

RESOLUTION

TO AMEND THE RESTATED ENABLING DECLARATION OF LINDEN GREEN CONDOMINIUM

BE IT RESOLVED that the Restated Declaration of Linden Green Condominium be, and hereby is, amended in the following respects:

FIRST: Section 26, entitled "Restrictions on the Sale, Transfer, Leasing and Occupancy of Units," is hereby amended by striking the Section, from its title through the end of (g) and replacing the stricken language with the following provisions:

"26. Statement of the Uses and Restrictions as to Each Unit. All present and future owners of Units at Linden Green Condominium, by acceptance of their deeds to said Units, and all Unit occupants, by their use and occupancy of the Units they occupy, are bound by the following restrictions on the use and occupancy of their respective Units.

(a) Leasing and Rental of Units. Notwithstanding anything in this Declaration or in the Code of Regulations to the contrary, Unit Owners shall have the right to lease Units subject to the conditions and limitations hereinafter set forth and as may be elaborated further in the Rules of Conduct.

(1) Subleasing and Non-Loan-Related Lease Assignments Prohibited. Subleasing of Units is prohibited and the assignment of leases of Units, other than by the Unit Owner to a mortgage lender, is prohibited.

(2) Limitation on Leasing and Rental of Units. Subject to the limitations and conditions hereinafter provided, no more than five (5) Apartment Units per Apartment Building, and no more than five (5) Townhouse Units, and a total of thirty-five (35) Units of any kind at Linden Green Condominium, regardless of Unit size or proportionate interest in the common elements of the condominium, shall be subject, at the same time, to a lease, a written or verbal rental agreement of any description, or to a tenancy or occupancy by persons *other than* the Unit Owner(s), as that term is hereinafter defined, the parent(s), spouse or child of the Unit Owner(s), or the spouse of a child of the Unit Owner. Except as expressly permitted by written decision of the Council, for purposes of this Section 26 (a) (2), no Unit owned by an entity, including but not limited to a corporation, limited liability company, partnership, limited partnership, trust or estate, shall be deemed to be occupied or occupiable by its owner. Upon the written application by an entity to the Council for a determination that the Unit it owns should be deemed to be owner-occupied because the sole reason for the entity ownership is a tax or estate

planning strategy pursuant to which all of the owners of the entity, or said owner's spouse, parent(s), child, and/or the spouse of said owner's child as of the time of the application shall be the sole occupant(s) of the Unit, the Council shall consider the application and may, in its sole and absolute discretion, certify the Unit as being owner-occupied for purposes of this Section 26 (a) (2) for as long as the represented facts and circumstances are maintained, and subject to such conditions as the Council may impose in its sole and absolute discretion to assure that entity ownership is not manipulated to circumvent the limitation herein established. Units which are not owner occupied as hereinabove described, shall be referred to as "Rental Units." No Unit Owner shall enter into a Rental Agreement for a Unit unless said owner's Unit has received the Council's prior written certification that it is a "Permitted Rental Unit" in compliance with these provisions.

(3) The following Townhouse Units are Rental Units as of the date of recording of the Certificate evidencing this Amendment: _____

_____ and _____. The following Apartment Units are Rental Units as of the date of recording of the Certificate evidencing this Amendment: _____

_____ and _____. These shall be referred to as "Existing Rental Units." The aforesaid Existing Rental Units shall be the initial Permitted Rental Units, subject to the remaining terms and conditions set forth herein. Until such time as the number of Permitted Rental Units falls below seven (7) Apartment Units in each and all of the Apartment Buildings and seven (7) Town House Units, and there is no waiting list of existing Unit Owners desiring to have their Units designated as Permitted Rental Units under Section 26 (a) (2), no Unit Owner or his/her agent shall market or sell a Unit to other than an individual or individuals who intend to own and occupy the Unit as his/her/their personal (but not necessarily principal) residence.

(4) No Unit Owner shall own, directly or indirectly, in trust, as a majority owner of an entity, or otherwise, a legal or a beneficial interest in more than two (2) Units of Linden Green Condominium at the same time, provided that this restriction does not require those Unit Owners who own more than two Units on the date of recordation of the Certificate of Amendment evidencing this Amendment to divest any of his/her/their/its Approved Rental Units.

