

CITY OF MINNEAPOLIS
FOR THE DEPARTMENT OF
REGULATORY SERVICES

In the matter of the Rental Properties
In Minneapolis, MN
Owned by FYR SFR Borrower LLC

RENTAL LICENSE CONDITIONS
AND STIPULATED AGREEMENT

The above-entitled matter for Rental License Conditions was agreed upon on Thursday, December 1st, 2022. A representative of FYR SFR Borrower LLC, Katlynn Boschma, and attorneys, Tami Diehm and Matthew Goldfine were present, along with City of Minneapolis representatives.

Pursuant to negotiations between the City of Minneapolis and FYR SFR Borrower LLC, the parties agree to the following Stipulated Agreement for all properties owned by FYR SFR Borrower LLC. The Stipulated Agreement allows FYR SFR Borrower LLC to retain existing rental licenses for occupied rental properties in Minneapolis, MN, pursuant to certain conditions set forth in the Stipulated Agreement:

1. Respondent hereby agrees to keep the rental licenses current on the properties. This includes but is not limited to paying license renewal fees before the expiration and providing updates to contact information within 10 days of any changes.
2. Respondent hereby agrees to have vacant properties with open life-safety Inspections Services orders inspected and approved before allowing occupancy by a new renter.
3. Respondent hereby agrees not to acquire any additional properties for rental purposes until stipulations have been met consistently for 6 months.
4. Respondent hereby agrees to attend a Rental Property Owner's Workshop within three months of signing the Stipulated Agreement.
5. Respondent hereby agrees to verify and disclose to the Director of Inspections Services, any and all properties they have any financial interest in, including the names of any LLCs.
6. Respondent hereby agrees to cooperate with the City in connection with scheduled inspections. If the respondent is unable to attend the inspection in person, the Respondent will coordinate with the renters to allow access and obtain renter consent to enter each property in accordance with Minnesota Statutes Chapter 504B and any other applicable law. Respondent shall have no liability for delays in inspection caused by the City's need to cancel or reschedule such inspection due to the City's availability or lack thereof.

7. Respondent hereby agrees to abate all open Inspections Services orders, at the properties in accordance with the requirements of the City Code.
8. Respondent hereby agrees to comply with any written orders issued by Inspections Services by the due date. If Respondent is unable to meet the due date requirement for any items which render a rental unit uninhabitable or unfit for occupancy, relocation assistance will be provided to affected renters if they choose to move out due to unresolved violations so long as the lack of a resolution was not caused, in whole or part, by action or inaction on the part of the renter.
9. Respondent hereby agrees to allow the renter to move out of a property without lease penalty if written orders for life safety concerns are not resolved by the due date, or as provided in Minnesota Statute Chapter 504B.131, provided that the lack of a resolution was not caused, in whole or part, by action or inaction on the part of the renters.
10. Respondent hereby agrees to pay relocation assistance to affected renters of properties that have been condemned, had a license revocation, license cancellation, or entire unit vacated due to illegal occupancy in accordance with Minneapolis Code of Ordinance 244.1950.
11. Respondent hereby agrees to allow 60 days for a renter to vacate properties that have had a revoked license, canceled license, or entire unit vacated due to illegal occupancy as a result of license revocation or cancellation provided that such revocation or cancellation was not caused, in whole or part, by action or inaction on the part of the renter. Notwithstanding the foregoing, no additional time shall be allowed if license revocation or cancellation relates to life safety concerns.
12. Respondent hereby agrees all permit repairs will be performed by properly certified and licensed professionals, with proper permits obtained and final inspections, approved.
13. Respondent hereby agrees heating, ventilation, air conditioning, water leak, and moisture intrusion issues will be acknowledged or responded to by the property manager/owner within 24 hours. All other complaints will be documented and responded to within two business days.
14. Respondent hereby agrees to develop a preventative maintenance plan and agrees to submit a management plan showing the steps that will be taken to ensure compliance. The plan should include at minimum the following:
 - a. Annual proactive evaluations of each property by the Respondent
 - b. 24/7 maintenance telephone line
 - c. Timeline for repairs when a complaint comes through by renters
 - d. Yard maintenance plan: mowing, shoveling, rubbish removal, etc
15. Notwithstanding the Respondent's obligation set forth herein, City acknowledges that the Respondent is bound by the requirements of Minnesota Statutes Chapter 504B. In the event that anything in this Stipulated Agreement conflicts with the rights or obligations of Respondent under Chapter 504B, the state statute will control.

16. Neither party shall be held liable nor be deemed to have defaulted under this Stipulated Agreement for failure or delay in fulfilling or performing any obligation herein when such delay or failure is caused by or results from causes beyond the reasonable control of such party, including but not limited to, acts of war, strikes, lockouts, labor disturbances, supply chain issues, natural disasters or acts of God, provided that the affected party shall use reasonable commercial efforts to avoid or remove such causes of nonperformance and shall continue to use commercially reasonable efforts to timely perform.

17. Respondent will pay \$5,000 in cost recovery to the City.

- a. An installment of \$2,500 is due 7 calendar days following Council approval of this agreement. This installment must be received in the Department of Regulatory Services office, Rm 510B of the Public Service Building, 505 Fourth Ave S, Minneapolis
- b. The remaining balance of \$2,5000 is due 30 calendar days after the first payment.

Management practices:

- All renters provided written Lease agreements.
- 24/7 emergency maintenance telephone line
- Official communication with renters done in writing (email permitted)
- Any renter may request communication in a different language, and the property manager will provide all communication with that renter in the requested language
- 24-hour notice provided to renter(s) before entering the unit unless entrance is in connection with an emergency in which case no notice shall be required
- Rent receipt provided to the renter for each payment
- No retaliation per MCO 244.80B

The Respondent, FYR hereby agrees to the above-stated conditions for a period of 24 (twenty-four) months from the date of signature. The City of Minneapolis reserves the right to ask for documentation or evidence that the stipulations are being met. Proof must be submitted within 7 calendar days. If any of the other agreed-upon conditions placed on this license are not complied with within the timeframe agreed upon, Inspections Services may begin revocation action on a portion of the properties based on "Good Cause".

X 

Owner

X 

Inspections Services Director
On Behalf of Regulatory Services

Dated: 12/1/2022