 7.1.

7.1.5 Hardship Exception. Subject to Subsection 7.1.5.1 below, if an application to rent or lease a Unit is denied because the Rental Limit has already been reached, an owner may request a Hardship Exception to the limit in order to avoid undue hardships or practical difficulties such as an Owner's death, job relocation, disability or other similar circumstances, the Board has discretion to approve a hardship application of an owner or authorized representative of an owner to temporarily rent or lease the owner's Unit. The Board is limited to approving an additional three (3) Units in excess of the Rental Limit to be rented or leased.

7.1.5.1 Prohibited Uses. The Board of Directors may not approve a hardship application to rent or lease a Unit under this subsection if the rental or lease is (1) for a period of more than one (1) year, (2) results in an Owner renting or leasing less than the entire Unit, or (3) results in an owner renting or leasing a Unit for hotel or transient purposes.

7.1.5.2 Application. An application for a Hardship Exception must be in a form prescribed by resolution of the Board. The Board shall review applications for Hardship Exceptions according to the time periods established by the Board.

7.1.5.3 Extension. At the termination of any Hardship Exception, the Owner or authorized applicant of the Owner may submit an application for extension of the Hardship Exception for additional one (1) year periods.

7.1.6 Long-Term Owner-Occupant Temporary Relocation Exception. Notwithstanding the Rental Limit in Subsection 7.1.2, a long-term Owner may rent or lease their Unit if all of the following conditions are met:

7.1.6.1 Three (3) Year Period of Owner Occupancy. The Owner has both owned and continuously occupied the Unit as their primary residence for a period of not less than three (3) consecutive years immediately preceding the lease term.

7.1.6.2 Rental Period. The rental or lease is for a fixed period of not less than sixty (60) consecutive days and not more than twelve (12) consecutive months.

7.1.6.3 Compliance. The Owner complies with all other applicable provisions of this Section 7.1.

7.1.7 Payments by Tenant or Lessee to Association. If a Unit is rented by its Owner, the Board may collect, and the tenant, lessee or occupant shall pay over to the Board, any amounts due to the Association hereunder for such Unit, plus interest and costs if the same are in default over thirty (30) days. The renter, lessee or occupant shall not have the right to question payment over to the Board. Such payment will discharge the lessee's, renter's, or occupant's duty of payment to the Owner for rent, to the extent such payment is made to the Association but will not discharge the liability of the Owner and the Unit under this Declaration for assessments and charges, or operate as an approval of the lease. The Board shall not exercise this power where a receiver has been appointed with respect to the Unit or its Owner, nor in derogation of any right which a Mortgagee of such Unit may have with respect to such rents.

7.1.8 Rules and Enforcement. Pursuant to the Declaration and these Bylaws, as well as ORS 100.405, the Board of Directors shall adopt by resolution rules establishing the application and approval process, a waiting list and such other rules as it deems necessary to implement this Section. The Board shall have the authority to enforce the provisions of this section, the Declaration and Bylaws, and any Rules and Regulations adopted by the Board relating to the renting and leasing of Units. Remedies include, but are not limited to, assessing fines against violating Owners, bringing an action requiring the Owner to terminate the rental or lease agreement and remove the tenant. All costs, including reasonable attorney fees, incurred in taking any enforcement action above shall be assessed against the Owner and collected in accordance with the Declaration and Bylaws, ORS 100.450 and 100.470.

7.1.9 ORS Chapter 90 Not Applicable. Nothing in this section may be construed to impose on the Association the duties, responsibilities, or liabilities of a landlord under ORS chapter 90 or subject the Association to any requirements of ORS chapter 90.

7.1.10 No Other Restrictions. Other than as stated in this Section 7.1 and Section 12 of the Declaration, there is no restriction on the right of any Owner to lease or otherwise rent their Unit.

*[***Go to next page for 7.16, Animals]*

Section 7.16 Animals

Major changes:

- Replaces the word “pet” with “animal”
- The biggest change is that our current bylaws prohibit animals from being in the common elements except on their way to and from their Unit. The proposed change would allow animals (on a leash or being held) in the common elements, in accordance with rules established by the Board.

[Proposed changes are in bold; deleted language is struck through.]

7.16 Animals. Domestic household **animals** ~~[pets]~~, such as dogs and cats, may be kept within a Primary Unit subject to reasonable Rules and Regulations adopted by the Board of Directors and these Bylaws. **In no event shall any animals be kept in Parking Units or Storage Units, or unattended on balconies or terraces.** ~~[In addition to the domestic household pets permitted by this Section 7.16, a]~~ Aquarium fish (i.e., goldfish, tropical fish, small saltwater fish) may **also** be kept in one or more aquariums in a Residential Unit, provided that the total capacity of all aquariums in any Residential Unit shall not exceed 50 gallons without the written approval of the Board of Directors. **Owners shall notify the Board of all animals hosted in a Primary Unit.** ~~[No dogs, cats or pets shall be permitted to run at large.]~~ No livestock, poultry or other animals whatsoever shall be allowed or kept, bred or raised for commercial purposes in any part of the Condominium. **Animals on a leash or being held, and under the control of a resident may be permitted in the Common Elements in limited circumstances in accordance with rules adopted by the Board.**

