

Pine Bay Rental Policy Enforcement Procedures
Dated January 22, 2026

The following are the procedures (“Rental Policy Enforcement Procedures”) adopted by the Board of Directors to be used to enforce the amendment to the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Pine Bay on October 21, 2022 (“CCR Amendment”), which has the rules and restrictions relating to the rental of Pine Bay homes (“Rental Policy”).

A. Personnel

The Board shall appoint a Rental Policy Coordinator, whose responsibility shall be to enforce the Rental Policy in consultation with the Board and in accordance with these Rental Policy Enforcement Procedures.

B. Website

The Pine Bay website shall be maintained and updated to include information about the Rental Policy. The website shall include--

1. A heading on the website’s opening page entitled “Rentals,” indicating there is information solely relating to rentals available;
2. A statement under the “Rentals” heading briefly describing the Rental Policy restrictions and referring the reader to the full text of the CCR Amendment;
3. The full text of the CCR Amendment under the “Rentals” heading; and
4. The forms described in Section C of these Rental Policy Enforcement Procedures under the “Rentals” heading on the website’s opening page.

C. Forms

1. There shall be established and maintained by the Board, in consultation with the Rental Coordinator, a Rental Notification Form to assist the Board in enforcing the Rental Policy. The form shall include, but not be limited to, the information required by Article IV, Section (4)(c)(5) of the Rental Policy. The form is attached as Exhibit A.
2. There shall be established and maintained by the Board, in consultation with the Rental Coordinator a form, a Tenant Acknowledgement Form. The form shall include, but not be limited to, providing information required by Article IV, Section (4)(c)(5) of the Rental Policy. The form is attached as Exhibit B.
3. There shall be established and maintained by the Board a New Buyer Form for submission to the Board by the potential purchaser of a Pine Bay home. The form shall describe the Rental Policy and state that the purchaser has reviewed and agrees to comply with all HOA policies, including the Rental Policy. The form is attached as Exhibit C.

D. New Purchase Procedure

1. Upon receiving a request for disclosures from a listing realtor to the Board relating to the Delaware Common Interest Ownership Act (“DUCIOA”), the President of the Board, or the President’s designee, shall reply to such inquiries by directing the requesting party to the Pine Bay website and specifically advising of Pine Bay’s restrictive Rental Policy and the information on the Pine Bay website under the “Rentals” heading.
2. The New Buyer Form shall be signed by all purchasers at settlement.

E. Rental Procedure

1. The Rental Notification Form, along with a copy of the lease, shall be provided by the homeowner to the Board immediately, but no more than 5 days after the lease has been signed by either party. The fully executed lease shall be provided to the Board when it has been executed by all parties.
2. The Tenant Acknowledgement Form shall be provided to the Board by the homeowner or proposed tenant immediately, no more than 5 days after the lease has been signed by either party.
3. Upon receiving the Rental Notification Form, the Tenant Acknowledgement Form and the lease, the Rental Coordinator shall take such appropriate action, including follow-up with the homeowner and tenant, to confirm that the proposed rental is in compliance with the Rental Policy.
4. The Rental Coordinator shall advise the Board whether it believes the proposed rental is or is not in compliance with the Rental Policy.
5. The Board shall determine if the proposed rental is or is not in compliance with the Rental Policy.
6. If the Board determines the proposed rental is in compliance with the Rental Policy, it shall notify the homeowner and tenant of the Board’s determination.
7. If the Board determines the proposed rental is not in compliance with the Rental Policy, it shall notify the homeowner and tenant of the Board’s determination.
8. If, notwithstanding the Board’s determination and notification to the homeowner and tenant that a proposed rental is not in compliance with the Rental Policy, the rental is implemented, the provisions of Section G of these Rental Policy Enforcement Procedures shall apply.

