

ATTACHMENT A LEASING RULES & REGULATIONS

The Leasing Amendment to the Declaration of Covenants, Article IX, Section 7, was recorded with the Wake County Register of Deeds on November 6, 2019 in Book 17651 at Page 1188 of the Wake County Registry.

The Amendment to the Declaration of Covenants, Article IX, Section 7, places a Leasing Cap of: “No more than fifteen percent (15%) of the total number of Lots subject to this Declaration shall be leased at any time.” Total number of Lots in the Association is 68. Therefore, no more than 10 homes may be leased at a given time.

For the purposes of these Leasing Rules & Regulations, the definitions of “Owner” or “Owners” and “Person” or “Persons” and “Lot” or “Lot in Use” are found in Article I of the Declaration.

In order to effectively administer the leasing process, and to assist in clarification of said process, the Board of Directors has set forth the following Leasing Rules and Regulations for the benefit of all Lot Owners or Persons:

1. Owner(s) or Person(s) may NOT lease their Lot without the express written permission of the Board of Directors.
2. All leases must be for a period of at least one year. A Lot Owner shall not lease less than the entire residential structure on the Lot.
3. Subletting or Sub-leasing is NOT allowed. Example: No tenant may lease a property or any part of the property, such as a room, to another tenant.
4. Prior to leasing a Lot, the Owner(s) or Person(s) shall apply to the Board of Directors, using the community leasing form, for written permission to enter a lease agreement.
5. Owner(s) or Person(s) desiring to lease their Lot shall make request in writing to the Board of Directors and include the unexecuted, proposed lease and the community leasing form. The board will consider the request at the next scheduled board meeting. Requesting party(s) will be notified of the Board’s decision in a written statement.
6. Owner(s) or Person(s) receiving approval to enter into their lease from the Board of Directors shall submit the final executed lease, along with the final community leasing form, to the Board of Directors within thirty (30) days of execution or occupancy, whichever occurs first.
7. Owner(s) or Person(s) denied approval may, by written statement to the Board of Directors, request to be placed on the Waiting List.
8. To assist in effectively administering the leasing process, any Owner(s) or Person(s) granted leasing approval shall confirm in writing to the Board of Directors as requested in writing by the Board of Directors whether or not any lessee named on the approved lease has vacated the property at the end of the Lease Term.
9. The Board of Directors will maintain a list of leased Lots, including the terms of said leases, for the purpose of determining the number of Lots subject to lease at any given time.
10. The Board of Directors will maintain a Waiting List of Lot Owner(s) or Person(s) desiring to lease their Lot. The Board of Directors may from time to time request in writing Owner(s) or Person(s) on the Waiting List whether they wish to continue to be on the Waiting List, and to confirm the same in writing to the Board of Directors within a date certain at least as great as 21 days from the date of the Board of Director’s written request. Any Owner(s) or Person(s) failing to timely confirm their desire to continue to be on the Waiting List loses their place on the Waiting List.
11. Reviews of the Waiting List will be performed Quarterly according to the Calendar Year. The Board of Directors may, in its sole discretion, adjust the frequency of reviews.

12. The Board of Directors may from time to time request in writing Owner(s) or Person(s) confirm in writing whether the Lot is or is not subject to a lease. Owner(s) or Person(s) shall provide a copy of the executed lease regardless if the Owner(s) or Person(s) have previously submitted a copy of the executed lease.
13. The Board of Directors, in its sole discretion, may waive any requirements of Section 9.7 for demonstrated hardship conditions. Prior to waiving such requirement, the Board of Directors shall give notice to Owner(s) or Person(s) on the waiting list. Those Owner(s) or Person(s) will be allowed written comment to the Board of Directors by a certain date prior to any action by the board. Waivers shall be given in writing.

Violations of these Rules & Regulations

Any Owner(s) or Person(s) in violation of the Amendment to the Declaration or of these Rules and Regulations will be sent a letter with the copy of the leasing amendment and outlining the violation.

Pursuant to State Statute, Owner(s) or Person(s) will have the opportunity to attend a hearing before the Board of Directors to determine if there is a violation and if so the fine to be imposed for the violation. Notice of hearing will be issued in accordance of State Statute. Owner(s) attendance at any hearing is optional with the knowledge that the hearing will be held with or without Owner(s) or Person(s) presence.

Any violation of the Amendment to the Declaration or of these Leasing Rules & Regulations may lead to a fine being imposed against the Owner(s) or Person(s) committing the violation. Violation and fine examples below are not all inclusive and may be altered from time to time.

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| 1. Failure to file requested paperwork | \$15 per day |
| 2. Renew or extend a lease without permission | \$50 per day |
| 3. Entering a new lease without permission | \$50 per day |
| 4. Sub-Leasing | \$75 per day |

Disclosures

The Board of Directors is not, by these Leasing Rules & Regulations, attempting to regulate any type of tenant.

The Board of Directors, in its sole discretion, may amend or extend these Leasing Rules & Regulations by a majority vote of the Board of Directors. If these actions occur, the Board of Directors will notify all Owner(s) or Person(s) within 30 Days of said vote.

The Board of Directors may consider adjustments, exemptions, or exceptions to these Leasing Rules & Regulations by a majority vote of the Board of Directors. If these actions occur, the Board of Directors shall notify all Owner(s) or Person(s) within 30 Days of said vote.

In the event there is a conflict between these Leasing Rules & Regulations and the Declaration of Covenants, Conditions and Restrictions for The Landings at Pine Creek, the Declaration shall control.