

## Co-op Coalition Survey: Airbnb

Below are 37 responses -- 23 people who responded to this survey combined with 14 who responded to a similar survey last year when we asked, "Does your co-op allow Airbnb (or similar company) rentals." Last year's responses begin with \*\* at the beginning of the response. Only one co-op (highlighted) allows short-term rentals but only if the owner lives in the unit along with the short-term renter. Thanks for helping!

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 In a message dated: Wed, Sep 4, 2019 3:43 pm

There is much confusion over the status of the City Council's new Short Term Rental law (aka, "Airbnb" law) set to go into effect October 1. To establish a benchmark, we would like to know (1) whether or not your co-op allows short-term rentals such as Airbnb and (2) what steps, if any, has your co-op taken concerning short-term/Airbnb rentals in anticipation of the new law? If your co-op has codified your short-term rental policy, please provide us a copy. Please "Reply" by September 20. We will share the results with everyone shortly there after. As always, thanks for helping out one another!

DC Cooperative Housing Coalition  
[www.CoopsDC.org](http://www.CoopsDC.org)

*Serving the District's cooperative housing community since 1984*

<50 units	<p>1) our cooperative occupancy agreement and house rules/regulations allows members to rent out their units with Board approval. The guiding documents don't necessarily forbid short-term rentals like AirBnB and most of our rentals are done on a standard 1-year lease. The Board restricts rentals so that at any point in time, no more than half of our building is renters so as to jeopardize our ability to gain financing or our homestead deduction. This last part is critical.</p> <p>2) The Board operates on a first-come first serve basis but we are revisiting the policy as some individuals have expressed interest in renting out their units on a short term basis, like airbnb. We are very interested to see what other coops are doing with regard to the new law.</p>
<50 units	Our co-op does not allow short-term rentals.
<50 units	**No
<50 units	We have a very restrictive policy on rentals and it does not include short term rentals.
<50 units	<p>1) We don't allow rentals of any kind.</p> <p>2) After we had concerns (because the prospective owner was using a trust and had a history of AirBnBing their homes, we started using the following for all applications:          "Proprietary Lease and Occupancy Agreement Addendum          This Addendum to the Proprietary Lease and Occupancy Agreement for Cooperative Apartment #X, is made by and between the XXX Cooperative Association, Inc., ("Cooperative") and XXX (collectively "Members"). In consideration of the Cooperative's acceptance of the Members as members of the Cooperative, the Members expressly agree as follows:          The Members have been provided with a copy of the Governing Documents of the Cooperative (meaning the Articles of Incorporation, Bylaws, Proprietary Lease and Occupancy Agreement, Rules, Regulations, and Board Resolutions of the Cooperative) and agree to perform and comply with all the covenants and conditions therein upon becoming members in the Cooperative.          In particular, the Members are aware of the Cooperative's restriction on rental</p>

	<p>of any unit. As provided in Article IX, Section 2, of the Bylaws, Members shall not sublease or permit subleasing of any apartment or unit in violation of the Proprietary Lease and Occupancy Agreement, Section 4(a)-(d), which restates the agreed-upon prohibition as a violation of the Cooperative's Charter limiting membership only to persons interested in ownership of living quarters owned by the Cooperative for their personal occupancy and not as an investment for profit by lease, rent, or resale of the premises.</p> <p>Proprietary Lease and Occupancy Agreement Addendum 2</p> <p>Given the Members past use of living quarters they owned as rental property, through AirBnB, the Members hereby provide extra assurance to the Cooperative that they will comply with the Cooperative's no-rental rules by agreeing that the, notwithstanding Section 6 of the Cooperative's Resolution On Due Process and Violations of the Governing Documents, dated May 15, 2001, the monetary fine for a one-time violation of the prohibition against rental or sublease of a unit shall be a reasonable approximation of the monthly market rate for the violative rental, and should the violation continue on the tenth calendar day after the First Notice of Violation, shall be treated as a continuing violation resulting in a per-day fine equal to a reasonable approximation of the market rate for a daily rental. If the unit is subleased or rentedn for short-terms on multiple occasions, each occasion of a rental will constitute a separate violation resulting in multiple fines for a one-time violation, regardless of the length of the violative rentals.</p> <p>The Members agree that the purpose of these assurances and potential fines is to ensure they have no financial incentive to violate the rules of the Cooperative regarding the prohibition against renting their unit and are not for any other purpose."</p>
<50 units	** No. While not mentioning Airbnb, we explicitly prohibit such short-term rentals in our House Rules.
<50 units	** No, we do not allow any short term rental less than 6 months and specifically call out services like Airbnb & VRBO in our rules.
<50 units	We do not allow air b/b's. Our House Rules state, "A sublease must be for residential purposes only" and also, we have several rules that describe how each sublease tenant must be interviewed and approved by the Board.
<50 units	**No
<50 units	**No
<50 units	We do not allow short-term rentals because all leases must be for at least a year. This is actually in our bylaws.
<50 units	**No
<50 units	**No
<50 units	**No
<50 units	<p>Our building does not allow short-term rentals. With Board approval, the co-op will allow a one-year rental (renewable for up to a three year total) if a member is moving away (for work or school, etc.) but will be returning. After three years, the member, if not returning at that time, may sell their unit or leave it vacant until they should return, as they wish. (These rentals must be in one-year leases.)</p> <p>Our co-op has not taken any new steps re: Airbnb. We are relying on our existing rules.</p>
<50 units	<p>Our Co-op does not allow short term rentals under any circumstances. From our By-Laws " All leases and subleases shall be for one year unless otherwise approved by the Board."</p> <p>We have not taken any action in response to the DC Council's recent action. We revised our rental policy in 2008-2009 with an eye toward keeping our Coop attractive to mortgage lenders, at which time we learned that we need to maintain at least 80% owner occupancy and prohibit rentals of fewer than 30 days. If lenders are unwilling to finance purchases by prospective shareholders (cash buyers only) that fact will be reflected in purchase offers.</p>

