

Ocean Walk HPR Long Term Rental Lease Agreement Guidelines

Acknowledgment of Completion

This acknowledgment is to be placed in owner file at the HPR Management Company for current tenant. Tenant shall provide a copy of this completed sheet with signed Lease prior to taking occupancy.

I, _____

Owner's name (print)

Apartment number _____ (designate A or B or C)

acknowledge that the Long Term Rental Policy has been completed for the tenant in the above apartment for the information below:

- Residence verification _____ initials
- Employment verification _____ initials
- References check _____ initials
- Ocean Walk HPR Rules, Regulations and Fine Structure signed as read and acknowledged _____ initials
- Credit check _____ initials
- SLED Review (South Carolina resident) _____ initials
- 14th Judicial Court Review (South Carolina resident) _____ initials
- National Sex Offender registry review _____ initials
- Other (As stipulated by the owner, optional) :

_____ initials

Tenant's Name (PRINT): _____

Tenant's Signature: _____ Date: _____

Owner's Signature: _____ Date: _____

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Purpose

This document establishes a uniform policy that provides direct guidance regarding the long term leasing practices for apartments within the Ocean Walk HPR.

The policy establishes practices and procedures for processing long term leases.

This document establishes enforcement available to the Ocean Walk Board of Directors to adhere to the adopted documents of the HPR.

Scope

This policy will apply to all Ocean Walk owners, mortgagees, or parties representing the interests of said parties.

For the purposes of this policy a long term lease is required when occupancy is ninety (90) consecutive days or longer.

Policy

A copy of this specific policy will be provided to any potential property buyer as part of the Ocean Walk HPR disclosure.

All Ocean Walk owners who elect to enter into a long term lease, as defined, of their apartment(s) shall be required to adhere to this policy.

Owners are required to provide a prospective tenant with the current Ocean Walk Rules and Regulations with fine structure at the time the owner provides the prospective tenant with a lease agreement. This document must be signed as read and understood and becomes a part of the tenant folder when lease is signed.

Owners that elect to offer their apartment(s) as long term rentals shall be required to certify to the HPR that their tenant(s) have been screened through the processes defined in this policy.

Owner shall complete the Acknowledgment of Completion sheet for each new tenant and submit the executed form to the HPR Management Company.

A copy of the lease agreement shall be provided by the tenant to the HPR contracted Management Company.

Ocean Walk Board of Directors shall enforce this document through the available approved Rules, Regulations and Fine Structure of the Ocean Walk HPR.

Owner or agent shall sign acknowledgement sheet indicating that this policy has been completed. A copy of this form shall be placed in the owner file of record.

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Uniform Rental Representative

1. Representative shall be appointed and serve at the direction of the sitting Ocean Walk Board of Directors.
2. This representative will provide an information collection point regarding the status of Ocean Walk apartment(s) being offered as long term rentals for access by all owners.
3. Primary responsibility will be to serve as a liaison to the Owners for the purpose of maintaining a database of tenants that have been refused an initial lease or a renewed lease agreement under unfavorable conditions (i.e. eviction, criminal activity, illegal substance abuse, etc.)
4. This database shall be made available to all owners upon request.

Tenant record file. owner/agent shall:

1. Create a tenant record file.
2. Retain file in effect during lease period and for at least ninety (90) days following termination of lease.
3. Be responsible for collecting, processing and completing all materials for this file.
4. Be permitted to elect to hire an outside agent to execute the management of tenant file. Record of outside agent shall be kept on file with the HPR Management Company. Owner is ultimately held responsible for contents.
5. Keep minimum records that are to be maintained in file as follows:
6. Rental Application. owner/agent shall:
7. Owner or agent shall obtain a completed, signed rental application from all prospective tenants before having them sign a lease.
8. Rental application content guidelines that must be included in the completed application are available on the Ocean Walk website in the owners section.
9. If all questions are not answered the prospective tenant shall be denied approval by the owner.
10. If lease is offered this rental application becomes part of tenant record file.
11. If lease is not offered prospective tenant rental application shall be destroyed as agreed.
12. Owners may elect to use a different rental application. Any alternate rental application must adhere to the minimum standards offered the Ocean Walk website rental application.
13. Unfavorable tenant applications (i.e. eviction, criminal activity, illegal substance abuse, etc.) are to be reported to the Uniform Rental Representative for future reference.
14. Lease Agreement, owner/agent shall:
15. Complete a lease agreement for approved tenant and place in tenant record file
16. Lease agreement content guidelines that must be included in the completed lease are available on Ocean Walk website in the Owners section.
17. When a lease agreement is accepted it is advised that the owner collect a fee for the background and credit check requirement. The disposition of this fee is at the discretion of the owner.
18. Disposition of a lease agreement should a prospective tenant not be accepted is at the discretion of the owner and prospective tenant.
19. Owners are encouraged to require a security deposit with refund of deposit documented in lease agreement
20. Provide that a copy of current signed lease agreement be provided by tenant and kept on file at HPR

