## **Frequently Asked Questions**

- What is considered a short-term rental?
  - Any Single-Family Dwelling rented for monetary consideration for a period of time less than thirty (30) consecutive days for an amount in excess of \$15.00 per stay, not including a residency unit or hotel.
- Is a "property owner" different than a "host"?
  - Yes; a property owner ("Owner") is the person(s) or entities who own record title to the property whereas a host ("Host") is an adult (over the age of 18) who contracts or advertises the property for operation as a short-term rental. Owner and Host may be the same person, but not necessarily.
- What is a Designated Responsible Party?
  - O A Designated Responsible Party is an adult (over the age of 18) in the local area who is available to respond immediately to any issues arising from the short-term rental. This person is to be chosen by the host and must be available in the local area for contact and to meet at the property 24/7.
- Where can I find information about the Short-Term Rental Application and Registration Process?
  - You can find information, including the Short-Term Rental Facility Application, online at the <u>Covenant Administration Application Assistant webpage</u> or call the Covenant Administration Department at (281) 210-3800.
- What is required in the application process?
  - A completed Short-Term Rental Application form, sketch or narrative describing the location of all available parking spaces, paid compliance deposit, proof of insurance coverage on the Unit or portions thereof covering the hazards of the intended use and listing The Woodlands Township as a Certificate Holder. Additionally, the property must comply with all of the Woodlands Township Standards and Covenants.
- Why was my application reject or revoked?
  - O While there are a number of reasons that The Woodlands Township may reject or revoke an application, the most likely answer is that the property is not in compliance with the required Standards or that there was a problem with the content or completeness of the application. Please reach out to the DSC if you have more questions regarding your specific application.
- How much is the Compliance Deposit and How can I pay the Compliance Deposit?
  - The Compliance Deposit is \$500.00. You can submit payment to The Woodlands Township in person at 2801 Technology Forest Boulevard, The Woodlands, TX, 77381.
- What is a Short-Term Rental Maintenance and Use Agreement?
  - This agreement is a written agreement between the Owner, Host, Designated Responsible Party and The Woodlands Township that provides specific contractual requirements associated with the operation of a short-term rental facility in a Single-Family Dwelling subject to The Woodland Covenants and Standards. It is required to be executed by all parties and contains agreements and understandings of the parties in exchange for the approval of operation of such a facility. It also contains remedies in the event of a breach of the agreement and/or the Standards.

- Can I receive a refund for the Compliance Deposit?
  - Yes; in order to receive a refund, a written request made by the Host to the Woodlands Township
    after the short-term rental approval lapses or is terminated <u>unless</u> there has been a violation of the
    Standards.
- Once I've been approved, how can I list my short-term rental?
  - O You can list your short-term rental on any website, with any real estate professional and/or with any third-party listing site provided that you have indicated all such listing locations on your application, along with all photos used and the contact information for each service provider. If there are ANY modifications to any listing activity you are required to update your application and information with The Woodlands Township.
- Am I required to list my Township approval number on my short-term rental listing?
  - o Yes.
- How long does each approval last?
  - Up to one (1) year, provided all the Standards are met and the property remains in compliance met and the approval is not revoked.
- Are there any continuing requirements to keep my approval once I have received approval?
  - O Approvals are only valid for one year and the applicant must submit an application annually at the end of the approval period. Approvals are subject to revocation by the Woodlands Township should the host be found to have violated any of the Standards or Covenants. Inspections of the property may occur whenever a violation is reported or suspected.
- How can I report my neighbor if I suspect they are operating a short-term rental without approval?
  - You can report a violation of the Standards on The Woodland Township website or by contacting the Covenant Administration Department at 281-210-3800.
- What happens if I do not apply for approval and operate a short-term rental?
  - O Just like any violation of any of the Woodlands Standards, if any property is found to be in violation of such Standards and the Woodlands Township becomes aware of such violation, including but not limited to a property operating as a short-term rental without approval, the Woodlands Township will provide you notice and take all necessary and legal action available to them under the law, including but not limited to filing suit against the owner and any other party involved in such violation.
- Will I be given a warning of violations before my approval is revoked?
  - Yes, an Initial Warning will be sent to the Owner, Host, Designated Responsible Party and Resident(s) giving fifteen (15) days' to rectify the violation(s). Failure to rectify the violation(s) will result in a Notice of Violation being sent to the parties mentioned above, which will alert the parties that failure to comply with the Standards may result in a forfeiture of half of the Compliance Deposit. If there is still failure to comply with the Standards following the Notice of Violation, then a Final Notice of Violation will be sent to the above parties, which may result in a forfeiture of the entire Compliance Deposit, revocation of the approval, and/or legal action.

- What happens if I don't comply with the Standards after receiving a Final Notice of Violation?
  - The Woodlands Township, DSC, or their agents have the right to revoke the approval, refuse refund of the Compliance Deposit, file a lawsuit against Owner, Host, Designated Responsible Party, and/or any resident, and be awarded immediate injunctive relief without the requirement to post bond or prove injury compensable in money damages.
- Am I liable for violations committed by renters while they are staying on my property?
  - O Yes; violation of any of the Standards or Covenants by short-term renters will result in approval revocation and/or any other remedy allowed by the Woodlands Township.
- What if there is nowhere on my property for the renters to park their cars?
  - As a Host, you must provide parking for short-term renters either on the property or in the garage. If such parking is not available a variance to the policy may be requested but is subject to denial by The Woodlands Township and/or the DSC as determined in their sole discretion.
- Do renters have to be a certain age?
  - Yes; all renters must be at least 21 years old.
- Why is the Township allowing short-term rentals?
  - O The 2017 Texas Supreme Court case of Kenneth H. Tarr v. Timberwood Park Owners Association, Inc. ruled in favored of short-term rental use, stating that so long as renters are using the rentals for residential purposes, there were no deed violations. Short-term rentals were found by the Court to be a "residential" use. Additionally, during the 86<sup>th</sup> session of the Texas Legislature, both the House and the Senate had bills relating to short-term rentals on the docket, however both bills remained in committees at the close of session. The Township and the DSC believe that Standards need to be in place Standards and an application process enacted related to short-term rentals. Lastly, due to an increase of short-term rentals, the Woodlands Township desires to assure that properties that are listed as short-term rentals in order to monitor their operation while also upholding owners' property rights.