SUBLEASING AND ADDITIONAL OCCUPANT POLICY

IRA Policy #1

Adopted by Islander Residents Association Board of Directors on December 21, 2004 Revised May 2017

VALUE STATEMENT

The Islander Mobile Home Park, which is owned and managed by the Islander Residents Association, is an owner-occupied housing cooperative operated by and for its Members with the purpose of providing the benefits and values of resident ownership for the health and stability of the community.

DEFINITIONS

"Member" means a person who owns a membership and has entered into a proprietary lease for the lot connected to their membership. All Members are Lessees.

"Guest" means an individual who is not named on a Member's lease nor part of a Member's dependent family under age 19 who resides in a Member's home for up to 90 days annually with the Member in residence

"House Sitter" means an individual who is care-taking a Member's home for up to 90 days while the Member is not in residence. After 90 days the Member must follow policy guidelines to request permission from the Board to sublease their home.

"Additional Occupant" means an individual who is not named on a Member's lease or part of a Member's dependent family under age 19 who stays in a Member's home with the Member in residence for more than 90 days annually. Member must be concurrently resident when Additional Occupants reside in the Member's home.

"Absentee Member Sublease" (Sublease) means an arrangement that gives a person the right to reside in the Member's home when the Member is absent. Subleases are for a time period of 90 days to one year with the option to renew for a total of 3 consecutive years with Board approval annually or before any other period of renewal. The Member must follow policy guidelines to request permission from the Board to renew a Sublease of their home. Absentee Member Sublease does not include the City of Bainbridge Island subleases.

SUBLEASING IS PROHIBITED

As provided in the cooperative's Articles of Incorporation, bylaws, and proprietary leases (the "Organizational Documents"), Subleases are prohibited. As stated in Section 9 of each lease:

Lessee shall use the Lot only for the placement of Lessee's manufactured or mobile home and its accessory buildings for the exclusive occupation and use by Lessee as Lessee's residence.

The Organizational Documents allow the cooperative's Board to grant certain exceptions to this Sublease prohibition. Any Subleases that do not qualify for one of the exceptions listed below shall constitute a breach of the Member's lease and may lead to an action against the Member for unlawful detainer and eviction from the Park as provided in the Organizational Documents.

ALLOWABLE EXCEPTIONS

Exception 1. City of Bainbridge Island Subleases

The City of Bainbridge Island may execute Subleases for the lots connected to its memberships; provided that the City first obtained the Park's approval of such Subleases, as required by the Organizational Documents.

Exception 2. Subleases Existing at the Time of the Cooperative's Formation.

Those Subleases existing on October 29, 2004, prior to the Park's conversion to a residential cooperative, may be excepted from the Sublease prohibition once the Park's Board approves the contents of the Subleases. Any Sublease allowed under this exception shall be a temporary license that will expire immediately when the Sublessees who occupied the home on October 29, 2004 terminate their Sublease or it is terminated by IRA Board of Directors action.

Exception 3. Temporary Subleases.

A Member may ask the Board to approve a temporary Absentee Member Sublease.

The Board may only approve a temporary Sublease if the following four conditions are met: (1) The Member requesting the Sublease has resided in the Park and maintained the Member's home in the Park as the Member's residence for at least twelve consecutive months immediately prior to the Sublease request; (2) The Sublease does not exceed three years; (3) If the Member requesting the Sublease had previously been given approval of a Sublease, the Member returned to and established the Member's residence in the Park for one year prior to requesting the second Sublease; and (4) No more than five other Subleases (including those allowed under Exception 2 above but not including those allowed under Exception 1 above) are currently in effect in the Park (i.e., no more than six Subleases, not including the City Subleases, may be in effect at any one time).

The Board shall not unreasonably withhold approval of a temporary Sublease that meets the four conditions listed above. All requests for temporary Subleases must include a fully completed "Application for Approval to Sublease" form and the Sublessee's agreement to comply with all of the Cooperative's Organizational Documents. Any breach by a Sublessee shall constitute a default of the Member's lease. Prospective Sublessees shall, to the extent permitted by law, be subject to a criminal background check and review by the Board.

House Sitters, after 90 days, must vacate or, if the Member applies for a Sublease, they may, if approved by the Board, become a Sublessee. Approval of a change from House Sitter to Sublessee must be requested in advance of the end of the 90 day period and may only be approved if it falls into one of the exceptions listed above. Under any circumstances, the Member should notify the Park Manager of the House Sitter's name and contact information as soon as possible.