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Management Company

21. Termination of lease, owner/agent shall:
22. Collect all entry FOBs for future use by owner/agent
23. Collect all vehicle decals and destroy
24. Notify HPR Management Company of termination of lease via email with a required return reply from HPR Management Company within the next working day.
25. Notify the Uniform Rental Representative with cause for termination in the event that termination is by eviction or for some other unfavorable condition (i.e. criminal activity, illegal substance abuse, etc.)
26. Background Check, owner/agent shall:
27. Complete an initial background check of prospective tenant(s) 18 years or older.
28. Use this option to screen potential tenants.
29. A check with the Uniform Rental Representative for past information is required.
30. Contact the South Carolina Law Enforcement division database (SLED) if the prospective tenant has ever resided in South Carolina.
<http://www.sled.sc.gov>
31. Contact the Beaufort County 14th Judicial Circuit Public Index if the prospective tenant has ever resided in South Carolina.
<http://publicindex.sccourts.org/beaufort/publicindex/>
32. Be requested to stay abreast of South Carolina sex offender listings at:
National Registry- www.nsopw.gov and www.scor.sled.sc.gov for South Carolina.
33. Check references, previous resident history, employment history.
34. Credit Check, owner/agent shall:
35. Conduct a credit check for all applicants.
36. Retain a copy of the report as part of tenant file at signing of lease.
37. Consider: <http://www.mysmartmove.com/SmartMove/landlord-credit-check.page>: The fee is about \$25 or www.creditkarma.com, for free.
38. Apartment Walkthrough, owner/agent shall
39. Within ten days of a signed lease conduct a walkthrough of apartment with tenant(s).
40. Conduct at least two (2) walkthroughs per calendar year with tenant(s).
41. As an option designate an agent to complete this walkthrough

The rental application is a first step in identifying potential tenants for long term rental at Ocean Walk HPR. Most owners/agents currently have an application that they use to help screen applicants for consideration.

Minimum guidelines to establish potential applicants are made below. These are the minimum standards acceptable for initial screening. Owners/agents are required to adhere to these minimum standards. All owners/agents may expand on these standards as they see fit for their own screening of applicants.

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Minimum standards for renter shall be:

- Name, DOB of applicant
- Some type of identification: driver's license, social security number, etc.
- Contact information....address and phone number(s)
- References
- Employment history
 - a. Name of employer
 - b. Contact person for verification of employment
 - c. Length of time at employment
- Current address
 - a. Name of landlord and contact phone number
 - b. Length of time at current address
- Notification that a background check will be completed to include:
 - a. Employment
 - b. Residence
 - c. References
 - d. Credit
 - e. Criminal check to include SLED and Judicial Court records if a South Carolina resident
 - f. Sex offender registry review
- Emergency contact person
 - a. Name
 - b. Relationship
 - c. Telephone(s) and address
- Vehicle ownership
 - a. Make(s)
 - b. Models)
 - c. State license number(s)
- Statement that all information is true and correct
- Signature line for potential tenant and owner
- Application is dated
- Disposition of application is provided, Unfavorable applicant reported to Uniform Rental Representative (i.e. eviction, criminal activity, illegal substance abuse, etc.)

The Lease Agreement is the final step qualifying a tenant and establishing the required criteria for residency in the Ocean Walk apartment.

Most owners/agents currently have a Lease Agreement that they use with tenants. Minimum guidelines regarding the Lease Agreement are made below.

Owners/agents shall meet these minimum standards in their Lease Agreement.

All owners/agents may expand on these minimum standards as they see fit for their own Lease

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Agreement requirements. *leases which exist as of the date of the adaption of this policy, and which terminate less than one(1) year after the date of adoption of this policy, shall not be renewed or otherwise continue in any capacity (month to month or otherwise) beyond the termination date, without being subject to this policy and submitting a new application and taking all other steps in accordance herewith.*

Leases which exist as of the date of the adoption of this policy, and which terminate more than one(1) year after date of adoption of this policy, shall be subject to the provisions of this policy upon one(1) year after date of the adoption of this policy, and the Association may terminate any Lease after that date if such Lease does not comply with the terms of this policy, including but not limited to failure to receive or approve an application by a tenant.

