

JOHNSON LAKE AND PLUM CREEK RESERVOIR RESIDENTIAL LEASE TRANSFER POLICY

Background

Central's standard form residential leases at Johnson Lake and Plum Creek Reservoir provides the tenant the right to assign, sell, sublease or otherwise transfer the leasehold interest with Central's written consent. The purpose of this policy is to set forth Central's residential lease transfer policies.

Policy

1. Lease Transfer Fee. Beginning March 1, 2018, Central shall charge a lease transfer fee of \$300.00 per transfer of a residential lease at Johnson Lake or Plum Creek Reservoir.
2. Lease Transfers. New lease agreements shall be signed by Central upon receipt of a properly executed quitclaim deed for the leased premises from the prior tenant to the new tenant. The standard form lease agreement signed by Central shall be determined as follows:
 - A. Fixed Term Leases. New tenants shall be given the option to either enter into a new lease agreement for the remaining term and rental schedule of the prior tenant's lease agreement or enter into a new lease agreement for a new 30-year term with an updated 30-year rental schedule.
 - B. Indefinite Term Leases. New tenants shall be given the option to either enter into a new thirty year fixed term lease agreement with an updated 30-year rental schedule or a new indefinite term lease without the hardship clause.
3. Consumer Reports. Central will obtain a consumer report on new prospective tenants wishing to acquire a leasehold interest at Johnson Lake or Plum Creek Reservoir. The Central District requires a minimum TransUnion New Account Score 2.0 of 600 for any new tenant at Johnson Lake or Plum Creek Reservoir. If the TransUnion specific credit score is greater than 700, no additional conditions are required. If the prospective new tenant's TransUnion specific credit score is between 600 and 700, Central may enter into a lease agreement with the prospective new tenant under the following conditions:
 - A. All liens, taxes and assessments against the Leased Premises are paid in full, specifically including the SID general and special assessments and all real estate taxes.
 - B. The standard form lease will be modified to add a security deposit requirement in the amount of \$1,500.

If at a later date, the tenant requests the District to obtain an updated credit report, and the score is above 700, the security deposit or balance thereof would be refunded and the security deposit requirement eliminated from the tenant's lease. The tenant may request the District to obtain a new consumer report once every 12 months. The cost of subsequent consumer reports shall be paid by the tenant.

Adopted: