

RENAISSANCE PARK MASTER ASSOCIATION, INC.

**RESOLUTION OF THE BOARD OF DIRECTORS
RULES AND REGULATIONS FOR LEASING OR RENTAL OF DWELLINGS**

ADOPTED: November 3, 2022

The undersigned, being the President and Secretary of the Renaissance Park Master Association, Inc. (hereinafter, "Association"), do hereby certify and attest that the Board of Directors of the Association duly adopted the following resolution and policy at a duly noticed Special Meeting of the Board of Directors on November 3, 2022:

RESOLUTION

WHEREAS, the Declarant caused to be recorded the Master Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens for Renaissance Park at book 12325, page 2080 of the Wake County Registry which Declaration was amended in that certain Amendment to Master Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens for Renaissance Park recorded at book 15499, page 2278 of the Wake County Register of Deeds (hereinafter, "Declaration");

WHEREAS, Article XII, Section 4 of the Declaration allows the Association to promulgate Rules and Regulations;

WHEREAS, the Board of Directors of the Association is empowered to govern the affairs of the Association and enforce the terms and conditions of the Declaration;

WHEREAS, N.C.G.S. §47F-3-102 allows the Association to adopt rules and regulations;

WHEREAS, Article X, Section 1 of the Declaration affirms the Association shall not be obligated to take action to enforce any covenant, restriction or rule which the Board reasonably determines that the cost of enforcement outweighs the benefit to be gained by enforcement;

WHEREAS, Article X, Section 14 of the Declaration outlines the permissible and prohibited leasing, rental and licensing of Dwellings. The Board desires to clarify the meaning of certain terms in Article X, Section 14;

WHEREAS, the Board desires to adopt the following Rules and Regulations (hereinafter, "Policy") relating to leasing, rental and licensing of Dwellings;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Renaissance Park Master Association, Inc. do hereby resolve that the following Rules and Regulations shall be effective with respect to all Lots in the Renaissance Park Subdivision:

**ARTICLE I
DEFINITIONS**

1. "Transient," as used in Article X, Section 14 of the Declaration, shall mean any rental agreement, lease or license agreement wherein the Owner of the Dwelling gives the right to another person(s) to occupy all or a portion of the Dwelling for a period of less than six (6) months. No Owner may lease, rent or

license a portion of the Dwelling through online services such as Airbnb, HomeAway, VRBO, Tripping.com, HomeToGo, FlipAway or any other such service.

2. "Regularly Occupied," as used in Article X, Section 14 of the Declaration, shall mean the Owner physically residing in the Dwelling as the Owner's primary residence, including for overnight sleeping, on a regular basis for at least eighteen (18) months.
3. "No Future Intent to do so (hereinafter, "Future Intent")," as used in Article X, Section 14 of the Declaration, shall mean the Owner of the Dwelling has no intent to ever reoccupy the Dwelling as their primary residence where Owner is the sole party to determine and define Future Intent. The Association and the Board relinquish any right or authority which would force the Owner of the Dwelling to provide a definition of the term "Future Intent".
4. "Commercial Purposes" as used in Article X, Section 14 of the Declaration, shall mean the Owner of the Dwelling purchased with the Dwelling with the sole intent of generating income, entering into any rental agreement, lease or license agreement within eighteen (18) months of the sale date as recorded with the Wake County Register of Deeds. Any Owner who has Regularly Occupied their Dwelling and has the future intent to reoccupy the Dwelling at some point in the future does not fall under the definition of Commercial Purposes.

ARTICLE II

EXCLUSIONS

1. The Association never enforced Article X, Section 14 of the Declaration during the fifteen (15) years of Declarant control.
2. The Owners of all Dwellings prior to 1/1/2022 are "grandfathered" and excluded from the Policy set forth herein, except as specified below, and the Association shall refrain from any enforcement of Article X, Section 14 until a sale of the Dwelling is recorded with the Wake County Register of Deeds. The Board has reasonably determined that the cost of enforcement of Article X, Section 14 outweighs the benefit to be gained by enforcement.
 - a. Dwellings which have been "grandfathered" shall be prohibited from offering Transient rentals such as Airbnb, HomeAway, VRBO, Tripping.com, HomeToGo, FlipAway or any other such online service where the Owner gives the right to another person(s) to occupy all or a portion of the Dwelling for a period of less than six (6) months.

ARTICLE III

WRITTEN PERMISSION

1. It is the responsibility of the Board of Directors to prevent unneeded litigation against the Association.
2. Prohibiting a real estate transaction, which includes the lease of real property involving protected classes is an unlawful discriminatory housing practice as defined by the Fair Housing Act and N.C.G.S. § 41A and opens the Association up to litigation.
3. Any Owner, who is abiding by the Declaration and this Policy, and intends to enter into any rental agreement, lease or license agreement does not need to seek written permission from the Association.

4. The Association shall not be considered involved in the real estate transaction between the Owner of the Dwelling and any or all tenants.

