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Comments by the Desert Mountain Homeowner Coalition are inserted and highlighted.

## SETTING THE RECORD STRAIGHT ON SHORT TERM RENTALS

The Desert Mountain Master Association (DMMA) has responded to requests of homeowners concerned about the growth of short-term home rentals by proposing restrictions on rentals and home exchanges. We are sending this important message to correct misstatements and misunderstandings that appear to be circulating about the amendment to our Covenants, Conditions and Restrictions (CC&Rs).

Here are the facts:

**1. *It is incorrect to assume that the proposed short-term rental restrictions apply to property owners and Club members.***

The restrictions do not limit property owners or Club members from having access to a rental property for short periods if they need to host family or personal guests. The 30-day minimum stay applies only to short-term rentals transacted with "ineligible renters" (people who are not property owners or Desert Mountain Club members).

Read the proposed amendment. Nothing in the amendment exempts family and personal guests from the 30-day minimum rental. The only "Eligible Renters" are DM owners and DM Club members. For example, extended family and business associates would be prohibited from renting space at DM during the holidays.

**2. *It is inaccurate to imply that the Board is attempting to control the guests you invite into your home.***

A tenant is not a guest. A tenant is someone who pays money to a landlord for the right to occupy a property for a specific time. A guest, on the other hand, is known to the host and

vice versa. A guest does not establish a formal business transaction to be hosted in the home, nor does a guest apply (online or otherwise) to be hosted.

A “guest” is anyone you invite into your home for any reason. But that’s not the point. To enforce these restrictions, DM security staff would have to question every person invited into your home to be sure none were paying guests. That’s simply not practical. Over 3,200 vehicles a day pass through our gates.

**3. *It is inappropriate to imply the Board should not be concerned with the interests of Desert Mountain Club.***

The missions of the DMMA and the Desert Mountain Club are closely aligned. With 83% of property owners also Club members, we would be very naïve to believe that our actions in the community do not affect the Club and vice versa.

The duty of every board is to put the interest of the organization first. For the DMMA Board, that includes the interest of DM owners who rent or exchange their homes. All DMMA Board members are also members of the DM Club. The proposed use restrictions neatly accommodate the interest of our HOA Board. The use restrictions do not protect the interest of DM owners who rent, exchange or serve the real estate needs of our community.

**4. *It is a misstatement to say a hotel would be allowed in our community and to imply the DMMA is proposing the amendment to avoid competition with that entity.***

Desert Mountain is a private, residential and recreational community. There is no plan nor capacity to build a hotel.

Then why does Section 1.3 of our declaration still authorize the DMMA Board to develop a resort hotel at Desert Mountain? Is removing Section 1.3 a higher priority than adding new restrictions to owner property rights?

**5. *It is incorrect to say the proposed amendment violates property rights.***

Desert Mountain, a private, secure (gated) residential community, is governed by a homeowners’ association. An HOA is a legal entity with the authority to amend and enforce covenants, conditions and restrictions that give all property owners equality and protection from the actions of others that may affect the value of, appearance of, or enjoyable ambiance of neighboring properties. While every homeowner has the right to enjoy their home, we believe no homeowner should degrade the Desert Mountain brand, inappropriately provide access to the amenities of the Club, circumvent our security or compromise privacy.

The proposal isn’t a *violation* of property rights. Use restrictions are a *withdrawal* of property rights. The proposal is DMMA’s plan to withdraw property rights from every Desert Mountain owner without consent and without further notice if 10% don’t bother to complain.

**6. *It is a misstatement to say the Board made decisions without calling a meeting.***

All Board meetings (outside executive session) are announced and open to any property owners who wish to attend. Decisions to rescind the prior proposal and put forward the current amendment were not done in secret.

Rent restrictions were proposed last July without discussion or approval by the DM Club Board, without the community involvement common in well-governed HOAs and without consulting top DM real estate producers. The Board refused to schedule the open meeting and vote requested in writing last August by 687 DM owners.

**7. *It is also a misstatement to say the amendment is being rushed through.***

Multiple announcements went out via email and through the postal service. All information, including FAQs, is available on the Desert Mountain website. The time frame is defined in the Major Decisions Process that was included in the postal service mailing to homeowners at their address of record.

At the January 29, 2018 meeting, the Board committed to having rent restrictions in place no later than May 1, 2018. The Board had a deadline.

**8. *It is incorrect to say the Board did not wait to hear from the ad hoc committee before making its decision.***

The ad hoc Rental Parameters committee was chartered *after the decision* was made to move forward with the proposed 30-day minimum. The committee then assessed the implications of the restrictions by interviewing 160 homeowners, a group of 14 realtors specializing in Desert Mountain property sales, and management of the Desert Mountain Golf Club. Ideas emanating from the committee will help mitigate potential negative financial impact on current rental property operators and lay the foundation for a smooth implementation.

Re-read the first sentence in the paragraph above. It's true. The Ad Hoc committee wasn't even chartered until after the decision on rent restrictions had been made. The Board had an agenda. Work of the Ad Hoc Committee wasn't going to change that.

**9. *It is a misstatement to say that property rights will be restricted permanently.***

No covenant, condition or restriction is permanent. The CC&Rs comprise a living document, one that is modified when circumstances change.

True. But the proposed restrictions apply to every owner and every DM buyer until changed. Knowledgeable professionals recognize that change is nearly impossible.

### **In Closing**

We hope these clarifications help you more fully understand the issues. If you believe you submitted an objection to the amendment based on misstatements rather than the facts, you can retract your objection. Please click [here](#) to withdraw your objection.

Our Board has important work to do: Making our community more attractive to visitors, supporting the interest of owners, ensuring that Desert Mountain remains the finest, most sustainable recreational real estate community in North America. Let's put the acrimony of rent restrictions behind us and get back to being good neighbors.

Thank you,

Desert Mountain Master Association Board of Directors

For More Information Visit our Website

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Desert Mountain Master Association  
10550 E. Desert Hills Dr. Suite 100 \* Scottsdale, AZ 85262  
480-635-5600 [HOA@desertmthoa.com](mailto:HOA@desertmthoa.com)