(5) Except as expressly provided to the contrary in this Section 26 (a), a Permitted Rental Unit shall lose its status as such when and if the legal or beneficial ownership of the Permitted Rental Unit changes, voluntarily or involuntarily, by sale, gift, foreclosure, execution or otherwise, except for: (i) a conveyance between the Unit Owner and his/her spouse, (ii) a conveyance between the Unit Owner and his/her parent or lineal descendant and/or the spouse of such parent or lineal descendant; (iii) a conveyance between the Unit Owner and a trust where the beneficiaries are and remain solely the grantor and/or the grantor's spouse, parent, lineal descendant, or the spouse of such parent or lineal descendant; and (iv) a transfer by will or intestate succession. Permitted Rental Unit status for a Unit may be terminated by action of the Council if the Unit Owner becomes

delinquent in the payment of periodic assessments (monthly condominium "dues") or other assessment (including a violation assessment under the Rules and Regulations of Linden Green Condominium) lawfully imposed by the Council on that Unit, in an aggregate of FOUR THOUSAND and NO/100 (\$4,000.00) DOLLARS, and the delinquency is not cured within thirty (30) days after the Council's mailing written notification of said delinquency to the Unit Owner at the address of that Unit Owner on file with the Condominium Council or Management Office. Permitted Rental Unit status also may be terminated by action of Council if the Unit Owner violates provisions of this Declaration, the Code of Regulations or the Rules of Conduct of Linden Greene relating to the rental or leasing of Units and relating to mandatory lease provisions, or if the tenant occupying the Permitted Rental Unit or the Owner of such Unit is in material violation of the Rules of conduct of Linden Green Condominium, and such violation persists or remains uncured for a period sixty (60) days after the Council's mailing of notification of the violation to both the Unit Owner and the tenant, or if the violation is repeated after the Council's mailing of notification of the violation to both the Unit Owner and the tenant. A Permitted Rental Unit shall lose its status as such by being unoccupied for a period of six months or by being occupied by the Unit Owner(s).

(6) At any time and to the extent that the number of Permitted Rental Units constitutes less than five (5) Apartment Units in each and every one of the six Apartment Buildings and less than five (5) Town House Units, and a total of less than 35 Units of any type at Linden Green Condominium, any Unit Owner may submit to the Council by delivery to the Association Secretary, a written request advising the Council that the Owner desires to add his Unit to a waiting list for acceptance as a Permitted Rental Unit. Written requests will be addressed by the Council in the order received by the Association Secretary. If a Unit Owner whose Unit is first on the Permitted Rental Unit waiting list and is current in its assessments is informed that the number of Permitted Rental Units has fallen below the cap established in Section 26 (a) (2) and referenced in the first sentence of this Subsection (a) (6), that Unit Owner may accept Permitted Rental Unit status for his/her/their Unit by delivering a written letter to that effect to the Association Secretary within seven (7) days of Council's notification and, thereafter, said Unit will be a Permitted Rental Unit until its status is terminated by either (i) the occurrence of a status-terminating act, circumstance or occurrence described in Subsection (5), above, or (ii) the Unit not becoming occupied by a renter or lessee unrelated to the Unit Owner by marriage or blood within six (6) months from the date of the Unit Owner's acceptance letter, provided that the Council may extend the 6-month period upon a showing by the Unit Owner that the Unit Owner has, for at least three months, engaged the services of a licensed rental agent to rent the Unit at commercially reasonable rent and on commercially reasonable terms. If a Unit Owner on the waiting list who has been offered Permitted Rental Unit status for his/her/their Unit does not accept that status for the Unit, or subsequently loses such status for failing to rent or lease the Unit as provided in this Subsection (a) (6), that Unit Owner's name will fall to the bottom of the waiting list. Positions on the waiting list cannot be transferred from one Unit Owner to another. If multiple

written requests to be placed on the waiting list are received by the Secretary on the same day, preference will be afforded to the Unit Owner who has owned his/her/their Unit the longest time. As long as there is a waiting list or Unit Owners desiring to rent their units, no Unit may be marketed as a potential Rental Unit.

(7) Notwithstanding the above-recited limitations, upon the written petition of a Unit Owner stating the reasons for the owner's request, the Council shall have the power to grant temporary Permitted Rental Unit status, on such terms and conditions that the Council may impose in its sole and absolute discretion, but for no longer than two (2) years, to a Unit Owner who is forced to move from his/her Unit for a pre-determined period of more than six months but no more than two years for reasons outside said owner's reasonable control, such as a special job assignment, military deployment, or a temporary disability from which the Unit Owner has a reasonable expectation of returning. To facilitate its consideration of such hardship petitions, the Council may require the petitioning Owner to appear in person at a meeting of the Council and/or produce whatever verification or evidence of the hardship condition that the Council determines in its sole and absolute discretion that it requires to act on the petitioning Owner's request. The Council shall provide the petitioning Owner with its written decision, including any conditions imposed on any granting of the petitioning Owner's request, within five (5) days after the Council's receipt of any requested verification or evidence or, if no such request was made by the Council, within fourteen (14) days after the Council meeting at which the petitioning owner's request was presented.

