THE AMBERLEA AT SOUTH RIDING CONDOMINIUM UNIT OWNERS ASSOCIATION REGULATORY RESOLUTION No. 2022 — O(Leasing of Units)

WHEREAS, Section 55.1-1915 of the Virginia Condominium Act, Code of Virginia (1950, as amended) ("Act") and Article 9, Section 9.1 of the Bylaws ("Bylaws") of The Amberlea at South Riding Condominium Unit Owners Association ("Association") charge all owners and all those entitled to occupy a Unit with compliance with the Declaration for The Amberlea at South Riding Condominium ("Declaration") and Bylaws of the Association, as well as any duly promulgated rules and regulations; and

WHEREAS, Article 4, Section 4.4(b) of the Declaration and Article 3, Section 3.1(f) of the Bylaws grants the authority to the Board of Directors ("Board") to adopt and amend any rules and regulations restricting and regulating the use and enjoyment of the property or any portion thereof and the actions of the owners and occupants affecting the property, as long as they are not inconsistent with the provisions of the Condominium Act, Association's Declaration, Bylaws and Board-adopted rules and regulations ("Governing Documents"); and

WHEREAS, Article 5, Section 5.8(b) of the Bylaws provides that the dwellings shall be occupied and used in compliance with the rules and regulations adopted by the Board; and

WHEREAS, Article 5, Section 5.8(a)(6) of the Bylaws provides that no Unit shall be used or occupied for (i) transient or hotel purposes or (ii) in any event for an initial period of less than six (6) months; and

WHEREAS, Article 5, Section 5.8(a)(6) of the Bylaws provides that in its sole and absolute discretion, the Board of Directors shall determine whether a Unit may be leased, and no Unit Owner shall lease a Unit without prior written consent of the Board; and

WHEREAS, Article 5, Section 5.8(a)(6) of the Bylaws states that the Board shall be permitted to withhold its consent to the leasing of any Unit if, at the time of the request for approval is received from a Unit Owner, more than 15% of the total number of Units are occupied by residents who are not the owner of the Unit they occupy; and

WHEREAS, Article 5, Section 5.8(a)(6) of the Bylaws provides that in determining whether to consent to the leasing of a unit, the Board shall consider, without limitation, the following facts: (a) proposed term of the lease; (b) number of times the unit has been leased previously; and (c) whether the request is for a new lease or the extension of any existing lease; and

WHEREAS, Article 5, Section 5.8(a)(6) of the Bylaws states that no Unit Owner shall lease a Unit other than on a written form of lease, incorporating certain elements, and that the Board may suggest or require a standard form of lease; and

WHEREAS, Article 5, Section 5.8(a)(6) of the Bylaws requires Unit Owners to provide copies of their leases to the Association; and

WHEREAS, Article 5, Section 5.8(a)(6) imposes a requirement that all leases for a Unit mandate that the tenant pay the Association an "Association Deposit" equal to two months' rent, which shall be used to cure any default or satisfy any charges imposed due to a...by the tenant under the Condominium Instruments; and

WHEREAS, Article 5, Section 5.8(a)(3) of the Bylaws states that no improper, offensive or unlawful use shall be made of the Property or any part thereof; and

WHEREAS, Section 55.1-1959 of the Act and Article 9, Section 9.l(g) of the Bylaws allows the Board to levy reasonable charges against Unit Owners for violations of the Governing Documents after notice, reasonable opportunity to cure and opportunity to be heard have been offered; and

WHEREAS, Article 4, Section 4.4(d) of the Declaration grant the Board of Directors the right to suspend the right to use Common Facilities for failure to comply with the Legal Documents; and

WHEREAS, the Board of Directors has determined that it is necessary to establish and clarify rules and procedures for the leasing of dwellings to ensure that all tenants comply with the Condominium Instruments and to ensure that the Association has an adequate remedy for enforcing tenant compliance with the Condominium Instruments.

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT the Board, by the Condominium Act, the Condominium Instruments and this Resolution establishes the following rules, regulations and enforcement procedures with regard to unit rentals.

I. Application to Lease

- A. No unit owner shall lease a unit, re-lease a unit, or extend a current lease without the prior written consent of the Board of Directors.
- B. At least forty-five (45) days prior to leasing, re-leasing or extending a current lease, a written request must be submitted to the Board of Directors seeking approval to lease.
- C. A copy of the intended lease to be used, must be submitted to the Board of Directors with the written request to lease, re-lease or extend a current lease.
- D. The Condominium's management company ("Management") shall maintain a list of all units currently leased or rented. The list shall include the unit number, the name and contact information of the unit owner, the name and contact information of the tenant(s), the lease term, and the date the lease began.

