



## **Rental Rules & Policies May 2016**

The Board would like to take this opportunity to further remind everyone and restate the rental rules. It seems that many new owners who rent, as well as some seasoned owners, are forgetting the proper procedures.

The rental bi-laws are available on line at [www.coralbeachonline.com](http://www.coralbeachonline.com) under **Governing Documents**. Additional policies and procedures are listed here and at the Coral Beach office.

Owners cannot rent their unit(s) individually at Coral Beach, as per section 5.2 to 5.5 of the "Declaration of Condominium". CBMC is the agent to all owners who rent and all rentals must go through CBMC.

Rental applications along with a signed lease agreement of the guest(s) and owner must be submitted no less than 5 days prior to any guests' anticipated occupancy. If the Rental application is submitted 5 days prior to occupancy and if the application form is incomplete or incorrectly completed or there are issues with an owners' account or any questions at all by CBMC, the application may not be reviewed in time to permit occupancy. It is recommended that the application should be submitted as early as possible allowing for Board review. Ensure that the application form is properly completed and if applying for the discount; make sure that you qualify for the 50% prepayment registration fee discount, as listed below.

- All rental units must supply working keys for their apartment, to the Office, to qualify as a rental unit.
- Access to the rental unit is only permitted with the knowledge and through CBMC or its' agent.
- All rental applications must be accompanied by a signed lease agreement between the guests and the owner of the unit.
- All rental owners and Property Managers must be familiar with the rental bi-laws as stated in section 5 of the Amendment to the Declaration and policies as stated herein.
- All the names of the rental guests must be listed on the rental application form.
- The unit owners' maintenance account must be current.



**Gross Rental Definition:** The **total** amount charged by the owner to the tenant on a lease or a rental agreement.

***“Under NO condition, shall any person or persons occupy any unit on a rental or lease basis until such occupancy has been approved in writing by the Board of Directors.” Amendment to the Declaration of Condominium section 5.***

### **Property Manager Requirement**

- The owner must submit a Property Manager Registration Form, which appoints a Property Manager selected by the Owner.  
(See attached form)
- The Property Manager must be listed on the rental application form with an emergency contact number.
- A Property Manager must be retained by the owner to manage all matters pertaining to the rental apartment and the guest(s) needs.
- The Property Manager must be familiar with all the pertinent bi-laws and additional policies and procedures at Coral Beach.
- The Property Manager must register with the front desk upon each arrival to Coral Beach.
- The Property manager must be available 24 hours per day to attend to any matters regarding the apartment or guest(s).
- The Property Manager must have the legal ability to work and /or run a business in the Bahamas. The owner and property manager are solely responsible to ensure this.
- The Property Manager must supply to CBMC and the guest (s) who are staying in the unit their Name, Phone Number and Email address of the Property Manager. See application form.
- The guest(s) must be instructed to contact the Property Manager first at the contact number provided by the Property Manager.



- The owner confirms he/she has supplied the Property Manager and office manager with keys to their condo unit.
- If in a case of an emergency and if the Property Manager is not contactable for whatever reason, CBMC will be authorized to charge and add to the owners "rental registration fee" a **minimum of \$75.00 per hour** to address any problems.
- The Property Manager must ensure that the main water supply to the unit will be shut off if the apartment is unoccupied for more than 24 hours.

### **1) Long Term Renting**

**As per our Bi-laws a long-term rental is one that is over 30 days.**

- CBMC charges for its services 12.5% of the Gross rental plus VAT on the 12.5%.
- If the owner hires a Bahamian real estate company and that agent is successful in booking a rental, the owner will pay the real estate company its finders/booking fee, which is presently between 10% to 15% of the gross rental charged by the owner.
- The real estate company or owner must submit a copy of the rental agreement, showing the gross rental amount and the fee charged and paid to the Bahamian Real Estate Company.
- If the Owner pays a Bahamian Real Estate company for booking services then CBMC will not charge the owner additional fees. The rental bi-laws read, "**Long-term renters pay either Coral Beach OR a Real Estate Company**", not both. In any event the owner must pay one or the other.
- If the owner books a long term rental through CBMC, then CBMC as their agent must be paid the 12.5% of the gross rental plus VAT on the fee. CBMC will not charge the additional registration fee (25%) as stated in 5.10.