Ocean Walk HPR Long Term Rental Lease Agreement Guidelines

Minimum Standards for owner/agent shall be:

- Identification of tenant/owner/agent
- Term of lease agreement
- Signed copy of the current Ocean Walk HPR Rules, Regulations and Fine Structure (addendum)
- Cost of rent during term of lease agreement, monthly and total
- Conditions of any late fees for noncompliance with Lease agreement
- Identification of any security deposit and disposition of return
- Condition and use of the premises
- Contact information for tenant/ owner/agent
- Permitted occupancy during the Lease Agreement (list of occupants)
- Required upkeep regarding housekeeping and alternations
- Required repair and maintenance guidelines
- Utility parameters for payment by tenant
- Stipulate that there are no pets allowed by tenant. Service animals permitted with proper registration
- Indemnifications outlined
- Renter insurance requirements
- Notice and termination guidelines regarding default
- Inspection and access outlined
- Surrender of apartment at termination outlined
- Notice given in writing guidelines
- Subletting restrictions
- Signature line for owner/agent and tenant to include date and recommend a witness
- Disposition of FOB and keys for entry into building, apartment and mailbox
- Each page of Lease Agreement shall have an initial line at the bottom that indicates the tenant and landlord have read that page with a date line added.
- Owners/agents are encouraged to add additional sections to stipulate addendum items of importance to the rental of the apartment.

Owners/agents are encouraged to review the South Carolina Code of Laws, Title27- Property and Conveyances, Chapter 40: Residential Landlord and Tenant Act, Article I: General Provisions and Definitions

This law states: "works to simplify, clarify, modernize and revise the law governing rental of dwelling units and the rights and obligations of/landlords and tenants and to encourage landlords and tenants to maintain and improve the quality of housing."

<http://www.scstatehouse.gov/code/t27c040.php>

Ocean Walk HPR Rules and Regulations

GENERAL

1. Owners are responsible for their guests and tenant's guests. Owners are subject to any fines or actions resulting from the violations of these rules and regulations, the Master Deed, Bylaws, local and state laws committed by tenants and guests.
2. Property Damage: Damage to the common areas of Ocean Walk both inside and outside is prohibited and will be repaired at the owner's expense and will be subject to fines up to \$250.
3. Pest Control: Routine Pest Control is provided by the Regime. Additional pest control beyond routine inspection and treatment is the responsibility of the owner. Infestations requiring additional response by pest control are the responsibility of the owner. Costs incurred by the Regime in response to infestations, such as bed bugs, shall be the responsibility of the owner.
4. Before any tenant or occupant of a unit commences occupancy, he or she must sign an acknowledgement of having read and understood these Rules and Regulations form.

ACCESS

5. Owners and occupants must permit the Association to conduct pest control and must provide keys to the unit for that purpose and emergencies. The Association shall have the right to re-key, at owner's expense, any apartment lock for which a working key is not timely provided
6. Building access FOB procedure permits two (2) access FOBs per owner. Two (2) additional FOBs may be purchased at \$25 each if the unit is not rented long term. If the unit is rented long term, tenants may purchase up to two (2) FOBs per bedroom as long as those individuals are on the current lease.
7. No owner/tenant/guest shall cause any exterior access door to be left ajar giving access to the premises.

OCCUPANCY

8. Maximum occupancy is two (2) persons per bedroom
9. Only residential occupancy is allowed
10. All occupants must appear on the lease. No occupant may live in a unit without being on the lease.
11. Anyone who has been evicted or has been served a notice of eviction is prohibited from future occupancy.

NUISANCE

12. No occupant is permitted to interfere with the peace and enjoyment of the residents of other units. Loud noise and other disruptive behaviors are prohibited.
13. Drug use, drug sales and other criminal activity are prohibited and subject to fines and eviction.

Ocean Walk HPR Rules and Regulations

14. Smoking is prohibited in all interior common areas of the premises as well as the interior and exterior portions of the front entrance and the interior and exterior portions of all breezeways. No smoking within 40 feet of any entrance.

AMENITIES

15. Pool Rules: Pool rules are posted at the pool areas. Pools are not to be used other than during the posted hours. Pets of any kind are not permitted in the pool area. Glass is not permitted in the pool areas. All posted pool rules are to be strictly observed.

16. Tennis Court Rules: Tennis courts are to be used only during posted hours. Non-marring tennis shoes are to be used. Animals, bicycles, skateboards, etc. are not permitted on the courts and no activity other than tennis is permitted.

