



## Rental Committee Meeting Minutes May 14, 2016

**1. Call to Order**

The meeting was called to order by Howard Hitzel at 10:00AM.

**2. Establish Quorum**

A quorum of the committee was present in person or by web conference. Those in attendance included, Howard Hitzel, Lars Eriksson, Lou Mann, Vickie Elie, and Kenneth Rhodes.

**3. Proof of Notice**

Tyler Brown, association manager, stated that notice of the meeting had been given.

**4. Reading of Minutes of Previous Rental Committee Meeting**

**a. April 23, 2015**

A motion was made by Lou Mann, seconded by Lars Eriksson, and approved unanimously to accept the minutes of the April 23, 2015, rental committee meeting as written.

**5. Rate Structure**

After much discussion and deliberation the following recommendations were approved to be sent to the board for consideration:

**a. Rate Changes**

- i. All monthly rates are recommended to increase by 5% immediately following board approval.
- ii. All weekly rates are recommended to increase by 5% following board approval and to be effective May 1, 2017.
- iii. It was recommended to move August weekly rentals to the peak seasonal rates following board approval.

**b. Monthly Discounts**

It was recommended that we move toward a two tier monthly rate system. Monthly rentals of one, two, and three months in length would be one rate with a discount given at four months and being the same through six plus month rentals. In an effort to implement this system, it was recommended that we use an interim monthly discount system that would have the same one, two, and three month rate, a 10% monthly discount at four months, and a 15% monthly discount at five and six months. Upon board approval this interim rate structure should be implemented immediately.

**c. Building Cleaning Fees into the Overall Rental Amount on Rate Sheets**

There was no recommendation made on this item.

**6. Construction Discounts and Methodology**

After much discussion and deliberation it was decided to recommend an across the board 5% discount on all rentals during the term of the upcoming restoration project. It was further recommended that the manager be given the authority to further discount rentals up to 20% during the term of the construction based upon the then existing construction impact on individual units and renters.

**7. Rating of Units and Standards for Rental Pool Removal**

After much discussion and deliberation it was recommended that the rental committee set a minimum rental amount and allow individual unit owners to request higher rental amounts if they believe their units are of better quality. This is being done in an effort to allow those unit owners that have updated their units to garner the extra income they believe their units are worth while encouraging other rental pool participants to update and improve their units.

**8. Lease Agreement**

**a. Written Lease**

A written lease agreement was presented to the rental committee for consideration. This lease is to be reviewed by the committee with recommended changes and alterations made prior to the next rental committee meeting.

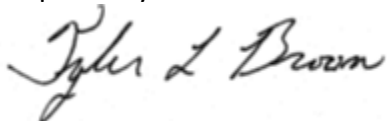
**b. Confirmed Bookings during Sales**

There was extensive discussion on the requirement of existing rental pool participants to inform and require new purchasers to honor existing rental bookings through the sales process. It was pointed out that the current rental management agreement requires them to be honored through transfers. A change in the policy could be written into the lease agreement discussed and presented in item 8a. It was proposed that both the owner and renter be given a window of 60 days prior to the arrival date to cancel the reservation free and clear of any obligation. It was also proposed the owners be given a time period to cancel reservations a certain period away from the arrival date of a renter due to transfer of the unit either through sale or inheritance. This item will be further addressed at the next rental committee meeting.

**9. Adjournment**

There being no further business to come before the committee the meeting was adjourned at 12:05PM.

Respectfully Submitted:



Tyler Brown CFCAM, CMCA, AMS, PCAM  
Manager, Errol by the Sea Condominium Association, Inc.