

LAKEMONT FARMS HOMEOWNERS ASSOCIATION

LEASING POLICY

WHEREAS, the Uniform Planned Community Act 68 PA C.S.A. § 5302 (a)(1) & (11) (the “Act”) grants the Board of Directors the power to adopt and amend Rules and Regulations and level reasonable fines for violations of the Declaration, By-Laws and Rules and Regulations of the Association; and

WHEREAS, Section V, Project Eligibility Requirements, (5) Investor Ownership and (8) owner-occupancy Ratios of the U.S. Department of Housing and Urban Development Mortgagee Letter 2009-46 B dated November 6, 2009, requires that the Association respond accurately and timely to lender questions of investor ownership and owner-occupancy ratios; and

NOW THEREFORE BE IT RESOLVED that the following be adopted by the Board of Directors as the leasing policy of Lakemont Farms Homeowners Association (the “Association”).

Should any unit owner desire to lease his/her unit strict adherence must be made to the provisions hereinafter:

A. LEASING

1. Leasing of a unit shall not release or discharge the unit owner from any duties or obligations. The unit owner and tenant shall be held jointly and severally liable for any default or violation of the Association documents by the tenant.
2. The unit shall be occupied by the tenant as a “private dwelling” for “single-family occupancy” (as those terms are defined in the Declaration and/or Code of Regulations/By-laws) or if not so defined, for purposes of this restriction, “single-family” shall be defined as an individual or two or more persons related by blood, marriage or adoption, living together in a single unit, or not more than two (2) unrelated persons living in a single unit.
3. Total occupancy of any unit being leased shall not exceed two (2) persons per bedroom.
4. Each tenant shall agree to comply with terms and conditions of the Declaration and/or Code of Regulations/By-laws and the Rules and Regulations governing the Association, as they may be amended from time to time (the “Association Documents”). Any failure by a tenant or their invitee to comply with the terms of the association documents shall be a default under the lease.

B. DOCUMENTATION

1. All leases shall be for a term of at least one (1) year.

2. All leases and/or renewals must be in writing. All leases shall include the lease addendum, as approved by the Board of Directors. The lease addendum form, as approved by the Board of Directors (which is subject to revision), is attached. A copy of each must be provided to the management office within fifteen (15) days of signature.
3. Unit owners must notify the management company no later than fifteen (15) days after any change in occupancy of their unit, including if the unit is vacant but available for rent, and provide the management company with the following:
 - a. Any changes to the unit owners' contact information.
 - b. The name, telephone number and e-mail address of all tenants in the unit.
 - c. A fully executed copy of the lease, which includes the lease addendum and agreement required by the association as specified in B2 above (financial terms need not be disclosed).

C. ENFORCEMENT

1. Failure to comply with this leasing policy shall result in a fine as so stated in the rules and maintenance enforcement policy or rules enforcement policy whichever applies. The fine shall be due to the Association by the unit owner, regardless of whether the violation was committed or caused by the unit owner, their tenants, guests, invitees or contractors.
2. In the event a unit owner shall default in the payment of any charge, assessment, fine or penalty levied by the Association against a leased unit, and such default continues for a period of thirty (30) days, the Association (or its manager) shall so notify the tenant of the unit, in writing, of the amount due. Within fifteen (15) days after the date of such notice, or on the next date that the rent is due, the tenant shall pay to the Association the amount of such unpaid charge or assessment, limited, however, in any one month to an amount equal to one month's rental charge. The amount so paid by the tenant to the Association shall be credited against and shall offset the next monthly rental installment due to the owner of the unit following the payment by the tenant of such charge or assessment.

This policy will be administered in conjunction with the unit rental policy, as appropriate.

This policy shall be effective on May 1, 2014.

ATTEST:

LA Mills
President

4-8-2014
Date

Symone K. Tolman
Secretary

4-8-2014
Date

LAKEMONT FARMS HOMEOWNERS ASSOCIATION

ADDENDUM TO LEASE

_____ (hereinafter called "Lessor")

_____ (hereinafter called "Lessee")

hereby agree to the lease agreement dated _____ between the parties hereto for

[UNIT ADDRESS] _____

WHEREAS, the rules and regulations of Lakemont Farms Homeowners Association, (hereinafter called the "Association"), requires a lease addendum, as approved by the Board of Directors, in order to be in compliance with the rules, regulations and policy on the leasing of units.

WHEREAS, Lessor and Lessee desire to be in compliance with the rules, regulations and policies of the Association, the parties hereto agree to incorporate within its terms and conditions of the lease the following additional provisions for the benefit of the Association.

THEREFORE, it is agreed as follows:

1. Lessee acknowledges that promises made to Lessor in this paragraph and the following paragraphs hereof are made for the benefit of the Association for the purpose of reinforcing Lessor's duties to the Association through Lessee's performance. In order to enforce the provisions of this lease agreement made for the Association's benefit, the Association may, but is not required to, bring an action against Lessor or Lessee to recover sums due for damage or injunction relief or may impose any other sanction authorized by the Declaration or ByLaws (or Code of Regulations) of the Association. Failure by the Association to enforce any of its rights shall in no event be deemed a waiver of the right to do so thereafter. Lessee acknowledges having been given and having read a copy of aforesaid documents.
2. Lessee shall comply with the Declaration and the ByLaws (or Code of Regulations) governing the Association and with the administrative rules, regulations and policies adopted pursuant thereto, as any of the foregoing may be lawfully amended from time to time, and with the covenants, conditions and restrictions set forth in Lessor's deed to the premises. Lessee shall control the conduct of his or her family and guests in order to assure compliance with the foregoing and shall indemnify and hold Lessor and the Association harmless for any such person's failure to comply. Lessee acknowledges that the violation of any provision of the Declaration, the ByLaws (or Code of Regulations) or the Rules and Regulations adopted thereafter shall constitute a default under this lease.
3. Upon request by the Association, Lessee shall pay to the Association all unpaid assessments against the premises ("delinquent assessments"), as lawfully determined and made payable during the term of this lease agreement and other period of occupancy by the Lessee; provided that Lessee need not make such payments to the Association in excess of, or prior to the due dates for monthly rental payments unpaid at the time of the Association's request. All payments made under paragraph four shall reduce, by the same amount, Lessee's obligation to make monthly rental payments to Lessor. Payments made by Lessee shall not exceed the total due on the entire

lease. Lessor shall remain responsible for the delinquent assessment, as reduced by sums actually received by the Association from the Lessee, as provided hereunder.

4. If Lessee fails to comply with the Association's request as provided in this paragraph, Lessee shall pay to the Association all charges, interest and costs of collection including but not limited to an attorney's commission as provided in the law to the same extent Lessee would be required to make such payments to the Association if Lessee were the owner of the premises during the term of this lease agreement and any other period of occupancy by the Lessee.
5. Lessee shall comply with all notices and other requirements, rules and regulations of the Association concerning maintenance, repairs, parking and other items.

IN WITNESS WHEREOF, and intending to be legally bound, the parties have executed these documents the day and year first above written.

SEALED AND DELIVERED IN THE PRESENCE OF

Lakemont Farms Homeowners Association

WITNESS

LESSOR

WITNESS

DATE

LESSEE

DATE