

The Exchange North ("TEN") Lease Requirements

• Familial Leases

- Up to 12 Unit Owners who are named on a unit's deed, title, or mortgage may rent to **immediate** family members at any given time ("Familial Lease"). In general, Familial Leases do not require a written lease agreement. **Immediate family member, per Tennessee Code is defined as a spouse, child, sibling, parent, grandparent or grandchild. This includes stepparents, stepchildren, stepsiblings and adoptive relationships.** The Board reserves the right to request verification of title, deed, mortgage, and immediate family members at any time.
- All familial Tenants must receive from the Unit Owner landlord all TEN governing documents (Charter, Declaration, Bylaws, Rules & Regulations) and the Unit Owner landlord must submit to the Board a signed acknowledgment from the familial Tenants that the documents have been received and reviewed.
- Familial Leases cannot be sublet. If a unit owner wishes to lease to anyone else other than to an immediate family member, then the non-familial lease rules then apply.
- Unit Owners are responsible for ALL actions of their familial Tenants and their Tenant's visitors including any crimes, damage, violations of the Governing Documents, Rules & Regulations, and delinquent or unpaid utility bills.
- Requirements to be approved for a familial lease:
 - The family member must be an immediate family member of the legal owner or owners of the unit (those named on the title or deed).
 - Proof of familial relationship must be presented.
 - The immediate family member must be over the age of 25.
 - The familial tenant must provide signed authorization for a criminal background check to be conducted.
 - Familial tenant must sign and return a governing documents acknowledgment form.
 - A 1-year, non-terminatable written lease agreement must be put in place between the owner and the familial tenant.

• Non-Familial leases

- TEN allows up to 15% of the total number of units or twelve (12) total lease permits to be issued at any given time. If the cap is reached, a Unit Owner wanting to lease their unit must notify the management company, and s/he will go on a lease permit waiting list. As units with lease permits are sold, the lease permits will transfer to the next Unit Owner on the lease permit waiting list.
- When an available lease permit is offered to a Unit Owner, the Unit Owner will have seven (7) days to confirm their acceptance or rejection of the lease permit.
 - If accepted, the Unit Owner has up to ninety (90) days to have the unit leased to a Tenant with a fully executed Board-approved lease in place. If no Tenant is in place after ninety (90) days, the issued lease permit will be revoked.
 - If rejected, the Unit Owner may either a) move to the bottom of the lease permit waiting list or b) request to be taken off the lease permit waiting list affording another Unit Owner the lease permit opportunity.
- No Unit Owner on the lease waiting list can swap positions with another Unit Owner on the lease permit waiting list nor can a Unit Owner's position on the lease permit waiting list be bought or sold.
 - Leases must:
 1. Be in writing and have a lease duration of one (1) year.
 2. Comply with all conditions as required by a Tennessee Standard Residential Lease Agreement. **The Board can provide a fully compliant Exchange North Lease Agreement template upon request.**
 3. Comply with all additional conditions as required by the TEN Board.
 4. Be submitted to the TEN Board a minimum of fourteen (14) days **before** lease execution.
 5. Be approved by the TEN Board **before** occupancy of the unit.

- All Tenants must receive from the Unit Owner landlord all TEN governing documents (Charter, Declaration, Bylaws, Rules & Regulations) and the Unit Owner landlord must submit to the Board a signed acknowledgment from the Tenants that the documents have been received and reviewed.
- Unit Owners are responsible for ALL actions of their Tenants and their Tenant's visitors including any crimes, damage, violations of the Governing Documents, Rules & Regulations, and delinquent or unpaid utility bills.
- Lockboxes are not allowed on any hallway doors. Lockboxes attached to the outside of the building must be marked with the unit number. Any unmarked lockboxes may be removed without notice by the Association.
- A Unit Owner requesting that a lease be terminated early due to hardship must be approved by the TEN Board in advance. If a Unit Owner decides to terminate a lease early **without** TEN Board approval, that unit may not be leased out again until after the lease's original end date unless approval to re-lease early is granted by the TEN Board.
- Non-Familial leased units cannot be sublet unless approved by **both** the Unit Owner **and** TEN Board.
- The Tenant(s) named on the lease must be the person(s) occupying the unit unless approval is obtained from TEN Board. A Tenant can only be an individual. A Tenant may not be a legal entity such as Corporation, Partnership or LLC as this would constitute a commercial lease and is prohibited in the Declaration of the Exchange North.

Other Leasing Rules

- When a Lease Permit is issued, a unit transitions from a personal residence to a lease unit. Owners forfeit the right to use their unit for personal purposes while holding a valid Lease Permit. Owner or guests of Owner may not reside in the lease unit for any period of time while holding a valid Lease Permit, otherwise the lease permit can be automatically revoked.
- Door access codes are not allowed to be shared with anyone. Tenants can create a virtual key for their guests. Unit Owners and tenants sharing door access codes with others is a violation of the Rules and Regulations and is subject to written warnings and escalating fines.
- Only two FOBS are issued to each unit. **No exceptions**. If a FOB is lost, a replacement can be requested through the management company for a \$25 fee and the lost FOB will be deactivated.
- \$250 Move-In and Move-Out Fees will be assessed to Unit Owners. It is up to the Unit Owners whether these fees are passed on to their Tenants.
- Guests of Tenant must park either between the two Exchange buildings, on the street (paid parking), or in the Unit Owner's reserved spot if available.
- Failure to comply with the TEN Lease Requirements may result in monetary fines. Please refer to the Schedule of Fines
- The TEN Board reserves the right to make changes to this document as deemed necessary.