

Short-Term Rental Compromise Proposal

Two years ago when Sue Woodson headed a Rental Committee, the one point of agreement amongst all members of the committee was that we did not want to see corporate rentals (see note 1) in LMS and we did not want LMS to become another Deerfield. Let's use this idea as a starting point.

While restricting the structure of owners and purchasers within LMS to prevent the ownership by a corporation, would likely be viewed as discriminatory and may also negatively impact many of our owners/members that have titled their property in the name of an LLC, Trust or other entity, it is possible to manage and restrict short-term rentals such that renting would not be viewed as desirable by a corporation. Below is an idea we believe would effectively discourage corporations from purchasing property within LMS while protecting the rights of all current and future owners.

Proposal – Limit the number of days an owner can short-term rent their property.

For most, if not all current renters, short-term rentals are incidental to ownership of the home. The home was purchased as either a vacation home for the family or a future retirement home. In many cases, these families spend multiple weeks each year at their LMS home. The primary objective of these owners renting their homes on a short-term basis is to cover costs. The above option would provide a path for owners to build/purchase their dream home while significantly discouraging owners simply interested in generating a profit.

Below are some thoughts on how to administer and ensure compliance with the above proposal:

- Create a fine schedule for renters and/or owners violating the LMS covenants and/or expectations surrounding behavior within LMS. This fine schedule would apply to all owners and their guests regardless of whether the owner chooses to short-term rent his/her property.
- Establish a volunteer, owner-administered "rental governance team" responsible for enforcing the rules surrounding short-term rentals. This "rental governance team" would report to the Board and provide a quarterly update of their activities to the Board.

As with any proposal there are many details that would need to be discussed. If the Board is open to discussing this option, we look forward to sharing ideas and working toward a solution. Short-term rentals are a topic of discussion throughout the country. Others have discovered that unless a community works together to figure out the issue of short-term rentals, the battle does not end. LMS has an opportunity to work together and solve this together. Let's take that opportunity.

Note 1 - Corporate Rental is defined as a home owned for the purpose of generating a profit using short-term rentals and is NOT primarily for the enjoyment of the owner.