

Place One Condominium

Policy Statement

Date: August 1, 2013
Policy Statement: 13-06 (Replaces 02-06)
Subject: Sales, Leasing and Resident Registration

I. Introduction

This policy addresses issues associated with the sale and leasing of units. Guidance and procedures are provided for, a) Policy Awareness, b) Sales, c) Leasing and d) Resident Registration.

II. Policy Awareness

Place One's Welcome Brochure provides an overview of key policies regarding occupancy limits, pets, and owner responsibilities, among others. Potential owners and tenants are advised to review Place One policies and Master Deed prior to a decision to purchase or lease. Policy Statements especially relevant to this one include *Freight Elevator Use* and *Parking and Vehicle Management*. All can be found at www.PlaceOneCondo.net.

III. Sales

Unit sales are subject to the following. Forms referenced below are available on the web site or can be provided upon request to Management.

A. Certificate of Resale. Section 55-79.97 of the Virginia Condominium Act (Act) requires a Seller to provide a Certificate of Resale (Certificate) to potential purchasers in advance of closing a sale. Prepared by Place One, the Certificate discloses information about the unit along with Place One's financial health, policies, procedures and other items for a purchaser to make an informed decision. The Certificate may be provided in hard or electronic copy format. The Act specifies the fees that can be charged to prepare/update a Certificate. Fees, along with how they are paid, are included in the referenced forms.

1. Requesting a Certificate. The Seller or Representative requests a Certificate by submitting the *Request for Certificate of Resale* form to Management. Section 55-79.97 F of the Act provides limited exceptions to this requirement. Place One is held harmless from any liability in the event a sale occurs without a required Certificate.

2. **Updating a Certificate.** A Certificate may be updated in whole or in part prior to closing a sale. A request is made by submitting the *Request for Updated Certificate of Resale* form.

B. **Transfer Documentation and Account Setup.** A copy of an executed HUD-1 Settlement Statement or comparable documentation validating transfer of ownership must be provided to Management. The Act specifies a fee, payable at settlement, to cover the cost of account setup.

IV. Leasing

Unit leases are subject to the following. Forms referenced below are available on the web site or can be provided upon request to Management.

A. **Limitations on Rentals.** Section XVII A (5) of the Master Deed sets restrictions on the number of units which can be leased at any given time. Restrictions are grounded in mortgage industry standards. Condominiums that do not comply with industry standards become ineligible for traditional financing and Association loans, resulting in a devaluation of all units and limitations on options to sell.

1. **Rental Approval Requests.** Owners planning to lease their units must submit a *Rental Approval Request* form. Approval cannot be withheld so long as Place One is above the owner occupancy limit.
2. **Rental Approval Expiration.** Approved Rental Requests expire after 90 days unless the property is leased.
3. **Units Rented Prior to July 27, 2001.** Such units may be rented indefinitely without approval provided there is no break in the period of non-owner occupancy. If broken, the owner must re-apply for approval for future leases.

B. **Lease Requirements.** In addition to the limitations on rentals, Section XVII A of the Master Deed lists requirements regarding the content and filing of leases.

1. **Lease Form and Term.** Leases must be in writing and at least one year in length. An exception is allowed when the lease is to bridge a short occupancy gap before or after a sale.
2. **Lease Addendum.** Leases are required to include Place One's standard *Lease Addendum* form which notifies tenants that they are subject to Place One's policies and procedures. It confirms that tenants have been provided copies of the Master Deed and all Policy Statements.
3. **Lease Approval.** Proposed leases must be submitted to the Management Office prior to the tenant's occupancy for review and approval relative to Place One requirements. A fully executed copy must be on file as a condition of moving in.

C. **Owner Liabilities for Tenants.** Owners are responsible for ensuring tenants comply with Place One policies and procedures. Non-compliant tenancies are subject to action ranging from suspension of access to

amenities to voiding of the lease, potentially making owners liable to tenants for incorrect representations or omissions. Owners are responsible for their tenants' behavior and are liable for any damage they might cause to common elements, other units, or injury to residents. Owner risk can be mitigated through the following actions:

1. **Insurance.** Purchasing Owner's Liability to Tenants (OLT) insurance provides protection unavailable through Place One's master policy.
2. **Background Checks.** Conducting credit and other background checks to ensure responsible tenants.
3. **Policy Awareness.** Providing a copy of Place One's Welcome Brochure, ensuring tenants have current Policies, the Master Deed and proactively making them aware of key day-to-day requirements for living at Place One, e.g., occupancy limits, pet restrictions, parking, etc. The Welcome Brochure, Policies, and Master Deed are available at www.placeonecondo.net or upon request to Management.

V. Resident Registration

The following must be provided in advance of a move. Forms referenced below are available on the web site or can be provided upon request to Management.

A. New Residents.

Place One *Move In Packet* forms include:

1. **New Resident Information.** This form asks for general owner/resident information.
2. **Lease Addendum.** This form is used only in the case of a lease.
3. **Fitness Center Waiver.** This form is used only in the case of a desire for Fitness Center access.
4. **Freight Elevator Move In/Out Reservations.** This form is used to reserve the elevator and pay the Move In fee.

B. Current Residents.

Residents moving within Place One must update the above items as needed and submit a *Freight Elevator Move In/Out Reservation* form.

VI. Forms

Management may create forms necessary to implement this policy.



John M. Trembler, President
Board of Directors

