

**RESOLUTION AMENDING BYLAWS OF CONDOMINIUM TO  
RESTRICT THE NON-OWNER OCCUPANCY OF UNITS**

**Westhaven Condominium Association, Inc.**

WHEREAS, it is the objective of the Association to ensure to its members the benefits derived from owner-occupied homes; and

WHEREAS, these benefits include an increased quality of life and a stable and increased market value for units as a result of high standards of maintenance and repair, continuity of residence, and increased cooperation and compliance with Association governance;

WHEREAS, owner-occupied homes will enhance the ability of unit owners to finance and refinance their homes;

WHEREAS, the Bylaws of Westhaven Condominium Association, Inc. at Article XI allow amendments of the Bylaws by an affirmative vote of at least 67% of the Members (and 67% of the Board of Directors) at a meeting called for that purpose; and

WHEREAS, at the owners' meeting held on August 26, 2020, the requisite affirmative votes were obtained with regard to amending the Bylaws as follows;

**THE ASSOCIATION HEREBY RESOLVES AS FOLLOWS:**

**Article VIII, Section J of the Bylaws is created to read as follows:**

**J.     Non-Owner Occupancy.**

(1)     No rental, lease, or other occupancy of a unit shall be allowed without simultaneous unit occupancy by the unit owner. If the owner of the unit is a trust or other fiduciary entity, then the trustee or beneficiary of that trust entity is the unit "owner" for purposes of this Section. If the owner of the unit is an entity such as a corporation or LLC, then the majority owner of that entity is the unit "owner" for purposes of this Section. This prohibition on non-owner occupancy is subject only to the following exceptions:

(a)     The unit owner's immediate family members may occupy the unit. Immediate family members are herein defined as a parent, child, spouse, sibling, grandparent, or grandchild, by blood, adoption, marriage, or registered domestic partner and shall include half and step relatives.

(b)     Mortgagees of the unit, or the Association, where the unit is acquired by foreclosure of the mortgagee's or Association's interest, either judicially or by accepting a deed in lieu of foreclosure.

(c)     If a unit owner's unit is rented as of the date of enactment of this Amendment, the unit owner will be allowed to continue to rent that unit until he or she sells or transfers the unit to a new owner, either voluntarily or through foreclosure. Units rented as of the date of enactment of this Amendment will not need to comply with Section J (3)(a) and (3)(b) below unless and until the current tenant vacates and the unit owner is looking for a new tenant.

(d)     Special Hardship Exception. The Board of Directors shall have the authority to waive the requirements of this section upon request of a unit owner if it determines that enforcement thereof

in the particular circumstances would result in an unreasonable hardship upon the unit owner, and that the exception would not jeopardize the interest of the Association in promoting owner-occupancy of units. If any unit owner shall desire to lease to, or cause a unit to be occupied by a person other than an immediate family member pursuant to this hardship exception, said lease or occupancy shall require the approval of the Board of Directors, or at the Directors' discretion, a committee appointed by the Board. The Board or the committee shall convene a meeting within 30 days after receipt of notice, advising the unit owner of the time and place of a meeting and giving the unit owner an opportunity to appear. The Board or committee shall make a decision as to whether or not to grant the hardship exception within seven (7) days of said meeting and the reasons shall be briefly stated in writing. The decision shall be binding on the Association and the parties. The maximum length of any hardship exception is two (2) years.

(2) No unit owner shall be permitted to lease a unit pursuant to this section unless and until the unit owner shall pay the Board of Directors, on behalf of the Association, all unpaid common charges theretofore assessed against that unit and until the unit owner shall have satisfied all unpaid liens against that unit, except permitted mortgages, unless the Board of Directors shall specifically find that satisfactory arrangements for payment have been made, including, if appropriate, an assignment of rents subordinate to any rights of any mortgagee.

(3) In the event of non-owner occupancy, rental or lease, permitted or otherwise, the owner must comply with all of the following :

(a) All unit owners renting their units shall provide screening (such as criminal background check, rental history) to the Board of Directors for approval prior to entering into a rental agreement.

(b) Each lease shall be in writing and shall be for an original term of no less than one (1) year and no longer than two (2) years.

(c) The lease shall contain a clause binding a tenant to the terms, covenants and conditions set forth in the Declaration, Bylaws, and the Rules and Regulations (collectively, the "Condominium Documents"). The unit owner has an obligation to familiarize the tenant with the terms of the Condominium Documents.

(d) Upon entering into a lease agreement with a tenant, the unit owner shall provide a copy of the complete lease agreement and provide a new registration form with tenant information to the Board of Directors and/or the management company at least 14 days before the tenant moves in.

(4) Remedies for any tenant's violation of the Condominium Documents shall be implemented according to Wisconsin Statute section 703.24(3), or other equivalent statute. In addition, any such violation shall constitute a breach of the lease. The unit owner covenants and agrees that in the event of a tenant's violation of the Declaration, Bylaws, or Association rules which results in a breach of the lease, the Association may stand in the shoes of the owner for the purpose of taking legal action against the tenant to restrain or to evict said tenant according to law, provided that the owner shall first be given a reasonable opportunity to correct said violation.

(5) Any violation of this Section concerning non-owner-occupied units shall result in a daily fine to the unit owner of an amount to be determined by the Board, but not exceeding 20% of the monthly assessment against the unit, and said unit owner shall be responsible for the reasonable and actual attorney fees and other costs incurred by the Association in connection with enforcing this section. In addition, the Association may enforce this section by application to a court of competent jurisdiction to obtain injunctive relief, and the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney fees as may be determined by the court.

(6) Every unit owner assigns all rents and profits from any lease, permitted or not, to the Association for the purpose of reimbursing the Association for overdue assessments, special or ordinary fines, levied by the Association against the unit or the unit owner, provided that in the event of conflict, said assignment shall be subordinate to any assignment to a mortgagee of the unit.

**BE IT FURTHER RESOLVED**, that this amendment shall take effect immediately.

Amendment Considered

At Meeting,

Motion made by:

Seconded:

8/26/20 (Date)  
[Signature]  
(Yes/No)

In Favor:

Opposed:

Signed:

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[Signature]  
Secretary

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