## **2) Short Term Renting**

- Short-term renters are owners who rent under 30 days.
- The owner will be charged a 25% registration fee plus VAT, based on the gross rental amount as per section 5.10.
- The 25% registration fee plus VAT will be charged regardless of whom does the booking, the owner or a real estate company, for a short-term rental.
- All owners and guests and immediate family must register at the office upon arrival.
- All tenants names must be listed on the rental application form
- The application form must be accompanied by a signed lease agreement

## **3) “Owner “lending” his/her unit at No Charge to a friend/guest”**

When a Unit owner **who is a registered renter**, makes application and indicates they are **not charging** any rental fees to a friend or guest, then the registration fee paid to Coral Beach will be based on the average of all rentals at Coral Beach which is calculated to be \$500.00 on a studio and \$700.00 on a one bedroom per week, per unit.

If an owner decides not to charge for their guests' stay, Coral Beach will still be paid the flat rate registration fee as calculated on the average as indicated below:

**Studio** - Flat rate charge - no charge rental by the owner:

The flat rate charge is  $\$500 \times 25\% = \$125$  per week, per unit plus 7.5% VAT = \$134.37

If the owner qualifies for the 50% prepayment discount, the owner will pay  $\$500 \times 12.5\%$  per week, per unit = \$62.50 plus 7.5% VAT = \$67.20



**One Bedroom** - Flat rate charge - no charge rental by the owner:

The flat rate charge is  $\$700 \times 25\% = \$175$  per week, per unit plus 7.5% VAT =  $\$188.12$

If the owner qualifies for the 50% prepayment discount, the owner will pay  $\$700 \times 12.5\%$  per week, per unit =  $\$87.50$  plus 7.5% VAT =  $\$94.06$

The above calculations are the minimum administration fee paid to Coral Beach when a "No Charge" rental application is submitted for **non-family members**.

#### **4) Qualifications for 50% prepayment discount**

- Owners' account must be current at all times
- Owners' account must have enough funds in the account, at the time of application to cover the administration fee paid to Coral Beach.
- The Owner, Guest or Property Manager has not breached the bi-laws in the past.
- The rental application forms must be fully completed and include a signed lease agreement. If the form is not accurately and honestly completed in full, the application will not be approved and will no longer qualify for the 50% discount. In this case, the owner must re submit another application indicating the correct information and pay 25% of the gross rental.
- The application form must be correct and properly completed the first time that it is submitted in order to qualify for the discount.
- A copy of the rental lease agreement must accompany all rental applications. Previously the rental application was taken at face value; unfortunately the honor system did not work.
- The rental application and the rental lease agreement submitted are taken a face value. Only when a red flag is raised will the application & rental lease agreement be scrutinized
- Fill out the rental application form correctly the first time, make sure there is money in your account to cover the registration fee, keep your account



- Current at all times, abide by the bi-laws and you will qualify for the 50% prepayment discount.

**5) Immediate family** does not pay a registration fee, but the owner(s) on title must complete a rental application form well in advance (no less than 5 days of arrival) and the family member must register at the office upon arrival.

**Definition** – Immediate family as per legal definition  
Spouse, parents and grand parents, children and grand children, brothers and sisters, mother in law and father in law, brothers in law and sisters in law, daughters in law and sons in law. Adopted and step members are also included in immediate family.  
Also, a niece or nephew of owner(s), are included in this definition by the 2008 - 2009 Board.

#### **6) Board Consideration for speedy rental Approvals:**

The owners' account must be current at all times. Submit your application as early as possible to the front office.

If the owners' account becomes delinquent for any period, the rental will not be approved at the discounted rate and the re-submitted rental with 25% may take as long as the delinquent period of time.

The rental registration fee must be paid to Coral Beach at the time the rental application is submitted with the lease agreement.

The guests and owner(s) must comply with all rules, regulations, bi-laws and policies as set out by the governing documents and bi-laws of Coral Beach Management Company.

If a guest in previous stays has disrupted the expected peace of any owner or breached any of the rules, regulations or bi-laws, the Board in accordance with the Governing Articles may refuse that applicant for any future or present stays for that guest.

It is the owners' responsibility to inform any guest(s) of all the pertinent bi-laws and policies.