II. Restrictions on the Leasing of Units

- A. The Board shall determine, in its sole and absolute discretion, whether a unit may be leased, re-leased to a new tenant, or subject to extension of existing leasing, subject to the terms and limitations set forth in the Bylaws and this Resolution. A Unit Owner must file a request with the Board of Directors to lease, re-lease or extend a lease even regardless of the current total leased percentage of the Condominium, no later than forty-five (45) days out from the expiration of the current lease,
- B. <u>15% Leased Percentage</u>: When the total leased percentage of Units is less than or equal to 15%, the Board shall render approval for a request to lease, provided that the Unit/Unit Owner and Tenants are not or have not been in violation of the terms of the Condominium Instruments for the duration of any prior lease term and at the time of the request to lease, re-lease or extend the lease and the proposed lease and occupancy do not otherwise violate the leasing restrictions of the Association, including a minimum six (6) months and maximum twelve (12) month initial lease term.
- C. Over 15% and equal to 25% Leased Percentage. The Board of Directors shall be permitted, among other reasons, to withhold consent to the leasing, re-leasing, or extensions of existing leasing of any unit if, at the time a request for approval is received from a Unit Owner, more than fifteen percent (15%) of the total number of units are occupied by residents who are not the owner of the unit they occupy. The Board shall typically approve a request to lease, re-lease or extend the lease, when the total leased percentage is between more than 15% and less than or equal to 25% on the following terms:

 1) the proposed lease must be at least six months and no longer than one year, 2) the lease and occupancy must be otherwise in compliance with the leasing restrictions of the Association, and 3) the Unit/Unit Owner and Tenants are not or have not been in violation of the terms of the Condominium Instruments for the duration of any prior lease term and at the time of the request to lease, re-lease or extend the lease.
- D. <u>Over 25% Leased Percentage</u>. The Association shall, excepting hardship circumstances described herein deny any request to lease, re-lease or extend a lease of a unit, if leasing of the unit shall result in leasing of more twenty-five percent (25%) of the total units within the Condominium.
- E. Upon receipt of a written request to lease from a unit owner, Management shall review the Association's records regarding the total leased percentage for the Condominium and provide a written response, denying any request to lease if the leasing exceeds the 25% maximum described above or the Unit/Unit Owner/Tenant is deemed to be in violation of the Condominium Instruments, or the leasing requirements (proposed lease term, form of lease etc.) are not satisfied in the request.
- F. A failure of the Association to respond to a request to lease, re-lease or extend, shall not be deemed a waiver of a unit owner's required compliance to obtain the Board's written consent to lease, re-lease or extend, or otherwise meet the Association's leasing requirements.

- If the unit owner is denied leasing due to the 25% maximum, Management shall notify the requesting unit owner that the Unit Owner shall be placed on a Waiting List.
- G. Upon issuance of notice to a Unit Owner, that the desired leasing shall result in a violation of the 25% maximum leased percentage and therefore the request is denied, Management shall place the related Unit Owner on a Waiting List to lease. Unit Owners may lease a Unit on the Waiting List once the number of rentals within the Condominium is below the 25% maximum and upon the approval of the Board, based on chronological order of their placement on the Waiting List, with the Unit Owner with the longest period on the Waiting List having highest priority right to lease their Unit.
- H. When a lease opportunity becomes available, the first eligible Unit Owner on the Waiting List who is eligible to lease shall be notified by Management, in writing, of the opening and shall have ten (10) days to confirm, in writing directed to Management, his or her intention to lease the Unit, provided the Unit/Unit Owner is not in violation of the Condominium Instruments. Thereafter, if the Unit Owner requests such, the Board shall review the request to lease and make a determination on the same using the criteria noted in Section II(c) herein. If approved to lease, the Unit Owner shall have ninety (90) days to lease the Unit and submit a lease conforming to this Resolution and Bylaws to Management. Failure to submit written confirmation of the Unit Owner's intent to lease his or her Unit may, in the Board's discretion, result in the Unit Owner's forfeiture of his or her rights to request to lease the Unit based on priority on the Waiting List, which shall result in the Unit automatically being removed from the Waiting List.
- Once a Unit Owner is advised by Management that the Unit Owner has been placed on the I. Waiting List, the Unit Owner may request a hearing before the Board to request that the Board exercise its sole discretion to grant an exception and permit the Unit Owner to lease their Unit due to Economic Hardship. "Economic Hardship" is when a Unit Owner is able to demonstrate: (1) that they have attempted to sell his or her Unit at a competitive market rate for more than six (6) consecutive months without any ratified sales contracts; or (2) that his or her work has caused such person to be permanently relocated more than One Hundred Twenty (120) miles from the Condominium with less than six (6) months advanced notice, as evidenced by formal and official documentation issued by the employer which can be verified by the Association; or (3) such person's work has temporarily reassigned such person to work more than One Hundred Twenty (120) miles from the Condominium for a period of one year or more, as evidenced by formal and official documentation issued by the employer which can be verified by the Association; or (4) that the former Unit Owner wishes to rent his or her Unit from a contract purchaser to extend no longer than ninety (90) days from the date of conveyance to said purchaser; or (5) such other conditions that the Board, in its sole and reasonable discretion, determines to be an unavoidable and significant economic hardship of the Unit Owner which cannot be reasonably remedied other than by the rental of the Unit Owner's Unit. If a hearing is requested related to an Economic Hardship, Management shall set a hearing at the next regularly-scheduled meeting of the Board. At the hearing, the Board of Directors shall