Petition for other exception

If a Member desires a temporary Sublease and does not meet the four conditions listed above under Temporary Subleases, the Board of Directors can not approve the Sublease. However, a Sublease not meeting the four conditions above can be recommended by the Members. This recommendation must be shown by signatures on the petition below. The petition must be circulated by a proxy for the requesting Member with this policy attached. Once 50% or more of the Members of IRA not currently subleasing have signed this petition (Sublessees, Additional Occupants, House Sitters and Guests are not Members), the Sublease is thereby recommended by the membership for approval and consideration by the board. The Board may only approve the sublease if the petition is properly completed and signed. The Board may reject the petition for reasons that it deems appropriate to protect the character and well being of the Park.

In the case of all temporary Subleases, including those acceptable to 50% of the eligible Members, the Board must approve the Sublessee before the Sublessee is deemed authorized to Sublease the unit.

This process is provided to allow Members the ability to leave their homes for extended periods of time for purposes such as, but not limited to, extended vacations and family emergencies.

Process Summary:

- Not less than 60 days before the desired Sublease period the Member obtains an "Application for Approval to Sublease" form from the Park Manager.
- The Park Manager immediately notifies the Board of the Member's intent to petition to sublease.
- The Member completes the information required on the "Application for Approval to Sublease" form and returns it to the Park Manager not less than 45 days before the desired sublease period.
- The Park Manager, upon receipt of the completed application, notifies the full membership, by email and postings at the community mailboxes, of the pending circulation of the Sublease Petition.
- The Park Manager, upon notification by the Member of their intent to sublease, immediately arranges for circulation by proxy of the "Petition Recommending Opportunity to Sublease" policy with attached petition form. Such arrangements shall be

done to allow circulation of the petition by the Park Manager's designee to start no later than 45 days before the desired sublease period.

- The Park Manager asks for an agenda item to be added for the next Board meeting to consider the Member's Sublease request.
- The Board is required to notify the Member of the addition of an agenda item to consider the Member's "Petition Recommending Opportunity to Sublease." This notification shall include information regarding the Board meeting date, time, and location. The requesting Member's attendance at the meeting is strongly recommended.
- The Board considers the "Petition Recommending Opportunity to Sublease."
- Once the Petition is approved, and the Sublessee is subsequently identified, the Park Manager shall order a criminal background check on the prospective Sublessee.
- The Park Manager shall notify the Board of the result of the criminal background check.
- The Board shall approve or disapprove the Sublessee and notify the Member.
- Upon disapproval the Member can submit another person for consideration.
- The Board shall not unreasonably withhold approval of a Sublease or Sublessee And will notify the member immediately following its decision.

Advertising:

• No signs advertising availability of the home for sublease will be permitted on IRA property, including "For Rent" or "For Sublease" or similar.

ADDITIONAL OCCUPANTS

Members may not allow an Additional Occupant to reside in the Member's home without obtaining Board approval of the Additional Occupant in the manner described below. After 90 days guests may apply for Occupancy. Approval of a change from Guest to Additional Occupant must be requested in advance of the end of the 90 day period.

Process Summary

- The Member seeking approval of an Additional Occupant must fully complete the "Application for Approval of Additional Occupant" form, which may be obtained from the Park Manager.
- The Park Manager immediately notifies the Board of the Member's intent for approval of an Additional Occupant.
- The Member must submit the completed Application to the Park Manager, for consideration by the Board.
- The Park Manager asks for an agenda item for the next Board meeting to consider the Member's Additional Occupant request. The requesting Member's attendance at the meeting is strongly recommended.
- The Board is required to notify the Member of the addition of an agenda item to consider the Member's "Application for Approval of Additional Occupant." This notification shall include information regarding the Board meeting date, time, and location.
- The Board shall not unreasonably withhold approval of an Additional Occupant, and will notify the requesting Member, in writing, immediately following its decision.

- Prospective Additional Occupants shall be subject to a criminal background check to the extent permitted by law, to be reviewed by the Board.
- All Occupants must agree to comply with all the terms of the Organizational Documents and any breach shall constitute a default under the Member's lease.

Petition Recommending Opportunity to Sublease

Adopted by Islander Residents Association Board of Directors on 21 May 2015

Member requesting approval to sublet	
Member's address	_ Sublease term (mo/year to mo/year)

Reason for requesting approval to sublet home.

Before signing this petition, please consider issues and concerns affecting IRA, as presented in the attached policy.

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With my signature I recommend the Member's application to sublease their home.

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Date approved/denied (circle one) by IRA Board______ Board President: Print ______Signature ______