(8) Any Rental Agreement for a Unit which has not first been certified in writing by the Council as being a Permitted Rental Unit shall be void and subject to cancellation by Council. Any Unit Owner who enters into a Rental Agreement for a Unit which has not first been certified in writing by the Council as being a Permitted Rental Unit shall be subject to (i) a violation assessment by the Council against said Unit Owner and his/her Unit in the sum of ONE THOUSAND FIVE HUNDRED and NO/100 (\$1,500.00) DOLLARS, per month (or such other sum as the Council shall establish in the Rules of Conduct) for each calendar month, or any portion thereof, during which the Unit Owner remains in violation of these provisions (the purposes of the violation assessment including defraying the Council's expense of enforcing these provisions), which violation assessment shall be invoiced along with the Unit Owner's monthly common expense assessment, and shall be lienable and collectable by the Council in the same manner as monthly common expense assessments, and (ii) an action in equity by the Council on behalf of the Association for the cancellation of the Rental Agreement, and to enjoin that Unit Owner's continuing or future violation of the Declaration or Code of Regulations.

(b) Transient Rentals Prohibited; Written Leases Required. From the effective date of this amendment, all tenancies or rentals of Units shall be evidenced by a written lease containing the mandatory provisions prescribed in Section 26 (c),

and having an initial term of no less than one (1) year. Each Unit owner shall enter into no more than one (1) Lease for any Permitted Rental Unit in any 12-month period without the prior written approval of the Council. In considering the application by the Owner of a Permitted Rental Unit for authorization to enter into a second Lease within a 12-month period, the Council may consider facts indicating that the prior Lease was terminated by operation of law or without collusion, negligence or fault on the part of the Unit Owner. One purpose of this Section is to reduce the security problems which would accompany any frequent turnover of tenants at the Condominium. Any Rental or Lease of a Unit in violation of this Subsection 26 (b), a prohibited sublease, or a lease assignment to other than a mortgage lender, shall be void and subject to cancellation by the Council. Any Unit Owner who enters into a Rental transaction in violation of the terms of this Section 26 (b), shall be subject to: (i) an immediate violation assessment by the Council against said Unit Owner and that owner's Unit in the sum of ONE THOUSAND, FIVE HUNDRED (\$1,500.00) DOLLARS which shall be lienable and collectable by the Council in the same manner as monthly common expense assessments, the purpose of the assessment being to defray the Council's expense of enforcing these provisions, and (ii) an action in equity by the Council on behalf of the Association for the cancellation of the Rental Transaction, and to enjoin that Unit Owner's continuing or future violation of this Declaration or the Code of Regulations.

(c) Mandatory Lease Provisions. From the date of the recordation of the Certificate of Amendment placing this Amendment of public record, no Unit Owner or agent for any Unit Owner shall rent or lease a Unit to any tenant for any term, or renew any lease or tenancy, except pursuant to a rental agreement or lease subject to an Addendum in the form set forth as Exhibit ___ to this Declaration, which Addendum may be amended by the Council from time to time and incorporated into the Rules of Conduct of Linden Green Condominium without further amendment of this Declaration. In the event that any Unit Owner shall fail to attach to any rental agreement the Addendum as required, in addition to all other remedies available to the Council at law or in equity, for each such offense the Unit Owner who fails to cure the violation within fifteen (15) days following the sending of notice of the violation to the Unit Owner, shall be subject to a violation assessment in the amount of ONE THOUSAND, FIVE HUNDRED (\$1,500.00) DOLLARS or such other sum as may be prescribed in the Rules of Conduct of Linden Green Condominium, which violation assessment shall be lienable and collectable by the Council in the same manner as common expense assessments. The Council may, at its discretion, make copies of this Addendum available through the Management Office and/or on any website for Linden Green Condominium.