ARTICLE IV **INTENT**

1. It is the intent of the Board of Directors for the Association that the definitions provided for herein shall be controlling as it relates to the enforcement and interpretation of Article X, Section 14.

ARTICLE VI **CONFLICTS**

1. To the extent this Policy contradicts with any previous guidelines, rules, regulations, or resolutions, this Policy shall control.
2. This Policy specifically supersedes the document enacted May 5, 2021 titled RULES AND REGULATIONS OF THE RENAISSANCE PARK MASTER ASSOCIATION, INC. FOR LEASING, RENTAL OR LICENSING OF DWELLINGS.

ARTICLE VII **SEVERABILITY**

1. If any article, or portion of an article, in this Policy is considered invalid under the rule of law, it shall be regarded as stricken while the remainder of this Policy shall continue to be in full effect.

RENAISSANCE PARK MASTER ASSOCIATION, INC
ANNEX A
SIMPLIFIED PERMISSIBLE/PROHIBITED TYPES OF RENTAL DWELLINGS

PROHIBITED TYPES OF RENTAL DWELLINGS

1. **ANY** Dwellings, which are not “grandfathered”, purchased for solely Commercial Purposes.
2. **ANY** Dwellings, which are not “grandfathered”, leased to tenants and have not been the primary residence of the Owner on a regular basis for at least eighteen (18) months.
 - a. Example: A Dwelling which is purchased on or after 1/1/2022 and offered for rent within 18 months of the sale date.
3. **ANY** Dwellings which are used for a transient purpose such as AirBnB/VRBO/etc.
4. **ANY** Dwellings where tenants will occupy for a period of less than six (6) months.

PERMISSIBLE TYPES OF RENTAL DWELLINGS

1. **ANY** Dwelling:
 - a. Which has been used as the primary residence of the Owner on a regular basis for at least eighteen (18) months from the Sale Date recorded by the Wake County Register of Deeds; AND
 - b. Which will not be used for a transient purpose such as AirBnB/VRBO/etc; AND
 - c. Where the Owner intends to reoccupy the Dwelling as a primary residence at some point in the future. The Owner shall have no compulsion, to anyone, to define their Future Intent.
2. **ANY** Dwelling:
 - a. With a sale date listed with the Wake County Register of Deeds prior to 1/1/2022; AND
 - b. The Owner of the Dwelling is not offering Transient rentals such as Airbnb, HomeAway, VRBO, Tripping.com, HomeToGo, FlipAway or any other such online service where the Owner gives the right to another person(s) to occupy all or a portion of the Dwelling for a period of less than six (6) months.

OWNER RESPONSIBILITY

1. It is the Owner’s responsibility to ensure tenants are abiding by the Declaration, Bylaws, and Policies of the Association. If a Dwelling is being rented in accordance with this Policy any and all violations will be assessed against the Owner of the Dwelling and NOT the tenants.

RENAISSANCE PARK MASTER ASSOCIATION, INC
ANNEX B
IDENTIFICATION AND VIOLATION PROCESS FOR RENTAL DWELLINGS

1. Any homeowner who has sufficient evidence that a Dwelling is being rented in violation of the recorded Declaration and/or this Policy can inform the management company or a director of the Association for investigation.
2. Once informed of the potential violation the Association will investigate, and if found valid, proceed through the normal violation process.
3. The criteria which will be used to determine if the Dwelling is in violation of the Declaration and/or this Policy is if the Dwelling does not conform to one of the two items below:
 - a. The Sale Date recorded with the Wake County Register of Deeds is at least eighteen (18) months in the past when compared to the complaint AND:
 - i. The Dwelling is NOT being used for transient purposes such as AirBnB/VRBO/etc; OR
 - ii. The Dwelling is NOT being used for a transient purpose where tenants will occupy for a period of less than six (6) months; AND
 - iii. The Owner of the Dwelling has an intent to return to reoccupy the Dwelling at some point in the future.
 1. For Example, it is valid for the Owner of the Dwelling to have intent to reoccupy at retirement. The Association or the Board of Directors do not have any privilege to reject or penalize life plans of the Owner.
 - b. The Dwelling is "grandfathered" which means the recorded Sale Date with the Wake County Register of Deeds is prior to 1/1/2022 and the Dwelling is not being used for transient purposes such as AirBnB/VRBO/etc
4. The Owner of a Dwelling found to be in violation of the Declaration and/or this Policy, based upon the criteria listed above, will be invited to a due process hearing with the Board of Directors.
 - a. The Owner of the Dwelling does not need to be present for the due process hearing
 - b. A fine of up to \$100/day will be assessed to the Owner found to be operating a prohibited rental Dwelling

NOTE:

1. The normal violation process includes inviting the accused to a due process hearing and rendering a verdict in a closed door session
2. Please note the normal violation process is private in nature and information can not be shared with homeowners (even the reportee)

The foregoing shall be the official policy of the Association henceforth.

Signed this 4 day of November, 2022.

By: Megan Lord-Harvey
Megan Lord-Harvey, President

ATTEST:

Alexander Brown
Alexander Brown, Secretary