	<p>From lender questionnaires:</p> <p>Wells Fargo 'Does the Coop operate as a resort hotel, renting units on a daily basis?'</p> <p>Chase 'Do the project documents allow short term rentals (less than 30 days) or operate as a Coop hotel?'</p> <p>Caliber 'Does the project allow rentals of &lt;30 days or does the Coop operate as a Coop hotel?'</p>
<50 units	All rentals must be on a Board Approved lease and must be for a minimum of 1 year. This is memorialized in our ByLaws and House Rules.
<50 units	Our Bylaws do not allow rentals less than 1 year .. no short term rentals or transient rentals allowed
<50 units	We don't permit short-term, Airbnb-type rentals. When renting is permitted, the minimum lease period is one year.
50 – 99 units	**No
50 – 99 units	<p>Our by-laws specifically prohibit short-term rentals. Our definition, as codified by our rules and regulations, is below:</p> <p>“Short-Term Rental” is 1) a rental for a period not exceeding one month, unless done in accordance with the provisions of the Occupancy by Non-Owners policy regarding family or friends staying up to a month with Board or Directors approval, or 2) any rental by design intended for hotel or transient purposes (such as AirBNB, VRBO, etc).</p>
50 – 99 units	**No
50 – 99 units	<p>We allow AirBnb provided that the member is present while the rental is occurring, i.e., sharing the space with the AirBnb renter. Renting otherwise, in the absence of the member's presence, is only allowed if the member is invited to rent out their entire unit to a single occupant on a multi-month lease or up to a two-year lease. Otherwise, we would have limited control over who has access to the building, nor would our members come to know who their fellow residents are, as we'd be in a constant state of dealing with visitors who get locked out, etc. and that's not ideal for our community from a security and quality of life perspective. In practice, our rules strongly discourage members to AirBnb - since most folks don't want to cohabitate with an overnight renter, say, but it's technically allowed.</p> <p>[Our] Cooperative has a policy (House Rule 19) relating to the subleasing of units. [House Rule 19 about subleasing units was attached but not part of this summary.] If the Member is absent and is being paid for the use of the unit, this is considered a “sublease” and is subject to our subleasing rules. Thus, an Airbnb arrangement where the Member is absent is subject to our subleasing rules – which are restrictive.</p> <p>On the other hand, Members may host “guests” as long as the Members are present to serve as hosts. We don't know or care whether guests are staying for free or for a fee. So, if Members in residence wish to employ Airbnb to host a guest, that is perfectly OK.</p> <p>Although we have not analyzed the new law, we believe that our policies are consistent with the spirit of the law regulating short-term rentals. However, your inquiry is a good reminder that we should ask our attorney to review our subleasing policy in light of the new law governing short-term rentals.</p>
50 – 99 units	<p>Our House Rules have always prohibited short term rentals of any type. [copied provided, but not part of this document].</p> <p>We had a shareholder who engaged in Air B&amp;B rental last year.</p> <p>We sued him in DC Super Court. The litigation was settled after we terminated the wrong-doer by shareholder vote (per hour By-Laws) and negotiated a move-out date for him to vacate the premises.</p>

50 – 99 units	**[Our co-op] has a strict policy regarding subleasing which would not permit Airbnb or any similar rentals.
50 – 99 units	We are a medium-sized co-op with 64 units. We do not allow short-term rentals, a policy that was codified before the existence of Airbnb. In the section of our by-laws regarding subleases, the policy is: "...any such apartment sublease must be for a minimum term (not including renewals) of six (6) months...and must provide that the subtenant shall observe all applicable rules related to occupancy and use of the building; and provided, further, that a shareholder shall not enter into a sublease of his/her apartment unit until he/she has owned the shares associated with the apartment unit, and has occupied the apartment unit, for not less than two (2) years." In addition, we have a clause in our by-laws that all shareholders must be "a natural person" so no shares can be sold to a corporate or business entity that might want to enter into short-term leases.
50 – 99 units	We do not allow short term rentals. This is stated in our by-laws.
50 – 99 units	Our cooperative does not allow short term rentals and adamantly opposed to AirBnB. It is difficult sometimes to keep people from disregarding the rules and sometimes hard to prove when the rules are disrespected.  [Our co-op] had some shareholders violating this house rule, and [we] took steps to stop it.
100 – 149 units	We explicitly require leases to be at least 12 months.
100 – 149 units	Our Bylaws state that rentals must be a minimum of 6 months. [Our co-op] also has very high move in and rental administrative fees which make renting less attractive, especially for a short lease.
150 – 199 units	Our co-op does not permit this and has measures in place in our house rules to stop this. We are not aware of any shareholders who have violated this rule.
200+ units	**No
200+ units	We do not allow Airbnb rentals. Our shortest rental term is 10 months.
200+ units	Our house rules currently prohibit short term rentals.  We are working with our General Counsel to revise our house rules to make it more explicit and align our definitions with those used by the District.
200+ units	**No
200+ units	Short-term rentals are not allowed. (We only allow leasing one year at a time for up to three one-year periods.)
200+ units	**Absolutely not!