ADDENDUM

To Rental Agreement dated _____, 2____,
between _____,
"Landlord," and _____,

“Tenant,” for the leasing or rental of Unit _____, Linden Green Condominium. Anything contained in the Rental Agreement to the contrary notwithstanding, Landlord and Tenant covenant and agree that the referenced Rental Agreement shall be subject to the following material provisions:

(1) Condominium Rules and Regulations. Tenant acknowledges that the leased premise is a Unit in Linden Green Condominium, a condominium community administered by an executive board known as the “Council.” Tenant acknowledges that Unit ownership and occupancy are subject to the Rules of Conduct (the “Rules”). Tenant acknowledges that Tenant has received a photocopy of the Rules, has reviewed the Rules, and agrees to abide by them. Tenant's violation of any of the provisions of Rules shall constitute a material breach of this Lease, which, if uncured within seven (7) days (or such longer minimum notice as may be required by the Delaware Landlord-Tenant Code) after Tenant's receipt of written notice of such violation, or if repeated, shall entitle either Landlord or the Council to commence a summary proceeding for possession. Landlord and Tenant acknowledge that the Council shall have an independent right to enforce this Lease and institute a summary proceeding for possession in the event of Tenant's violation of any terms of this paragraph. Landlord irrevocably names and appoints the Council as Landlord's non-exclusive agent, coupled with an interest, to assert in court Landlord's rights under this Lease when and if the Council shall elect to do so.

(2) Use and Occupancy of Leased Premises. Tenant covenants and agrees to use the leased premises solely for residential purposes. No one-bedroom Unit shall be occupied by more than two (2) individuals; no two-bedroom Unit shall be occupied by more than four (4) individuals; and no three-bedroom Unit shall be occupied by more than five (5) individuals. The names of all persons, other than occasional guests, who will occupy the leased premises, are _____

_____ and no other person(s) shall occupy the premises without the prior written consent of Landlord. Tenant and Landlord are jointly responsible for keeping the Council advised of the names(s) of, and contact information for, all persons occupying the leased unit.

(3) Assignment of Rents. Landlord and Tenant acknowledge that, in the event that any common expense assessment, special assessment or violation assessment issued to the leased Unit shall not be fully paid by the Unit Owner for a period of sixty (60) days after the due date for such assessment, and for a period of thirty (30) days after the sending of written notice of the violation to the Unit

Owner at said Unit Owner's address on record with the Council, Tenant shall remit its rent payments due under the rental agreement directly to the Council or its management agent in accordance with written notification and instructions to that effect delivered to Tenant by the Council or its management agent, and that the rent payments will continue to be made as directed in the notification until (i) the Unit Owner's assessment arrearage (together with any interest and late charges thereon) shall have been paid in full and (ii) Tenant has received written notification from the Council or its management agent that the Tenant may resume paying its rent to Landlord.

(4) Subleases Prohibited. The parties acknowledge that subleasing of Units at Linden Green Condominium is prohibited by the Declaration, and any subleasing of the Leased Unit will constitute a material breach of this Lease.

Sealed and Delivered
in the Presence of:

Landlord:

Witness

(Seal)

Tenant:

Witness

(Seal)

(d) Lease Enforcement by the Council. The Council shall send to the Unit Owner by certified mail return receipt requested, at said Unit Owner's address on record with the Council or at said Unit Owner's last known address, a photocopy of all correspondence with the Unit Owner's tenant relating to the enforcement of any Rule or any rental agreement provision against the tenant. The Council shall notify said Unit Owner in the same manner of any failure of the tenant to cure a breach of the rental agreement or lease actionable by the Council together with the Council's demand that the Unit Owner immediately commence and diligently pursue an action to secure the eviction of the tenant. The Unit Owner shall keep the Council advised in writing of actions taken by said Owner to secure the eviction of the tenant and, in the event that the Council, in its sole and absolute discretion, shall deem said actions to have been insufficient in effect or in promptness, the Council or its management agent may institute appropriate action against the tenant in the Council's and/or the Unit Owner's name and, the Unit Owner shall pay, when invoiced, the attorney fees and other costs reasonably incurred by or on behalf of the Council in said proceeding.

(e) No Waiver. Any election by the Council, the Association of Unit Owners or any Unit Owner not to enforce, or any failure to enforce, any provision of this Section 26 and its attendant Subsections shall not be deemed to be a waiver of the Council's, the Association's or any Unit Owner's right subsequently to enforce that same or any other provision of this Section 26 and its attendant Subsections against the same Unit Owner or tenant against whom the provision was not enforced previously, or against any other Unit Owner or tenant.

(f) Enforcement and Costs. It is acknowledged by the Unit Owners subject to this Declaration that, in the event of a violation of the provisions of Subsections (a) through (d) of this Section 26, the Council would have no adequate remedy at law, and would be entitled to injunctive relief (including mandatory injunctive relief as appropriate) to redress the violation. The Unit Owner against whom enforcement action is taken shall remit to the Council, when invoiced, the attorney fees and other costs reasonably incurred by the Council in pursuing such enforcement, regardless of whether or not litigation is commenced or a judgment is obtained. The Council may petition to have an award of such fees and costs included in any adjudicating court's decree, and the Council shall be entitled to judgment in that sum."