



SUBLET GUIDELINES

1) Subletting Overview

The board of directors believes that a policy of “controlled” subletting best serves the shareholders of our corporation. This policy, as outlined below, attempts to accommodate the legitimate sublet needs of individual shareholders while at the same time safeguarding the security, well-being, and financial investments of all shareholders.

The remaining sections of this document outline the conditions and requirements that shareholders must be aware of and follow when considering a sublet situation.

The board of directors has in the past and will continue to take action against shareholders who participate in a sublet situation that is not in compliance with the coop’s regulations.

2) General Statement of Guidelines

- a) Shareholders do not have an inalienable right to sublet their apartment. Shareholders are only allowed to sublet with the approval of the Board of Directors.
- b) No shareholder is permitted to sublet his or her apartment unless that shareholder has both owned and resided in that apartment for two (2) years.
- c) If the board does grant its approval for subletting, the sublet period must be for a period of one year. Sublet extensions for a second year will be considered by the board, but only to the same sublessee and only with board approval. The board, at its sole discretion, has the right to refuse the extension of any existing sublease. Also, a shareholder cannot sublet their apartment for more than two (2) years in any three year period.
- d) If the board does approve a sublet request, the lease agreement between sublessee (person subletting) and sublessor (shareholder) must require the sublessee to abide by all 205 West End Avenue Owners Corporation house rules and the conditions of the corporations proprietary lease.
- e) Prospective sublessee must agree to a full review of their background and personal finances as well as an interview before the Board of Directors or the admissions committee.
- f) The board has imposed certain sublet fees and deposits that must be paid prior to the initiation of any board approved sublet.

Sublet Guidelines

3) **Lending Institution Approval**

If a shareholder financed their apartment, both they and the board signed a recognition agreement requiring the shareholder to obtain written approval of the lending institution to any proposed sublease. Such written approval must be submitted to the board.

4) **Insurance Requirement**

All sublessor (shareholders) are required to submit evidence of a minimum of \$200,000 liability insurance for the apartment before an approved sublessee will be allowed to move in.

5) **Deposit Requirement**

All sublessors (shareholders) must deposit three months maintenance as a security deposit which may be applied against future unpaid maintenance, legal fees, or disbursements resulting from the Corporation requiring counsel or bringing action against said sublessor over any issue relating to the sublet arrangement. If no such charges are incurred, the deposit will be refunded at the conclusion of the sublet period.

6) **Board's Approval Rights On Sublets**

As stated in paragraph 15 of the proprietary lease, "there shall be no limitation on the right of the directors or lessees to grant or withhold consent, for any reason nor provided by law, or for no reason, to a subletting." Furthermore, the board of directors reserves the right from time to time to change, without notice to shareholders, the sublet guidelines set forth herein. Notwithstanding anything herein, shareholders may petition the board of directors to consider any sublet request that results from extraordinary events, such as relocation due to work or legitimate health requirements.

7) **Complete Package**

The specific procedures for subletting an apartment – including the required fees, sublet applications, and other required documents are subletting procedures, which may be obtained from the managing agent's office located in the building lobby.

[Substantive change is removal of the "Storage Bins" guideline. Non-substantive changes are renumbering of the sections and correction of minor typographical and grammatical errors.]