

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS



Dyana Limon-Mercado
Dyana Limon-Mercado, County Clerk
Travis County, Texas

Nov 17, 2023 04:52 PM Fee: \$42.00

2023130636

Electronically Recorded

STATE OF TEXAS §

COUNTY OF TRAVIS §

RULE AMENDMENT
THE CAMBRIDGE CONDOMINIUMS COUNCIL OF OWNERS

(Leasing)

Document reference. Reference is hereby made to that certain Amendment to Declaration of Condominium Cambridge Condominiums, recorded at Vol. 10965, Pg. 1210 in the Real Property Records, and the Amendment to Declaration of Condominium Cambridge Condominiums, recorded as Document No. 2020203869 in the Official Public Records, both of Travis County, Texas (together with all amendments and supplemental documents thereto, the "**Declaration**").

Reference is hereby made to rules previously adopted by the Association, filed of record as Document Nos. 2020203870, 2021193523, 2022025778, 2022140392, 2022193994, and 2023044833, all in the Official Public Records of Travis County, Texas (together with all amendments and supplemental documents thereto, the "**Rules**").

WHEREAS the Declaration provides that owners of units subject to the Declaration are automatically made members of The Cambridge Condominiums Council of Owners (the "**Association**");

WHEREAS the Association, acting through its board of directors (the "**Board**"), is authorized to adopt and amend rules and regulations governing the property subject to the Declaration and the operations of the Association pursuant to Texas Property Code Chapter 82; and

WHEREAS the Board voted November 16, 2023, to amend Rule Group IV pertaining to leasing, such amendments being set forth in Exhibit "A."

THEREFORE the attached amendment to the Rules has been, and by these presents is, adopted and approved, effective December 1, 2023.

The Cambridge Condominiums Council of Owners,
Acting by and through its Board of Directors
Filed of record in accordance with Ch. 202, Texas Property Code
by Niemann & Heyer LLP, attorneys and authorized agents

Patrice Arnold
Patrice Arnold

Exhibit "A": Amendments to Rule Group IV—Residential Occupancy

Acknowledgement

STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 17th day of November, 2023, by
Patrice Arnold in the capacity stated above.

Elizabeth A. Escamilla
Notary Public, State of Texas

After recording, please return to:
Niemann & Heyer, L.L.P.
Attorneys at Law
Westgate Building, Suite 313
1122 Colorado Street
Austin, Texas 78701

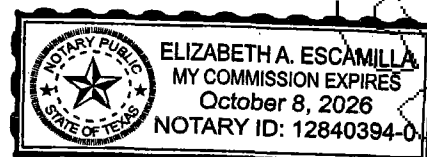


EXHIBIT "A"

Leasing Restrictions – There are restrictions on an owner's ability to lease their units in Cambridge Tower. All owners and prospective owners are advised to read ALL restrictions prior to purchasing.

Rule Group IV - Residential Occupancy, Section 4.3 Leases and Rentals is hereby AMENDED by AMENDING subparagraph 4.3.1 Term and ADDING subparagraphs 4.3.0 Leases Defined and 4.3.5 through 4.3.11 as set forth below:

4.3 **Leases and Rentals** -

- 4.3.0 **Definition of Rental Unit.** A Rental Unit is one in which the owner receives rent, remuneration, or anything of monetary value as a result of the tenancy. Units occupied by an owner's immediate family (parent, spouse, sibling, child, grandchild, grandparent) are not Rental Units. A Unit occupied by the owner and a roommate (whether or not the roommate pays rent) is not a Rental Unit. The Association may in the sole discretion of the Board require proof of familial relation between a Unit owner and occupant.
- 4.3.1 **Term.** All leases and/or rentals shall be in writing and for a period of not less than five (5) continuous months. Advertising of leases for a term less than five (5) months is prohibited. If a tenant fails to fulfill the lease term (moves out early), the Unit may not be re-occupied by the owner or another tenant without prior approval of the Board. Subleases and assignments of leases are prohibited. For purposes of being considered as a Rental Unit under this Rule, the maximum term the Association will recognize is 18 months.
- 4.3.2 **NO SHORT-TERM RENTALS ARE ALLOWED!** If a Unit is used for a short-term rental in violation of this rule (rented for less than a five-month minimum term), the Owner shall pay to the Association all gross rental income received.
- 4.3.3 **Lease terms.** Tenant occupancy and use of a leased Unit shall be subject to these Community Rules, Condominium Regulations and the covenants, conditions and restrictions of Cambridge Tower. All leases shall incorporate said rules, regulations, covenants, conditions, and restrictions by reference. Prior to marketing or advertising a Unit for lease, the Owner shall submit to the General Manager a signed acknowledgment of receipt of the mandatory Cambridge Tower Lease Addendum that must be attached to all leases and executed by both the Owner and all tenants named on the lease. A signed copy of said lease and the Cambridge Tower Lease Addendum must be submitted to the management office within seven (7) days of delivery of possession of the Unit to the tenant(s). Failure timely to furnish the executed lease and addendum may result in a fine of \$250 under Rule 13.7 and may cause revocation of the Owner's right to lease the Unit under subparagraph 4.3.8 below.
- 4.3.4 **Transfer fees.** On lease of a Unit, the owner shall pay a \$250.00 transfer fee to the Association for the preparation of documents associated with the tenancy and new resident orientation. The fee shall be collectible in the same manner as assessments, including lien and other assessment collection rights, to the maximum extent allowed by law. Lease renewals involving the same tenants (no additions or subtractions) and new leases to identical tenants moving from one Unit to another shall be exempt from the lease transfer fee.

4.3.5

Owner in Good Standing. No Owner may lease a Unit unless the Owner has paid in full all assessments and other charges owed to the Association.

4.3.6

20% Rental Cap on Residential Leases. To preserve the character of Cambridge Condominiums as primarily owner-occupied, and to meet conventional condominium financing standards, no more than twenty percent (20%) of the residential Units shall be leased at any given time. This 20% is the "Rental Cap".

- (a) A unit that was a Rental Unit as of December 1, 2023 retains its status as a Rental Unit, and is deemed a "Grandfathered Unit", until (a) the owner sells the Unit to an unrelated third party (a person or entity who is not a family member, domestic partner or part of an entity Owner) (b) the Unit is owner-occupied for twelve (12) consecutive months, (c) the Unit remains vacant or unleased for a period of twelve (12) consecutive months, or (d) the Board revokes the Rental Unit status as provided below. After such event, the Unit shall cease to be a Grandfathered Unit.
- (b) For each Unit that was not a Grandfathered Unit as of December 1, 2023, the Owner must – prior to entering into a lease for the Unit – contact the Association to determine if the Rental Cap has been reached. If the Rental Cap has not been reached, the Unit will become a Rental Unit only if it is leased within ninety (90) days after the Association's response. Any Unit leased to a third party within 90 days retains its status as a Rental Unit until such status is terminated as provided in subpart 4.3.6(a). If the Unit is not leased within 90 days, the Unit Owner must reapply for permission pursuant to subpart 4.3.6(d)(3).
- (c) The General Manager shall create a Record of Leases on file that comply with the terms of this Rule and are in effect as of December 1, 2023, and shall determine the percentage of the total number of leased Units.*
- (d) From December 1, 2023, forward:
 1. The General Manager shall add leases to and delete leases from the Record of Leases as and when lease transactions in compliance with this Rule occur, recalculating each time the percentage of the total number of leased Units.
 2. A Grandfathered Unit is automatically approved to lease provided the Unit Owner complies with all terms set forth in this Rule.
 3. Each Owner of a Unit that is not a Grandfathered Unit and who desires to lease the Unit to an unrelated third party (a person or entity who is not a family member, domestic partner or part of an entity Owner) shall request permission to lease from the General Manager before offering the Unit for lease. Provided that the Owner is in good standing (see subpart 4.3.5), approval to lease will be granted until the total number of Rental Units reaches 20 percent (20%) of the total number of residential Units.
 4. When the total number of Rental Units reaches 20 percent (20%) of the total number of residential Units, a request for permission to lease a Unit that is not grandfathered shall be denied unless the Unit Owner is entitled to an automatic waiver, as set forth in subpart 4.3.9). A Unit Owner whose application is denied may elect to be placed on a waitlist for approval to lease or may seek a hardship waiver pursuant to subpart 4.3.10. Thereafter, when the total number of Rental Units is less than the twenty percent (20%) Rental Cap, the General Manager will

release approvals to lease in the order the Unit Owners requested to be waitlisted. If, during the period when a Unit is leased under a hardship waiver, the total number of Rental Units becomes less than 20%, permission may then be granted for the Unit to become a Rental Unit.

