RESOLUTION OF THE EXECUTIVE BOARD FOR BRIER CREEK COTTAGES CONDOMINIUM OWNERS ASSOCIATION, INC.
POLICY RESOLUTION 2026-6

Adopted: September 14, 2026

THAT WHEREAS the Declarant Toll at Brier Creek Limited Partnership caused to be recorded a certain Declaration of Condominium for Cottages at Brier Creek, a Condominium pursuant to North Carolina General Statutes Chapter 47C in Book 12967, Page 2163 of the Wake County Public Registry (hereafter referred to, together with all Amendments and Supplements thereto, as the "Declaration");

WHEREAS Brier Creek Cottages Condominium Owners Association, Inc. (hereafter referred to as the "Association") was incorporated on or about 17 December 2007 with the North Carolina Secretary of State and is the primary entity responsible for administering affairs of Cottages at Brier Creek, a Condominium, as set forth in its legal documents, including without limitation, the Declaration;

WHEREAS, the Executive Board is empowered to manage the business and affairs of the Association pursuant to Section 5.1 of the Bylaws of Brier Creek Cottages Condominium Owners Association, Inc. (hereafter referred to, together with any Amendment and Supplements thereto, as the "Bylaws");

WHEREAS, Section 7.7 of the Declaration (as amended October 3, 2008 in book 13265, page 703 of the Wake County Registry ("the Second Amendment") establishes limitations on Unit rentals and invests the Executive Board of the Association with discretion pertaining to approval of proposed leases of Units in the Cottages at Brier Creek, a Condominium;

WHEREAS, Section 7.15 of the Declaration and N.C.G.S. §47C-3-102 allow the Board to promulgate rules and regulations related to the Condominium;

WHEREAS, the Executive Board has adopted a number of Policy Resolutions related to leasing, including Policy Resolution 2024-2 dated February 29, 2024, Policy Resolution 2024-5 dated September 9, 2024, Policy Resolution 2024-6 dated December 10, 2024 and, thereafter, adopted Policy Resolution 2025-1 dated January 27, 2025 which replaced Policy Resolution 2024-6 dealing with Leasing Permits, Policy Resolution 2025-4 dated May 6, 2025 and Policy Resolution 2026-1 dated January 12, 2026 (collectively, the "Leasing Policy Resolutions");

WHEREAS, the Executive Board desires to replace Policy Resolution 2026-1 dated January 12, 2026 in order to clarify when Owners must submit a new Application for Lease Permit for tenants and further desires to replace all previous Leasing Policy Resolutions with this Policy Resolution;

WHEREAS, the Board desires include within this a fee to any Unit being leased and using the services of the Association's management company in administering the leasing program pursuant to, *inter alia*, N.C.G.S. §47C-3-102 (a) (10), N.C.G.S. §47C-3-115, Article X of the Declaration and Article 7.15 of the Declaration which was previously included in Policy Resolution 2024-5 which was part of the Leasing Policy Resolutions;

NOW THEREFORE, the undersigned does hereby declare that this Policy Resolution shall replace the Leasing Policy Resolutions.

1. The terms "leased" or "rental" refer to the occupancy of a Unit by any other person(s) other than the Owner The following are excluded from this definition:

(a) Occupancy by an immediate family member of the Owner, whether or not the Owner occupies the Unit. The term "immediate family member" refers to a spouse or domestic partner of the Owner, or a parent or child of the Owner (or of the Owner's spouse or domestic partner).

(b) The Executive Board in its sole discretion, by majority vote, may make exceptions for other types of occupants, on a case-by-case basis.

The term "Tenant" shall mean anyone residing in a Unit that is not an immediate family member of the Owner.

2. Leases. Only one (1) Lease is permitted by an approved Lease Permit. Owners shall provide a copy of the fully-executed Lease to the Executive Board within 15 calendar days of signing.

Only one (1) Lease per Unit, fully executed by both Owner and Tenant(s), can be in force at any given time.

A Lease to a Tenant(s) includes the entire Unit.

All occupant names except the Owner and immediate family members (as defined above) must be clearly listed on the Lease.

Subletting is not permitted under any circumstance, in any form.

3. Lessees. Units must be leased to an individual person(s) and cannot be leased to a company.

4. Lease Caps. Pursuant to the Lease Caps established by the Second Amendment, the following limits apply:

(a) In no event may more than seven (7) Units be leased at any time in a 25-Unit Building

(b) In no event may more than five (5) Units be leased at any time in a 20-Unit Building;

(c) In no event may more than four (4) Units be leased at any time in a 14-Unit Building;

As for other buildings, in no event may more than twenty-five percent (25%) of the units in any Building be leased.

5. Lease Permits and Occupancy Status Form. Prior to renting out a Unit, the Owner shall apply in writing to the Executive Board for a "Lease Permit". The purpose of the Application for Lease Permit (which shall include the proposed Lease) shall be for the Executive Board to review the Application for compliance with the Declaration of Condominium and this Resolution. The Lease Permit entitles the Owner to rent out the Unit within 60 calendar days of permit issuance. Lease Permits are not transferrable. If granting of the Lease Permit would exceed the Lease Cap, no Lease Permit shall be issued.

Owners must submit a new Application for a Lease Permit for each new lease or renewal. For a renewal with the same Tenant, the Unit will retain its existing position under the applicable Lease Cap, provided the renewal is timely submitted, is for at least six (6) months, and the Owner and Unit meet all applicable requirements, including being current on assessments and having no outstanding violations. If the existing tenancy ends and the Owner proposes a new Tenant, the Owner must apply for a new Lease Permit and will be subject to the Waiting List if the applicable Lease Cap has been reached.