F. Monitoring Compliance with the Rental Policy

1. The Rental Coordinator shall periodically review classified advertisements and online listings for rentals.
2. The Rental Coordinator shall monitor the neighborhood for posted rental signs.
3. The Rental Coordinator shall monitor the neighborhood for unauthorized occupancy, including extended parking of unidentified vehicles.
4. If the Rental Coordinator believes that a proposed or existing rental is not in compliance with the Rental Policy, the Rental Coordinator shall notify the Board and the provisions of Section G of these Rental Policy Enforcement Procedures shall apply.

G. Potential and Actual Violations of Rental Policy

1. The Rental Coordinator shall promptly report to the Board any potential or actual violation of the Rental Policy.
2. Upon notification of a potential violation of the Rental Policy, the Board, in coordination with the Rental Coordinator, shall investigate the matter and take appropriate action.
3. The Board may consult with counsel when the Board believes there has been or may be a violation of the Rental Policy, including assistance in preparing written notices to the homeowner.
4. If the Board determines that a violation may exist, the Association shall provide written notice of the alleged violation to the Owner and, if applicable, the tenant(s). The notice shall provide fifteen (15) days from the date of mailing for the Owner and/or tenant to:
 - a. cure the violation; or
 - b. submit a written request for a hearing before the Board.
5. If a hearing is requested in writing within the fifteen (15)-day period, the Board shall schedule the hearing at a regular Board meeting or sooner if deemed necessary. The Owner and/or tenant(s) shall be given the opportunity, not exceeding fifteen (15) minutes, to present a defense unless extended by the Board. At the conclusion of the hearing, the Board shall deliberate in private and render its decision.
6. If the violation is not cured and no hearing is requested within fifteen (15) days, the Board shall levy a fine of One Hundred Fifty Dollars (\$150.00) against the violating Owner and/or tenant(s).
7. If the violation is not cured within fifteen (15) days after the first fine, a second fine of Three Hundred Dollars (\$300.00) shall be levied.
8. If the Owner or tenant(s) receive three (3) or more notices of the same violation within a twelve (12)-month period, the initial fine shall be Three Hundred Dollars (\$300.00) and each subsequent fine shall be Five Hundred Dollars (\$500.00).
9. If violations persist after the second fine, the Board may, as permitted by the CCR:
 - a. Suspend Owner and/or tenant privileges;
 - b. Suspend non-essential services;
 - c. Require rent to be paid directly to the Association to satisfy fines;
 - d. Initiate legal action to terminate the lease and/or evict the tenant;
 - e. Recover all damages, costs, and reasonable attorney's fees.
10. The fifteen (15) day cure period shall not apply to any violation involving a lease term of less than one (1) month, for which immediate enforcement action may be taken.
11. If the homeowner does not cease a rental that violates the Rental Policy, the Board may take such further action as may be appropriate, consulting with counsel as necessary.

EXHIBIT A

PINE BAY HOMEOWNERS ASSOCIATION, INC.

RENTAL NOTIFICATION FORM

This form must be submitted within five (5) days after execution of a lease.

A. PROPERTY INFORMATION

Property Address: _____
Lot/Unit Number (if applicable): _____

B. HOMEOWNER (LANDLORD) INFORMATION

Owner Name(s): _____

Mailing Address (if different):

Primary Phone: _____

Email Address: _____

C. TENANT INFORMATION

Tenant Name(s):

Primary Phone: _____

Email Address: _____

D. LEASE INFORMATION

Lease Start Date: _____

Lease End Date: _____

Term of Lease (Months): _____

Number of Occupants: _____

Is this a renewal of an existing lease? ☐ Yes ☐ No

E. REQUIRED ATTACHMENTS

- ☐ Copy of lease executed by either party
- ☐ Completed Tenant Acknowledgement Form (Exhibit B)

F. HOMEOWNER CERTIFICATION

By signing below, I/we certify that:

- The above information is true and correct.
- The lease complies with the Pine Bay Rental Policy and all HOA governing documents.
- A full copy of applicable HOA rules and regulations has been provided to the tenant(s).

Homeowner Signature: _____

Print Name: _____

Date: _____

EXHIBIT B

PINE BAY HOMEOWNERS ASSOCIATION, INC.

