

## Resort Fee and Rental Disclosure Policy

In compliance with Article 4, Section 3(e) and other applicable sections of the Declaration of Covenants and Restrictions of Litchfield-by-the-Sea Community Association, Inc., a “Resort Fee” (i.e., “admission fee”) of **\$15 per night** will be charged to rental guests (i.e., “lessees”), effective January 1, 2024. Any rental reservations confirmed/paid prior to September 1, 2023 will be exempt from this requirement.

### Rental Disclosure

Owners who rent their LBTS property for any period during the year are required to disclose to LBTS whether they rent, and through whom they rent, their property. This disclosure must occur annually, or as soon as a change in rental status occurs (including to or from renting, changing agencies, and to or from self-managed). This is for the safety and security of all owners, guests, and lessees who enter LBTS.

### Collection Procedure

For **owners who rent their property through an agency partner** – the agency partners will collect and transmit Resort Fee funds to LBTS. The only action for these owners is to grant the necessary authorizations for compliance with this Policy to their agency partner.

**Owners who rent their property through any other means (such as Airbnb- and VRBO-type “self-managed rental” sites or directly to friends/family)** are responsible for transmitting the Resort Fee funds to LBTS. Details on making payments will be shared after disclosing self-managed status.

### Compliance

It is anticipated that owners will not act in a way that negatively impacts their community and neighbors. However, refusal to abide by this Policy may result in loss of privileges to issue a barcode pass for entry through the LBTS software system. In that case, impacted rental guests will pay the total Resort Fee due for the length of their stay prior to initial entry on the property (only the South Gate is available for such payments), and will receive a “hanging tag” for their vehicle rearview mirror.

In addition, owners who violate this Policy by: 1) misclassifying a rental guest as a non-rental guest or “friend,” 2) falsifying any relevant records, 3) failing to transmit Resort Fee funds due, 4) refusing to authorize an agency partner to charge and transmit the Resort Fee, 5) failing to disclose rental status, or 6) any other violation of any provision of this Policy, may be subject to the following:

- 1) First offense: \$500 fine + the Resort Fee due
- 2) Second offense and subsequent: \$1000 fine + the Resort Fee due

### Appeals

To appeal a violation of this policy, submit a request in writing to the General Manager of LBTS. A committee to include the General Manager and at least one member of the LBTS Board of Directors will review the appeal and supporting evidence, and make a binding decision. That decision will be communicated in writing to the appealing owner.