In addition, all Unit owners shall complete the Occupancy Status Form to certify the status of each Unit. Any Unit Owner of a Unit that is leased as of the date of the Occupancy Status Form Request and on a recurring basis, shall provide to the Association's Managing Agent, the requested lease details, occupant information forms, and governing document acknowledgements for the tenant(s) living in their Unit, and any additional documents that reasonably may be required by the Association, as permitted by law.

6. Rental Registration Fee. The Association shall assess the Owner of a Unit that is being leased an annual lease registration fee to be determined annually by the Board of Directors (the "Rental Registration Fee"). The Rental Registration Fee shall be two hundred and NO/100 Dollars ($200.00) for the calendar year 2026 and will be determined by a majority vote of the Board for future years. The Rental Registration Fee shall be due and payable on the date on which the leased unit's occupancy status is requested and on each subsequent anniversary date thereof, for as long as such unit remains leased. The Rental Registration Fee thereof shall constitute and shall be treated for all purposes as an Individual Assessment pursuant to the Association's Declaration Article X, Section 5, as well as, the powers vested in the Association pursuant to N.C.G.S. §47C-3-102 (a) (10) and N.C.G.S. §47C-3-115. The service of processing a request for a Lease Permit incurs fees charged to the Association. Any fees charged by the management company of the Association to the Association for the service of accepting, reviewing and responding to applications for Leasing Permits pursuant to Paragraph 6 of this Policy Resolution 2026-1, shall be assessed to the Unit Owner applying for the Leasing Permit. The fees charged by the

Association for such services shall be consistent with the fees charged by the management company to the Association.

7. Hardship Permits. The Executive Board in its sole discretion, and by majority vote, may allow leasing in excess of the Lease Cap due to a demonstrated hardship. All other leasing requirements in this Resolution, the Declaration of Condominium, and the Second Amendment still apply.

8. Waiting List. Owners who have been denied a Lease Permit solely because the Lease Cap has been reached shall be placed on a Waiting List, in the order which each Lease Permit was received by the Executive Board (prioritized by date, then by time). Lease Permits will be granted in the order of the Waiting List, if the number of approved Lease Permits fall below the Lease Cap (and if the original application by the Owner remains unchanged). Hardship Permits do not increase or decrease the number of approved Lease Permits.

9. Revocation of Permits. Lease Permits and Hardship Permits shall be automatically revoked if:

(a) the Owner fails to lease the Unit within 60 days following the date of permit issuance;

(b) the Owner fails to submit the fully-executed Lease to the Association within 15 calendar days of signing.

(c) the fully-executed Lease allowed by a Lease Permit is terminated for any reason;

(d) the fully-executed Lease allowed by a Hardship Permit is terminated for any reason;

(e) the Owner sells or otherwise conveys the Unit to another person(s) or entity(ies);

(f) the Owner advises the Executive Board that the Owner no longer wishes to rent out the Unit;

(g) the Executive Board, exercising its sole discretion over rentals provided by the Declaration of Condominium, revokes a Lease Permit by majority vote.

(h) the Owner's lease renewal term is for a period of less than six (6) months.

10. Minimum Lease Terms. Pursuant to Article 7.7 of the Declaration, no Owner shall lease his Unit for transient or hotel purposes, which for the purposes of this Declaration shall be defined as either a rental for any period less than six (6) months or any rental if the lessee of the Unit is provided customary hotel services. This includes leases which were originally for a period of six (6) months, but then renews on a month-to-month basis. All renewal periods must be for a period of no less than six (6) months.

- No leases may include an automatic conversion to month-to-month.

- Any renewal/extension must be for a term of not less than six (6) months and submitted as required.

- If a lease converts to month-to-month, the lease permit may be revoked/considered non-compliant and subject to enforcement pursuant to Paragraph 9 herein.

11. Inventory of Leased Units. The Executive Board shall maintain a current list of Leased Units. The Executive Board shall also maintain all approved Lease Permits and fully-executed Leases. The Executive Board shall also track the start/end dates of each lease.

12. Violations. Any violation or breach of Amended Section 7.7 or this Resolution shall be assessed $100 per day until brought into compliance after hearing pursuant to N.C.G.S. §47C-3-107.1

13. In the event an Owner is issued a Lease Permit, the Owner's personal use of the amenities will be restricted and shall be deemed to be assigned to the tenant (s). The Owner shall not be allowed to use the amenities so long as a valid Lease Permit is in place and tenant is occupying the Owner's Unit. Only the tenant will be allowed to use the amenities during the time a valid Lease Permit is in place.

CERTIFICATION OF VALIDITY OF RESOLUTION OF THE EXECUTIVE BOARD FOR BRIER CREEK COTTAGES CONDOMINIUM OWNERS ASSOCIATION, INC.

By the authority of its Executive Board, Brier Creek Cottages Condominium Owners Association, Inc. does hereby certify that it has reasonably assured itself that this Resolution has in fact been duly approved by a vote and/or written consent of the Executive Board, and that the foregoing Resolution (2026-06) is a valid Resolution of Brier Creek Cottages Condominium Owners Association, Inc. This Resolution amends and supersedes Policy Resolution 2024-2, Policy Resolution 2024-5, Policy Resolution 2024-6, Policy Resolution 2025-1, Policy Resolution 2025-4 and Policy Resolution 2026-1 with respect to leasing.

BRIER CREEK COTTAGES CONDOMINIUM OWNERS ASSOCIATION, INC.

By: Mona Passmore

Name: Mona Passmore

Title: President

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