provide the Unit Owner with a reasonable amount of time to present any and all evidence of Economic Hardship.

- J. No unit shall be leased for an initial period of less than six (6) months.
- K. No unit shall be leased for an initial lease period of more than one (1) year. Forty-five days prior to the completion of the initial lease term, should the Unit Owner wish to extend the lease with the same tenants, Unit Owner must submit written notification of the intent to re-lease and the proposed lease term for consideration by the Board of Directors. Lease terms may not be renewed without prior authorization by the Board.
- L. No portion of any dwelling, other than the entire dwelling, shall be leased for any period. For example, an owner may not lease a room or floor in their dwelling, while simultaneously occupying the same.
- M. All leases must be accompanied with a duly executed Lease Addendum (Exhibit A). No Unit Owner shall lease a unit other than on a written form of lease: (i) requiring the lessee to comply with Condominium instruments and rules and regulations; (ii) providing that failure of the lessee to comply constitutes a default under the lease; and (iii) providing that the Board has the power to terminate the lease or to bring summary proceedings to evict the tenant in the name of the lessor after forty-five (45) days prior written notice to the Unit Owner, in the event of a default by the tenant in the performance of the lease; and (iv) certifying that the tenant has received a copy of the Association governing documents, rules and regulations discussed herein and agrees to abide by them.
- N. Any lease must conform fully to applicable local laws and ordinances.
- O. No improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws and regulations of all governmental agencies having jurisdiction thereof shall be observed.
- P. No unit shall be used or occupied for revolving, transient, boarding house, or hotel purposes. Such restriction prohibits short-term/transient uses of a Unit, such as rentals through Airbnb.com and VBRO.com, which are online platforms advertising transient/daily rental of properties.
- Q. In no event shall there be deemed to exist a landlord/tenant relationship between the Board and the tenant under any lease.
- R. The foregoing provisions, except the restriction against use occupancy for transient or hotel purposes, shall not apply to the Association or a Mortgagee in possession of a unit as a result of foreclosure, judicial sale or a proceeding in lieu of foreclosure.
- S. The Unit Owner must provide a copy of the Association's Declaration, Bylaws, Policy Resolutions and Rules and Regulations to the Tenant, prior to the Tenant taking possession of the Unit. All Tenants must be parties to the lease or otherwise identified in writing by

the Unit Owner to Management. Owners are responsible for their tenants' compliance with all parking rules and regulations, including, but not limited to, any display of appropriate identification of vehicles. A failure of a landlord to notify the tenant of applicable parking regulations, including any updates thereto, is not the obligation of the Association to remedy or address.

- T. The Unit Owner must provide the Association with the names of all persons who shall occupy a Unit under a Lease.
- U. The Unit Owner must provide the Association with his or her offsite address, email and phone number for any period of time during which the Unit Owner does not occupy the Unit. The Unit Owner must update the Association of any changes in off-site address or phone number within ten (10) days of any change.
- V. The Unit Owner shall be jointly and severally liable with the Tenant for any damage to the Common Elements of the Association, and any related costs, including actual attorney's fees incurred (whether or not a suit is actually commenced in court), caused by the act, omission, neglect or carelessness of Tenant or that of Tenant's family, guests, invitees, licensees, employees or agents.

III. Leasing Requirements

- A. Any approval granted by the Board shall apply only to the lease specified in the Unit Owner's request, and all subsequent leases pertaining to the unit shall be subject to independent review and approval by the Board.
- B. The Amberlea at South Riding Condominium Standard Lease Addendum (attached hereto) shall be made part of the lease and must be attached to the lease as Exhibit A.
- C. Any Unit Owner approved to lease based upon the Waiting List administration shall have ninety (90) days to enter into a conforming lease, as explained above and to remit to the Association the Association Deposit, which is equal to two months' of rent. Failure to execute a conforming lease within the ninety (90) days period shall result in forfeiture of the approval to lease and shall require the Unit Owner to submit a new request to lease to the Association, thereby resulting in placement of the Unit Owner at the bottom of any Waiting List (and obtain approval of the same), if he or she wishes to lease the unit.
- D. Within ten (10) days of entry of the lease, the following documents must be provided to the Board of Directors.
 - 1. Copy of the executed Lease agreement
 - 2. Copy of the executed Lease Addendum
 - 3. Copy of all tenant's drivers licenses
- E. The Board of Directors must be notified of any termination of the lease at least fifteen (15) days prior thereto.