PETS

17. Pets are not permitted on the premises except by owners. All pets must be registered with the Management Company. Owners are responsible to clean up after their pets and pets that cause distress to other owners/residents/guests through barking, biting, scratching, damaging property, etc. will not be tolerated.

18. Pets are prohibited inside the pool areas and tennis courts

BUILDING

19. Bicycles, skateboards and similar devices are prohibited from use inside the building. No bikes are allowed through the front entrance or the atrium elevator. Bikes are only allowed entrance via the rear service elevator. These devices may be walked to and stored inside the units (not on patios/balconies except for units that can store them behind the first floor short walls out of sight). Chemical fuel powered devices of any kind are prohibited from entering the building. Bicycles, mopeds and the like must be placed in the parking areas designated for them and those not stored in these areas will be removed at the owner's expense.

20. Balconies and patios: Open flame devices are not permitted; sweeping items over the porches to units below or cleaning of rugs, dust mops, and other similar objects from the windows or balconies is prohibited. Only furniture appropriate for outdoor use and small plants are allowed; bird feeders or bird cages using bird seed are prohibited. Storing bicycles and the like on balconies and patios is prohibited.

21. Hanging garments, towels, rugs, or similar objects from the windows, balconies, or any of the facades of the property is prohibited.

22. Posting advertisements or posters/printings and the like in or on the property is prohibited except as authorized by the Board.

23. All trash must be in kitchen trash bags tied closed and shall be thrown in the trash chutes. All other items are prohibited from being placed in the chutes and are to be discarded in accordance with the Town Rules and Regulations; no items or trash are to be placed in any of the common areas of the premises.

24. Sliding doors, windows or screens: all sliding doors, windows and screens must be

Ocean Walk HPR Rules and Regulations

maintained properly. Broken sliding doors, windows and screens must be repaired or replaced so as to conform to the general appearance of the overall building. Visible backing must be material produced specifically for window treatment and must be white or off-white in color to maintain a uniform appearance throughout the building. Broken sliding doors, windows and exterior screens must be repaired immediately by the owner or the Regime will have repaired at owner's expense.

25. Waterbeds are not permitted.
26. Renovations: renovations involving structural elements, electrical repairs and modification, plumbing repair and modifications are prohibited without the appropriate town permits and approval of the association.
27. Satellite Dishes: satellite dishes are not permitted on the roof or any common area of the building or grounds. Dishes placed in the porch areas may not protrude beyond the railing or concrete pad. Satellite dishes may not be attached to railings
28. Installation of wiring, antennae, dishes and the like for electrical or telephone installations, television or radio, air conditioning fixture or similar objects outside of the dwelling or which protrude through the walls or roof or balcony perimeter of the unit is prohibited except as authorized by the Board.

PARKING

All drivers and vehicles must comply with South Carolina Department of Motor Vehicle regulations and state laws while on the property.

29. All vehicles parked at Ocean Walk must be registered with management company and each vehicle must display a parking decal affixed to the inside front lower windshield on the driver's side. Each unit will be issued up to one (1) decal per bedroom. Visitors must have a valid guest pass hanging from the rear view mirror of the vehicle.
Long term tenant decals expire with the lease renewal date. (revised 12/2016).
30. Oversize box vans/trucks that cannot fit into a standard parking spot and commercial vehicles are prohibited.
31. No vehicle is allowed to use more than a single parking space.
32. Owners will be issued a decal at no charge upon completion of a vehicle registration form and presentation of a valid driver's license and a current vehicle registration at the management company office.
33. Non-owner residents will be issued a renter's decal upon completion of a vehicle registration form. Presentation of a valid driver's license, current vehicle registration, copy of current lease listing the vehicle owner as tenant and completed Background Check Acknowledgement Sheet and payment of \$25. No renter's decals will be issued for oversize box vans/trucks that cannot fit into a standard parking spot or commercial vehicle.
34. Visitors may obtain one (1) temporary guest pass per bedroom at no charge for up to two weeks. Guest's passes will only be issued two times consecutively. No guest passes will be issued for oversize box vans/trucks that cannot fit into a standard parking spot or

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commercial vehicles. These passes can be called in by owners and/or residents with a valid lease on file and can be picked up at the management company office during normal business hours.

35. Parking permits will not be issued for boats, campers, trailers, oversize box vans/trucks that cannot fit into a standard parking spot, commercial vehicles, marked taxicabs and recreational vehicles.
36. All trucks, oversize pickups and large vans must use the parking area to the sides of the building to allow for clear passage of emergency vehicles.
37. Abandoned, unlicensed, uninsured, poorly maintained or inoperable vehicles are not permitted on the premises and are subject to immediate towing at the owner's expense. Vehicle repair, maintenance and washing are prohibited; repeated honking, loud noise and /or frequent car alarm violations are prohibited.

