

Notice of Special Meeting-Bridgeport Stonehenge XI, Homeowners Association

Date: Sunday, December 4, 2022

Time: 1pm

Location: Middlefield Court common area

Subject: Vote to Prohibit Short Term Home/Lot and Establish Restrictions for Long Term Rentals

Dear Neighbors,

It has come to the attention of the Board of Directors (BOD) of the Bridgeport Stonehenge XI Association that short term rentals (STR) are becoming more common in neighborhoods, and the issue is somewhat confusing and ambiguous. There are many some concerns with STRs such as decreasing property values, less friendly neighbors, traffic flow, parking violations, noise and safety issues and a general lack of commitment to the essence of the neighborhood.

To date, our HOA does not have Restrictive Covenant rules and regulations (i.e., established in the Book of Resolutions) in place to address STR or long term (i.e., greater than 1 year) rentals. Therefore, this spring the BOD Board approved the formation of an ad hoc committee to define the issues and hire an attorney for recommendations. Committee members include Denis McDuff, Len Tatem, and Beth Orcutt. Each of the members took great care in researching the topic to formulate and develop the attached proposed Restrictive Covenants. Regulations will be developed and posted in the Book of Resolutions once the HOA membership approves this addition to the Restrictive Covenants that will be filed with the Wake County Register of Deeds (see attachment).

After much consideration, the BOD Board has approved a ban of STRs and has adopted language for very limited rental agreements. It is our belief that these limitations can help maintain property values, restrict corporations from purchasing affecting homeownership rights and continue to protect the entire community.

PLEASE JOIN US ON SUNDAY, DECEMBER 4, 2022 TO ASK ANY QUESTIONS AND VOTE ON THIS CRITICAL ISSUE. WE NEED EVERYBODY’S VOTE. IF YOU CAN NOT ATTEND, PLEASE FILL OUT AND RETURN THIS PROXY VOTE NOTICE TO KAREN MURDOCK AT 2200 BRISBAYNE CIRCLE PRIOR TO ABOVE DATE.

THANK YOU!

Bridgeport Board of Directors

Proxy Vote Information

Name _____ Address _____ Phone _____

Signature and Date _____

Approve the Changes to the Restrictive Covenants (Rules) _____

Against the Changes to the Restrictive Covenants (Rules) _____

Stonehenge XI Homeowners Association, Inc.

Amend Article IX, by adding a new Section 4, entitled "Lease of Lots".

Section 4. Lease of Lots

- (a) For purposes of this Section, "Leasing" shall be defined as allowing a single family unit of occupants to reside on a Lot for any consideration. Leasing shall also include leasing with an option to purchase or contracts for deed whereby the current occupant is not the Owner of the property.
- Definition - a single family unit means a group of individuals residing together who are related by birth, marriage, or adoption or an individual who does not reside with another individual to whom the individual is related by birth, marriage, or adoption.
 - Definition - all lots within the Stonehenge XI Homeowners Association, Inc. have single family homes or dwellings on each lot and may not be rented to multiple family units.
- (b) All leases shall be in writing and shall provide that they are subject to all terms of the Articles of Incorporation, Declaration (as amended), Bylaws, Book of Resolutions and any other governing documents or rules of the Association. Leases shall provide that failure to comply with all terms of the Articles of Incorporation, Declaration (as amended), Bylaws or rules of the Association shall constitute a default under the lease for which the lease may be terminated.
- (c) No lease shall be for a period of less than twelve (12) months, and Owners shall be prohibited from advertising or otherwise holding their Lot out for leases or occupancy for less than twelve (12) months. Owners with leases that are broken or terminated shall be prohibited from entering into a new lease agreement until the original twelve (12) month lease would have expired. No Lot may be leased except in its entirety. Sub leasing and assignment of leases are prohibited.
- (d) Notwithstanding any other provisions of the Articles of Incorporation, Declaration, Bylaws, or Rules and Regulations of the Association, for each Lot that is conveyed to a new Owner(s) any time after the date of recording of this Amendment, that Owner shall be prohibited from leasing or renting their Lot until they have owned the Lot for a period of at least twelve (12) consecutive months (the "waiting period"). Conveyance of a Lot by an Owner to a legal entity in which the Owner is a principal, or acquisition of a Lot as a result of the death of an Owner, by probate or other means of inheritance, evidence of which shall be provided to the Association, shall not be deemed an interruption of the twelve (12) month waiting period, nor shall it necessitate a new waiting period if the Owner had already satisfied the ownership obligation. In the event that a Lot is leased for any period of time in violation of this mandatory waiting period, the waiting period shall be immediately tolled and any time which elapses while the unpermitted lease remains in effect shall not count toward satisfaction of the waiting period. In no case shall the owner lease a property to manage the lease by a third party firm or managing corporation.

- (e) Any Owner leasing their Lot shall provide the Association with a copy of the lease within seven (7) days of the Lot being initially rented, and within seven (7) days upon any renewals or subsequent lease. To the extent that any Owners are currently renting their Lot at the time that this Amendment is recorded, those Owners shall provide to the Association a copy of the current lease within seven (7) days after the recording of this Amendment, and within seven (7) days of any renewals or subsequent lease. Along with any copy of a lease provided to the Association, the Owner shall provide current contact information for themselves and contact information for each adult tenant of the family unit.
- (f) Before commencing any new lease or any renewal or subsequent lease, the Owner must obtain written approval from the Board of Directors to lease the Lot. Approval shall be given so long as (1) the Owner has owned the Lot for at least twelve (12) months as required in subsection (d) above, and (2) the lease is for a term of at least twelve (12) months. Reasonable evidence shall be provided to the Board of Directors.
- (g) At no time shall an owner or tenant lease or sub lease a lot to multiple tenants not of the same family unit for the purpose of occupancy, or to conduct a business or to provide storage of goods or products on that lot for the purpose of distribution as a business or a non-business.
- (h) The Association Board of Directors shall be entitled to adopt additional reasonable rules as allowed in the "Book of Resolutions" to assist in the administration of these terms. The Association Board of Directors shall have the right to levy fines and penalties as allowed under the Bylaws, against any owner that fails to comply with this Article and Section.

Certification of Validity of Amendment to Covenants, Conditions and Restrictions of Stonehenge XI

By authority of the Board of Directors, Stonehenge XI Homeowners Association, Inc., hereby certifies that the foregoing instrument has been executed by the owners of _____ percent of the Lots of the Stonehenge XI and is, therefore, a valid amendment to the existing Covenants, conditions and restrictions of Stonehenge XI.

By: _____ President _____ Date

Attest by: _____ Secretary _____ Date

Approved

Reviewed: Jay Bennett, BPHOA President 11-11-2022 with changes

Reviewed: Brantley Atkinson, BPHOA Vice President- incorporated changes

Reviewed: Dan Sembler, BPHOA Treasurer

Reviewed: Karen Murdock, BPHOA Secretary