TENANT ACKNOWLEDGEMENT FORM

Each adult tenant must complete and sign this form.

A. PROPERTY ADDRESS

Property Address: _____

B. TENANT INFORMATION

Tenant Name(s): _____

Phone: _____

Email: _____

C. TENANT ACKNOWLEDGEMENTS

By signing below, I/we acknowledge and agree that:

1. I/We have received and reviewed the Pine Bay Homeowners Association governing documents, including the Declaration, Bylaws, and all rules and regulations.
2. I/We understand that Pine Bay is a residential community with restrictions governing rentals, parking, conduct, noise, and use of property.
3. I/We agree to comply with all HOA rules, regulations, and policies during my/our occupancy.
4. I/We understand that violations of the HOA governing documents may result in enforcement action against the owner of the property and may affect my/our continued right to occupy the property.
5. I/We expressly acknowledge and accept the right and power of the Pine Bay Homeowners Association to terminate the lease and to evict the tenant(s) for any violation of the governing documents, independent of any action taken by the Owner.

Tenant Signature: _____

Print Name: _____

Date: _____

Additional Tenant Signature (if applicable): _____

Print Name: _____

Date: _____

EXHIBIT C

BUYER INFORMATION / ACKNOWLEDGEMENT

PINE BAY HOMEOWNERS ASSOCIATION

GENERAL CONTACT INFORMATION FOR THE PINE BAY COMMUNITY

HOA BOARD OF DIRECTORS:

PRESIDENT – Glenn Kocher – gkocher@icloud.com 302-354-9253

TREASURER – Dana Kampschorr – danakamp@verizon.net 703-731-8107

The Pine Bay Board can also be reached at pinebayboard@gmail.com

ARCHITECTURAL REVIEW COMMITTEE (ARC)

CHAIRMAN – Craig Schwartz – cssdc1@gmail.com 202-236-1154

ARC BOARD LIAISON – Barry Slevin - barryslev@yahoo.com 202-255-5445

The Pine Bay ARC can also be reached at pinebayarc@gmail.com

The By-Laws; Covenants, Conditions & Restrictions of Pine Bay (CCRs); and the Pine Bay website (pinebay.net) provide valuable information regarding community rules and regulations, policies, and key forms, and they outline the pre-approvals necessary for all Construction Activities, landscape work and tree removals. **Pine Bay has specific rules regarding Construction Activities; hours and days for contractor work, landscaping design, tree removals, and rentals that all homeowners must follow. Violators of these rules are subject to fines.**

After closing, please contact the Board via email to learn about the process for accessing the Pine Bay website for this important information.

PLEASE NOTE: THE SELLER MUST PROVIDE THE BUYER WITH 2 POOL KEYS and 2 KEY FOBS AT CLOSING. REPLACEMENT KEYS AND FOBS CAN BE PROVIDED BY THE BOARD TO THE SELLER AT A COST OF \$50 PER KEY/FOB.

This signed form must be returned with the check for the Association Initiation Fee of \$1,000 to:

Pine Bay HOA
P.O. Box 64
Rehoboth Beach, DE 19971

As new homeowners in Pine Bay, I/we acknowledge that we have received, read, understand, and agree to comply with the Pine Bay HOA By-Laws; Covenants, Conditions and Restrictions (CCRs); Architectural Review Committee Policies (ARC); and Tree Policy that govern Construction Activities, hours and days for contractor work, landscaping design, and tree removals.

Further, I / we also acknowledge receipt of the Pine Bay Rental Policy as stated in the CCRs and agree to abide by the stated restrictions of a minimum one-month duration, once per year, allowing only two guests per bedroom and responding to the Board promptly on all inquiries.

Please sign and print name(s) below:

BUYER (print)_____

SIGNATURE_____

BUYER (print)_____

SIGNATURE_____

BUYER'S
AGENT _____

BUYER CONTACT INFORMATION:

EMAIL(S) _____

PHONE NUMBER(S)

MAILING
ADDRESS _____