

STEDWICK HOMES CORPORATION

POLICY REGARDING NOXIOUS BEHAVIOR

I. PURPOSE

Paragraph 14 of the Supplementary Declaration of Covenants, Conditions and Restrictions of Stedwick, dated August 18, 1967 states: "No noxious or offensive activity shall be conducted on the property of a Private Dwelling Unit nor shall anything be permitted to be done thereon which may be or may become an annoyance or nuisance to the residents of Stedwick."

In accordance with Stedwick Home Corporation by-laws, the Board of Directors formally adopts this resolution to enact the power granted under the Article IX, Section 1(d) of the By-laws to assess monetary charges and fines for noxious or offensive activity both on the property of Private Dwelling Units and on the common streets, parking lots, and greenspace of Stedwick.

II. DEFINITIONS

Noxious or offensive activity shall be defined as activities, whether verbal, physical (overt, or silent), that cause, have caused, or reasonably have the potential to cause damage to community property, damage to private property, unreasonable hazard to the health or safety of residents and visitors, or the impairment of any resident's right to the peaceful enjoyment of their private property or community property. Such activity includes, but is not limited to the following specific examples:

- **Noise:** loud, disturbing, or objectionable noises, speech, vehicle noises, or music, in such a manner as may disturb other residents at any time. In addition, quiet hours shall be observed after 9:00 p.m. on Sunday through Thursday evenings, after 11 p.m. on Friday and Saturday evenings, until 7:00 a.m. on Monday through Friday mornings and until 9:00 a.m. on Saturday and Sunday mornings.
- **Public intoxication** on Stedwick's common properties.
- **Threatening physical harm** to persons or property or physically assaulting or harassing others (e.g., bodily obstructing the street, parking lot, or pedestrian walkway) in the community, including Stedwick Homes Corporation contractors, security staff, and management or maintenance staff.

III. NON-RESIDENT OWNERS

1. Owners are responsible for providing their lessees/tenants and guests with a copy of these Noxious Behavior Rules and Regulations.
2. Owners and their tenants/lessees are required to abide by these Noxious Behavior Rules and Regulations.
3. Owners and tenants/lessees are responsible for the actions of their family members and their guests, and are liable for any damage caused, or violations of these rules by such persons.
4. Montgomery County Code Section 29-30A states that a landlord who executes a lease for an initial term of more than 125 days must provide the tenant a copy of the rules, regulations, declaration and covenants that affects the use and occupancy of the unit and any common areas associated with the unit. The lease must expressly state that "... any obligation of the owner that affects the use and occupancy of the unit or any common area associated with the unit is enforceable against the tenant." Members must comply with this requirement when leasing units subject to the Stedwick Homes Corporation's Declaration. Landlord lot owners must provide management copies of their leases to ensure that these leases comply with the requirements of the Montgomery County Code and that management is aware of the persons who occupy the premises.

IV. ENFORCEMENT OF COVENANTS, RULES, AND REGULATIONS PERTAINING TO NOXIOUS BEHAVIOR

All Stedwick Rules and Regulations, and all rules set forth in the Declaration and in the By-Laws shall be vigorously enforced by the Corporation, the Board of Directors, the community management staff, and all the committees of the Corporation.

All correspondence regarding complaints shall be kept on file. Enforcement shall be as follows:

1. Any unit owner, as a member of the Corporation, any person residing in Stedwick, or any representative or agent of the Corporation may make a written complaint regarding any violation of any Rule, Regulation, or Covenant. All such complaints shall be submitted in writing to the Community Manager. The writing must state the date, time, and location of the situation or action complained about, and must be signed by the complainant. The

complainant's name will not be revealed to the (accused) respondent except as required by law. The Community Manager shall take appropriate action under supervision by the Board and in line with the following section on penalties.

2. The respondent shall be sent a letter, on behalf of the Corporation, that shall outline the complaint. The letter may request that all rule violations cease and not reoccur in the future. The letter may also request any other action that is reasonable under the circumstances. The letter shall notify the respondent that an opportunity for a hearing is available to dismiss the complaint. The community manager may decline to send a letter of a rule of violation if the community manager believes the complaint is without merit, a minor violation, more appropriately resolved directly between the parties or cannot be substantiated. In this event the complaining party may in writing ask the Board of Directors to act upon the complaint. The Board of Directors may decline to hold a formal hearing on the complaint for the same reasons. Nothing contained in these procedures will prevent the Community Manager or the Board of Directors from taking all actions they deem appropriate to protect public safety or prevent damage to a portion of the community property or otherwise restrain proper enforcement of the Association's governing documents. The Board of Directors may establish separate procedures as it deems appropriate for the towing of motor vehicles and the enforcement of architectural standards.
3. If after the letter of notification and after the opportunity for a hearing has been provided to the respondent, and the complaint is found to be without merit, it shall be dismissed, and both parties shall be notified.
4. If after the letter of notification and after the opportunity for a hearing has been provided to the respondent, the complaint is found to have merit, the penalty procedures below shall apply.

V. PENALTIES

The Board of Directors may levy a fine for each occurrence of a violation of the Stedwick Homes Corporation Declaration, any Supplements or Amendments thereto, the By-laws and the Rules and Regulations adopted by the Board of Directors. For violations of these covenants, rules, and regulations pertaining to noxious behavior, the amount of the fines shall be as follows.

For violations of these rules concerning noxious behavior, the maximum fine shall be according to the following table. The total fines assessed against a lot owner for the behavior of any particular tenant may not exceed \$5,000.00 in any 365 day period. Fines assessed shall be collected in the same manner as unpaid assessments to the extent as authorized by the Association's Declaration and By-laws.

For each Occurrence	Maximum Fine for Threatening, Harassing, Or Assaulting	Maximum Fine for Other Violations of this Policy
1 st	\$500.00	\$50.00
2 nd	\$1000.00	\$100.00
3 rd	\$1500.00	\$150.00
4 th	\$2000.00	\$200.00
5 th	\$2500.00	\$250.00
6 th	\$3000.00	\$300.00
7 th	\$4000.00	\$400.00
8 th , and additional	\$5000.00	\$500.00

Adopted: March 19, 2008
 Modified: 6/18/08, 5/16/12
 Reaffirmed: 4/15/09, 4/21/10, 6/15/11, 4/16/14