Ocean Walk HPR Rules and Regulations

Ocean Walk HPR Enforcement Structure

Notice of violation shall be provided to the owner, tenant violator of record and Management Company where appropriate with request to correct.

1. Initial compliance notice requires owner to provide written response within 10 days that violation has been addressed and will not continue.
2. Failure to reply within the ten (10) day period will result in a second notice, a \$100 fine and ten (10) days to respond.
3. Failure to reply to second notice within ten (10) days will result in a \$200 fine and ten (10) days to respond.
4. Additional failure to respond will result in additional action by the Board as deemed appropriate.
 - Validation (i.e. pictures, written eye witness, BCSO report, physical evidence, etc.) of violation (offered by any owner or the management company) shall be determined by the management company representative with the approval of the Ocean Walk Board of Directors. A majority vote of the Board in support of the violation is required to proceed.
 - Violation of these Rules and Regulations and the additional documents of the Association will compound for all levels in their enforcement.
 - All documentation of this structure shall transfer to the next management company should the HPR replace the current company for cause.
 - Notice of violation, rule number or document section and action taken shall be listed in the minutes of the next regularly scheduled Ocean Walk Board of Directors regular, special or other duly called meeting.
 - A written copy of notice to owner and action taken shall be placed in the owner file of record. Chronic violation by a party of these Rules and Regulations and the documents of the Association will result in additional steps taken by majority vote of the Ocean Walk Board of Directors through the documents of the HPR.

Ocean Walk HPR Rules and Regulations

Ocean Walk HPR Enforcement Structure

Notification Process:

A. For violations in the areas of:

1. Use or sale of illegal substances while on the property
2. Criminal activity in violation of federal, state and local law against Ocean Walk property
3. Common area property damage...both inside and outside.... Cost to repair will be billed to the responsible owner.
4. Anyone that has been evicted is prohibited future occupancy
5. Failure to allow contracted Pest Control Company to apply regular applications of pest control products in their apartment through a communicated posted schedule. This included providing access through a working key or knowledge of door code for entry. Right to obtain a working key at owner's expense. NOTE: additional pest control beyond the routine inspection and treatment is the responsibility of the owner. Costs incurred by Regime in response to these infections shall be paid by the owner.

These violations will result in immediate action to correct with stipulation that may include an initial fine, request for eviction or other subsequent action as necessary, as the Ocean Walk Board of Directors majority vote.

These violations will compound for the life of the violator. These violations shall carry over should the violator leave and return at a later date.

B. For all other violations

1. These violations will result in an initial Compliance Notice request sent to the owner and where appropriate violator and owner Management Company with stipulation that the owner has addressed the violation and the violation will not continue.
 - a. Reply from owner in writing (email to Association Management Company will be accepted) within ten (10) days of posting
 - b. Without reply as stipulated in a, a \$100 fine is assessed to the owner with an additional ten
(10) days to reply from posting
 - c. Without a reply as stipulated b, a \$200 fine is assessed to the owner with an additional ten
(10) days to reply from posting.
 - d. Additional action as approved by majority vote of the Board of Directors per documents of the Association

Ocean Walk HPR Rules and Regulations

Ocean Walk HPR Enforcement Structure

Permanence of Violations:

All rule violations will compound for the life of the owner, lease period of tenants and rental period of all renters.

Violations will remain should violator leave and then return at a later date.

Fine Structure:

1. First violation will result in a compliance notice with stipulated response above
2. Second violation (without regards to time) will result in a \$100 fine to the owner
3. Third violation (without regards to time) will result in a \$200 fine to the owner
4. Subsequent violations will result (without regards to time) in additional action as approved by majority vote of the Board of Directors in compliance with the HPR documents

Appeals Process

Actions by the Board of Directors to enforce the documents of the Association, Compliance Notice, Fine Notice or subsequent action to correct a violation can be appealed by the apartment owner.

Procedure

- Apartment owner will submit in writing, to the Management Company, a request for review of action(s) taken within 60 days of original posting of violation.
- Apartment owner shall submit in writing, to the Management Company, considerations to be addressed at review.
- Ocean Walk Board of Directors, through the Management Company, shall set an agreed date for review with owner.
- Action at review shall be final and no subsequent appeal shall be honored without additional information not provided in original appeal.
- Majority vote of the Ocean Walk Board of Directors is required for disposition of appeal.
- Any additional appeals will require a majority vote of the Ocean Walk Board of Directors.