All animals must be accompanied by a resident and must always be on a leash or being held, and under control. Animals may not roam freely or be left unattended in the Common Elements. In all cases, animals must not create a nuisance or disturbance to other Owners or residents. Any damage caused by such **animals** ~~[pets]~~ shall be the responsibility of the respective Owners thereof. At all times the Common Elements shall be free from **animal** ~~[pet]~~ debris, including, without limitation, food and fecal matter. ~~[Pets will not be allowed on any Common Element unless they are on a leash or being carried and are being walked to or from the Unit to a street or sidewalk.]~~ The Board may require the removal of any animal that the Board in the exercise of reasonable discretion determines to be unreasonably disturbing other Owners and may exercise this authority for specific animals even though other animals are permitted to remain. The keeping of **animals** ~~[pets]~~ shall be subject to such other reasonable Rules and Regulations as the Board may adopt from time to time. **Nothing in this Section shall be interpreted or applied in a manner that violates the federal Fair Housing Act or applicable state law. The Association shall reasonably accommodate requests for assistance animals as required by law.**

[See next page for text of current bylaw]

CURRENT WORDING:

7.16 Animals. Domestic household pets, such as dogs and cats, may be kept within a Primary Unit subject to reasonable Rules and Regulations adopted by the Board of Directors and these Bylaws. In addition to the domestic household pets permitted by this Section 7.16, aquarium fish (i.e., goldfish, tropical fish, small saltwater fish) may be kept in one or more aquariums in a Residential Unit, provided that the total capacity of all aquariums in any Residential Unit shall not exceed 50 gallons without the written approval of the Board of Directors. No dogs, cats or pets shall be permitted to run at large. No livestock, poultry or other animals whatsoever shall be allowed or kept, bred or raised for commercial purposes in any part of the Condominium. Any damage caused by such pets shall be the responsibility of the respective Owners thereof. At all times the Common Elements shall be free from pet debris, including, without limitation, food and fecal matter. Pets will not be allowed on any Common Element unless they are on a leash or being carried and are being walked to or from the Unit to a street or sidewalk. The Board may require the removal of any animal that the Board in the exercise of reasonable discretion determines to be unreasonably disturbing other Owners, and may exercise this authority for specific animals even though other animals are permitted to remain. The keeping of pets shall be subject to such other reasonable Rules and Regulations as the Board may adopt from time to time. In no event shall pets be kept in Parking Units or Storage Units.

*[***Go to next page for Section 9, Insurance]*

Proposed changes to Article 9, Insurance

*Proposed deletions are indicated with gray and strike-through; proposed additions/new language are indicated in **bold**. All other sections in Article 9 are unchanged.*

9.1 Types. Each Owner shall be responsible for obtaining, at his or her own expense, insurance covering his or her **entire Unit and any** property not insured under Section 9.1.1 below and against his or her liability not covered under Section 9.1.2 below, unless the Association agrees otherwise. For the benefit of the Association and the Owners, the Board of Directors shall obtain and maintain at all times, shall review at least annually, and shall pay for out of the common expense funds, the following insurance:

9.2.5 All property insurance policies shall contain a "Special Condominium Endorsement" or its equivalent providing for the following: recognition of any Insurance Trust Agreement, a waiver of the right of subrogation against Owners individually, **and** that the insurance is not prejudiced by any act or neglect of individual Owners that is not in the control of such Owners collectively. ~~[, and that the policy is primary in the event the Owner has other insurance covering the same loss.]~~

9.3.9 **[Intentionally Blank]** ~~[A provision that the same shall be primary insurance in respect of any other insurance carried by any Owner.]~~

9.5.1 **Insurance on each Owner's entire Unit, as defined by Section 4.3 of the Condominium's Declaration, shall be purchased and maintained by the Owner for the full insurable replacement value thereof.** Insurance on any additions or improvements made by the Owner to his or her Unit or Units shall be purchased and maintained for the full insurable value thereof, to the extent not covered by the Association's insurance policy, unless the Owner presents in writing to the Board of Directors evidence that the additions or improvements made by the Owner to his or her Unit are insurable under the insurance issued pursuant to Section 9.1.1 and the Board of Directors, after consultation with the Association's insurer, concurs that such additions or improvements are insured under such insurance and, if necessary, the Association's insurer undertakes the requisite action to cause the additions or improvements to be added to the policy issued pursuant to Section 9.1.1. Insurance also shall be purchased by the Owner for furnishings, fixtures (other than built-in kitchen appliances), equipment, decorating and personal property and chattels of the Owner contained within his or her Unit or Units, and his or her personal property and chattels stored elsewhere on the Property, including his or her automobile or automobiles, and for loss of use and occupancy of his or her Unit or Units in the event of damage. Owners shall be responsible for insuring the deductible amount under the Association's policies. The Association shall notify all Owners of the amount of the deductible under the Association policies, and to the extent reasonably practicable, the Association shall give at least 30 days' notice to the Owners of any increase in the deductible proposed in renewal or replacement insurance policies. Any such policy or policies of insurance shall contain waivers of subrogation against the Association, its manager, agents, employees and servants, and against the other Owners and any members of their households, except for vehicle impact, arson and fraud.