SHAKER WOODS HOME OWNERS ASSOCIATION

POLICY RESOLUTION NO. 11-002

(Resolution Regarding Leasing)

WHEREAS, Article II, Section 2 of the Declaration of Covenants, Conditions and Restrictions for the Shaker Woods Homeowners Association ("Association") states that owners may delegate their right of use and enjoyment of the Common Area and the Association's facilities to tenants; and

WHEREAS, Article V, Section 1 of the Association's Bylaws ("Bylaws") states that the Board of Directors may exercise all powers, duties, and authority of the Association which is not reserved to the membership and to adopt rules and regulations regarding the common areas and the personal conduct of the members thereon; and

WHEREAS, Section 55-515 of the Virginia Property Owners Association Act ("Act" provides that all those who occupy a lot within an Association are bound by the Association's Declaration and the Act; and

WHEREAS, Article II, Section 1(B) of the Bylaws states that all invitees of owners are bound by the Association's Declaration and Bylaws; and

WHEREAS, the Board of Directors, desires to establish uniform procedures for the leasing of lots and homes thereon, and the reporting of information about the leasing of lots;

NOW THEREFORE, be it resolved that the following policy and procedures shall govern the leasing of units within the Association:

1. Tenant shall mean and refer to the lessee or lessees of a home located on a Lot within the Association.

2. REQUIREMENTS OF THE OWNER

A. Within seven (7) days from the date of execution of a lease by an Owner, the Owner must submit to the Board of Directors a copy of the lease which must comply with the provisions of this resolution by mailing a copy of the lease to the Association at P.O. Box 1017, Herndon, VA 20172. The written lease must provide that any failure by the Tenant to comply with the Association's Governing Documents including but not limited to the Association's Rules, Regulations and Guidelines in effect at the time and those which are adopted during the term of the lease, shall constitute a default under the lease which requires the Owner to evict the Tenant.

- B. The Owner is responsible for providing a copy of the Association's documents including the Governing Documents to the Tenant prior to the Tenant taking possession of the lot.
- C. The Owner must provide the Association with his or her off-site address and phone number for any period of time during which the Owner does not occupy the lot. The Owner must update the Association of any changes in off-site address or phone number within ten (10) days of any change. All such notices must be in writing and be sent to the Association at Box 1017, Herndon, VA 20172.
- D. The Owner shall be liable for any damage to the Common Areas or property of the Association and any related costs including actual attorney's fees incurred (whether or not 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.
- E. Upon expiration of the initial lease term, the Owner shall submit any new lease entered into or otherwise extended with the original Tenant.

3. REQUIREMENTS OF THE TENANT

- A. The Lease must require that the Tenant abide by the Association's Governing Documents and the Owner is required to provide a copy of the Association's governing documents, including current Rules, Resolutions and Guidelines to the Tenant prior the commencement of the lease. In addition, the Tenant's family, friends, invitees, licensees, employees and agents are also bound by the Governing Documents. Owner has a continuing duty to provide Tenant with copies of all Rules, Resolutions and Guidelines adopted during the lease term.
- B. Tenant shall comply with all building, zoning and health codes and other applicable laws for the use of said leased premises.
- C. Tenant shall use lot as a residential dwelling and shall not conduct on the premises any activity deemed by the Owner or the Association in the Board's discretion to be hazardous, a nuisance, or in violation of federal, state or local laws or ordinances.
- D. The Tenant shall defend, indemnify and hold harmless the Association from and against any claim or damages, direct or indirect, including actual attorney's fees incurred as a result of Tenant's occupancy of the lot or from any noncompliance by the Tenant with the provisions of the Association's Governing Documents or any other covenant of the lease.

4. ACTION FOR NONCOMPLIANCE

- A. If the Owner fails to file a copy of the lease within seven (7) days of the execution of the lease, the Association will notify the Owner. Additionally, the Board shall have the power to bring an enforcement action against the offending Owner pursuant to its authority created by Section 55-513 of the Act and pursuant to the procedures in the Association's Due Process Resolution.
- B. If the Tenant violates any provision of the Association's Governing Documents, it shall be considered a default of the lease.
- C. Upon such violation, the Association may send a certified letter to the Tenant and the Owner. The Tenant must cure all violations by the date noted in the notice not more than fourteen (14) days after receipt of the violation notice. The notice shall advise the Owner and Tenant of the sanctions that may be imposed if the Tenant fails to cure the violation.
- D. If the violation is not remedied within the noted timeline the Association will proceed with the imposition of fines and/or suspension of the Owner's and Tenant's privileges pursuant to the Act and the Association's Due Process Resolution.
- E. In addition, the Board may send to the Owner by certified mail, return receipt requested, a Request to Evict the Tenant. If the certified mail is returned it shall not be deemed by the Association that the Owner has not received the notice. The Owner shall serve an eviction notice upon the Tenant within ten (10) days; shall initiate eviction proceedings within forty (40) days and secure eviction within one hundred twenty (120) days of the date of receipt or attempted delivery of the Request to Evict. The Owner will be responsible for all costs of eviction, including any costs expended by the Association in seeking eviction, such as attorney's fees and costs.
- F. If a Tenant commits an act that is criminal in nature or poses a threat to the health and safety of any Association resident, the Association may provide the Owner with a Request to Evict which requires the Owner to immediately begin eviction proceedings against such Tenant.
- G. Nothing set forth herein shall be deemed an election of remedies; accordingly, in addition to the enforcement mechanisms described in this Policy, the Association reserves the right to pursue any and all enforcement options available at law or equity against a unit Owner or Tenant who violates any provision of the Governing Documents.