- (e) With respect to all Units that are not Grandfathered but have been given permission to lease pursuant to subpart 4.3.6(d)(3) or 4.3.9, the Owner shall be permitted to lease as long as the criteria set forth in part 4.3.6(a) are met.

- (f) On the sale or other transfer of ownership of a Unit (including both Grandfathered Units and Units that are not grandfathered) to an unrelated third party (a person or entity who is not a family member, domestic partner or part of an entity Owner), any prior lease approval, Grandfather Unit status, and Automatic Waiver ceases, and the new Unit Owner shall be required to obtain approval to lease.

4.3.7 **Voiding Lease, Eviction, and Indemnity.** The Association reserves the right to void any lease entered into in violation of this Rule, and to evict the tenant. The Association shall not be liable in damages to the Unit Owner or the evicted tenant arising out of any such eviction proceeding. THE OWNER SHALL DEFEND AND INDEMNIFY THE ASSOCIATION FOR ALL CLAIMS AND COSTS (INCLUDING THE ASSOCIATION'S ATTORNEY'S FEES) ARISING OUT OF ANY SUCH TERMINATION AND EVICTION.

4.3.8 **Revocation of Rental Unit Status.** The Board reserves the right to revoke the Unit's status as a Rental Unit in the event of one or more material violations of this Rule (such as, by way of example and not of limitation): (a) pattern of leases ending or terminating before the five (5) month minimum; (b) failure to provide required information to the Association, (c) failure to market the Unit actively at a fair market rental rate (as determined by the Board in its sole discretion); (d) repeated failure of the Unit Owner or tenant to comply with the Association's governing documents; (e) failure to pay the applicable administrative fee. Before any Board revocation of a Unit's status as a Rental Unit, the Association shall give notice to the owner and an opportunity for hearing. The notice and hearing procedure does not apply to loss of status due to sale of the Unit or failure to lease the Rental Unit within the required time periods set forth elsewhere in this Rule. This provision applies to all Rental Units, regardless of whether it is a Grandfathered Unit, a Unit for which an Automatic Waiver was granted, or a Unit where the Association gave permission to lease.

4.3.9 **Automatic Waiver.** A person or entity that owns a Unit as of December 1, 2023 but that is not a Rental Unit as of that date shall be entitled to an automatic waiver with respect to the 20% leasing cap if that person later elects to lease that unit. This waiver is personal to the owner, may not be transferred or assigned to a third party, and automatically expires on sale or transfer of the Unit. For purposes of this subpart, the owner shall include the owner's spouse and a personal trust established for the benefit of the owner and/or spouse. It shall apply to a corporation, partnership, or other entity only so long as the entity is wholly owned and controlled by the owner and/or spouse.

4.3.10 **Hardship Waiver.** A Unit Owner may request that the Board waive the Rental Cap if the owner establishes to the Board's satisfaction that the Rental Cap will cause undue hardship. The decision on whether and for how long to waive the Rental Cap shall be at the sole discretion of the Board. Examples of undue hardship may include (by way of example and not limitation): (a) death or divorce of any owner (b) relocation of the residence of an owner to a point more than fifty (50) miles from the condominium due to a change of

employment or retirement of an owner; (c) relocation of the residence of an owner due to mental or physical infirmity or disability of an owner.

4.3.11 **Rule Revisions.** The Board may revise this Rule at any time in response to changes in federal guidelines or circumstances arising in the administration of this Rule. Nothing in this Rule shall convey or grant to any owner a vested right or property interest in having a Unit designated as a Rental Unit.

*On December 1, 2023, the total number of residential Units was 168, producing a 20% lease cap of 33 leases. The number of permissible leases will change if the number of residential Units increases or decreases.

/Volumes/File Server/CLIENTS/Cambridge Condominiums Council of Co-Owners AKA Cambridge Tower/RuleAmendmentLeasing 2023.docx