

**TO:** All Unit Owners  
**FROM:** Kress Building Condominium Association Board of Directors  
**DATE:** December 29, 2015  
**RE:** New Rules For Leases; Penalties for Non-Compliance

Dear Unit Owners:

This letter and notice of new rules is being sent as a result of the failure of certain unit owners to comply with the Kress Condominium Association Declaration (“Declaration”) and existing rules promulgated by the Board of Directors of the Association. Put simply, certain unit owners are breaking the rules by renting units on a short term basis like a hotel and some owners are leasing their unit without obtaining prior approval from the Board.

One of these restrictions requires all leases or rental agreements for units shall be in writing, and no unit may be leased or rented for a period of less than twelve (12) months. (Article IV, Section 1). However, the Board previously approved a rule allowing for leases that had a term of at least six (6) months. Each residential unit leased shall have no more than one (1) adult occupant per 400 square feet rounded to the highest 400 square foot multiple. (Article IV, Section 1).

Please be advised that the Declaration states that “no residential unit owner may effectively dispose of a residential unit or any interest therein by sale or lease, except to another residential unit owner in the condominium, *without the prior written approval of the Association.*” (Article IX, Section 1). (Emphasis supplied).

According to the Declaration, a residential unit owner intending to make a bona fide sale or lease of his unit or any interest therein *shall give to the Association notice of such intentions, together with the name and address of the intended purchaser or lessee, and such other information concerning the intended purchaser or lessee as the Association may reasonably require. . . . If the notice to the Association herein required is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a unit, the Association at its election and without notice may approve or disapprove the transaction or ownership.* (Article IX, Section 1). (Emphasis supplied).

The Association, through its Board of Directors, shall have the authority to promulgate and publish such additional Condominium rules and regulations governing the use of the Property, as is deemed necessary to insure the protection and the beneficial enjoyment thereof by all owners. (Article IV, Section 15).

In order to enforce compliance with all lawful provisions of the Condominium

instruments and the Association's Articles of Incorporation, Bylaws, and rules and regulations by the unit owners and those persons entitled to occupy units and in addition to other rights of and remedies available to the Association, the Association shall be empowered to impose and assess fines and suspend temporarily the right of use of certain of the common elements in such manner and to such extent as the Association may from time to time determine. (Article XIII, Section 11).

**NEW REGULATIONS REGARDING APPROVAL OF LEASES**  
**AND IMPOSITION OF FINES FOR NON-COMPLIANCE**

To ensure the protection and beneficial enjoyment of the property and all persons residing in the building and in accordance with Article IV, Section 15 and Article XII, Section 11 of the Declaration, this will constitute notice that the Board of Directors have voted to approve the following rules and regulations effective January 1, 2016:

1. Every unit owner or authorized agent, shall send all proposed leases with the attached "Lease Approval Form" to the Board of Directors at least **five (5)** days prior to the effective date of the proposed lease to the following email addresses: [Lauren.h.meadows@gmail.com](mailto:Lauren.h.meadows@gmail.com); [tarponkey3@aol.com](mailto:tarponkey3@aol.com); [troberts@olivermaner.com](mailto:troberts@olivermaner.com); [amgabbert@comcast.net](mailto:amgabbert@comcast.net); [cristinamarie@bellsouth.net](mailto:cristinamarie@bellsouth.net); [ashtonholloway@hotmail.com](mailto:ashtonholloway@hotmail.com).
2. The failure to comply with this Rule will result in the proposed lease being rejected and subject to the unit owner to monetary fines as set forth below in paragraph 3.
3. Any unit owner who leases their unit without obtaining advance approval of a lease in accordance with these Rules will be fined \$250.00 and be required to submit a proposed lease in accordance with these Rules within five (5) days upon request by the Board of Directors. If the proposed lease is approved, no additional fine will be imposed. If a proposed lease is not submitted within five days of notification or approved, an additional fine of \$500.00 will be imposed. Thereafter, the unit owner will be fined \$500.00 for each successive week an unauthorized tenant resides in the unit without an approved lease.
4. Any unit owner whose unit is currently occupied by a tenant without a lease approved by the Board must provide a proposed lease no later than **January 15, 2016**. The failure to comply with this Rule shall result in a fine of **\$250.00**. If the proposed lease is approved, no additional fine will be imposed. If a proposed lease is not submitted by **January 15, 2016** or not approved, an additional fine of **\$500.00** will be imposed. Thereafter, the unit owner will be fined \$500.00 for each successive week an unauthorized tenant resides in the unit without an approved lease.

5. Unit owners may seek a special variance for proposed leases with a term less than six (6) months. However, no proposed lease with a term shorter than 31 days will ever be considered for a special variance. Factors used by the Board to determine whether a special variance will be granted include, but are not limited to, the length of the proposed lease, whether the unit seeking the variance is unfurnished or furnished, the occupation of the proposed tenant; and whether the proposed lessee may pose a danger to any property of the Association or persons residing in the Building.
6. No unit owner may advertise or market their unit for a lease term less than 31 days. There will be a fine of **\$250.00** for each violation of the rule.

The Board appreciates your compliance and cooperation. If you have any questions or concerns, please feel free to contact the Board of Directors.