IV. Extending Current Lease Requirements

- A. Any approval granted by the Board shall apply only to the lease specified in the Unit Owner's request, and all subsequent extensions of a lease or any new leases pertaining to the unit shall be subject to independent review and approval by the Board, via compliance with the request to lease procedures described in Section I herein. While Unit Owners seeking extensions and re-leasing are permitted the opportunity to maintain their priority based on the total leased percentage of the Condominium, they must ensure that such priority is maintained by appropriately and timely submitting a request to extend the existing lease or re-lease the Unit, within forty-five (45) days of the expiration of the existing/prior lease.
- B. The Board of Directors must be notified of any termination of the lease at least fifteen (15) days prior thereto.

V. Enforcement

- A. The failure of any owner who (i) leases their unit prior to obtaining the Board's written approval, or (ii) to comply with all portions of this Resolution, shall subject the Unit Owner to the imposition of monetary charges and/or a suit for injunctive relief, pursuant to Virginia law and the Condominium Instruments.
- B. The owner shall be held responsible for any charges or penalties incurred by or imposed as a result of the action or inaction of the owner's tenant and all such charges may become a lien against the property of the owner if unpaid.
- C. If the Association must initiate eviction proceedings against a tenant, the Association shall be entitled to recover its attorneys' fees and costs from either the owner or the tenant, both of whom shall be jointly and severally liable for all attorneys' fees and costs incurred by the Association.
- D. In the event that an approval to lease is granted to a Unit Owner, and it is later determined that such approval was granted based on false or incomplete information, the Board of Directors, may in its sole discretion determine that prior approval to be void and unenforceable.
- E. Any breach of the Condominium Instruments by the Tenant shall, upon fourteen (14) days advance notice, result in application of the Association Deposit to any charges imposed by the Association as a result of a default (such as monetary charges related to violations of the Condominium Instruments) or to cure any default. Upon application of all or any portion of the Association Deposit, the Tenant shall be required to fully replenish the Association Deposit with the Association, within ten days written notice from the Association, or otherwise be deemed in default under the terms of the lease.

VI. Other Remedies

- A. The Association may exercise any and all legal rights allowed under the Condominium or allowed by law, without any limitation.
- B. This Resolution shall not be construed to prevent the acting management company from exercising the same rights as held by the Board of Directors, at the Board's direction and as its agent, per the Governing Documents and current management contract.
- C. This Resolution shall not be construed to prevent the acting law firm from exercising the same rights as held by the Board of Directors, at the Board's direction and as its attorney, per the Governing Documents and current law firm contract.

This Resolution shall supersede any other previous Resolutions regarding the same and shall be effective as of the date of adoption

THE AMBERLEA AT SOUTH RIDING CONDOMINIUM UNIT OWNERS' ASSOCIATION UNANIMOUS WRITTEN CONSENT IN LIEU OF A MEETING OF THE BOARD OF DIRECTORS

This Written Consent in Lieu of a meeting for the Board of Directors of The Amberlea at South Riding Condominium Unit Owners Association (the "Association") is made effective as of the date set forth below. The undersigned, being all of the directors of the Association do hereby: (i) waive all notices of the Meeting for the Board of Directors pursuant to the Bylaws; (ii) authorize the conduct of the meeting by written consent; and (iii) consent to the actions of the Directors contained herein.

1. 2022-01 Leasing of Units

The Board of Directors unanimously adopts the 2022-01 Leasing of Units. There being no further business to be taken by the undersigned, The Board of Directors make this consent effective as of the date set forth below and shall deliver this consent to the Association at its principal place of business and direct that it be filed in the appropriate records of the

Association.

This Written Consent may be signed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

Effective Date: March 30, 2022

Directors:

.

Director

THE AMBERLEA AT SOUTH RIDING CONDOMINIUM UNIT OWNERS ASSOCIATION RESOLUTION No. _____

(Amended Month Day, Year)

RESOLUTION ACTION RECORD

Motion by:	of the Board of Directors held Seconded by:				
		YES	VOT NO		ABSENT
Director					
Director					
Director					
Director					
Director					·
ATTEST:					
Secretary		 Date			