AN IMPORTANT NOTE FOR PROPERTY INVESTORS

(@9-11-2025)

Detroit Towers is designed for owner-occupied living. Each residence is generously sized for families, couples and individuals who desire gracious living and entertaining spaces. As one of Southeast Michigan's only truly full-service residential buildings, residents appreciate full-time valet services, attended door and elevator services, personal mail and package delivery, grocery unloading and in-unit delivery, on-site dry-cleaning pick-up and delivery – services and amenities have been designed around the needs of busy professionals and individuals who want to focus on work, family and leisure. Our monthly fees reflect this level of service, as well as our collective commitment to ensure our 100-year-old building is well-maintained to grace Detroit's skyline for the next century.

To that extent, Detroit Towers has specific requirements for any unit owner who may wish to rent their unit to tenants rather than live in the unit themselves. These requirements are included in the condominium Bylaws and "House Rules" and are best understood prior to choosing to "invest" in a Detroit Towers condominium unit as an absentee landlord. These requirements are intended to maintain the quality of life at Detroit Towers – safety, security, quiet enjoyment of the premises – consistent with its reputation as a premier residence in the City of Detroit:

- ✓ There is a maximum of three (3) rental units total for the entire building. Units owned and leased by the Association do not count against that total.
- ✓ Owning a unit and allowing a family member or business colleague to live here counts as a rental. No occupancy is permitted without either a deed in the name of the resident OR an approved lease (even if the rent is zero).
- ✓ Leased units must meet City of Detroit rental property requirements, including Lead Inspection, Lead Risk Assessment, Lead Clearance, Certificate of Registration for Rental Property and Certificate of Compliance from BSEED.
- ✓ There is a minimum lease period of 1 year (absolutely no short-term rentals are permitted).
- ✓ Leasing of a unit must be for the entire unit.
- ✓ Payment of a $500 fee is required for review and approval of each proposed lease and its accompanying documentation.
- ✓ Payment of $500 per year is required for the Association's management and monitoring of a leased unit.
- ✓ Leases must be in the form of Detroit Towers' standard lease or include identical provisions.
- ✓ Owners leasing their units are responsible for all legal expenses incurred by the Association in reviewing, inspecting or managing the lease arrangements, the tenant, or the unit during its lease period.
- ✓ A written request for lease approval must be submitted to the Association at least 10 days prior to presenting a lease to a prospective tenant. The request for lease approval must be accompanied by documentation related to all the above requirements and the approval fee.
- ✓ The proposed lease must require the tenant to comply with all Detroit Towers Condominium Governing documents, including the House Rules.

- ✓ The proposed lease must provide that, in the event of default by the tenant, the Association's Board may terminate the lease, move to evict the tenant and seek money damages after 15 days notice to the owner.
- ✓ Any lease must affirm that the Association may collect rent up to the amount of the monthly assessment (or other costs) directly from the tenant if the owner is in default on those payments.
- ✓ Prospective property investors are encouraged to examine the market for local rents to determine if recent rates are sufficient to cover Detroit Towers' monthly fees.
- ✓ Monthly assessments currently average almost $3,000 – with "A" units paying more and "B" units paying less. When the Association needs additional funds and/or determines its reserves are insufficient, special or additional assessments are applied and shared by all owners proportionate to their square footage.