Chelsea’s Way Owners Association, Inc.

Rules and Regulations

Leasing Policy

Effective Date: April 8, 2026

This Leasing Policy has been adopted by the Board of Directors (“Board”) of The Chelsea’s Way Owners Association, Inc. (“Association”), to provide a consistent policy and procedures for leases and to ensure compliance with the Declaration of Covenants, Condition and Restrictions (“CC&Rs” or “Declaration”), and By-Laws of the Association, and any and all amendments thereto (all collectively referred to as “Governing Documents”).

This Leasing Policy allows for the proper administrative oversight of leases for properties within the Chelsea’s Way Community through a Lease Registration Program, as authorized and specified in Article XI, Section 4 of the CC&Rs.

This Leasing Policy shall terminate, override and supersede any and all existing leasing policies which may have been adopted by the Association. The Board may amend this Leasing Policy at any time, as determined to be necessary.

The procedures contained within this Leasing Policy shall not prohibit the Association from exercising any and all remedies available to it, contained within the said CC&Rs, By-Laws or under Tennessee Law.

Violations of any provision of the CC&Rs, By-Laws or other existing Rules and Regulations may, at the Board’s discretion, be enforced in accordance with the procedures found in the Fine Policy.

1. No Owner (Landlord) will lease a property within the Chelsea’s Way community without first obtaining written approval (Leasing Permit) from the Chelsea’s Way Owners Association Board. This request must be in writing and processed through the authorized agent designated by the Board to register leases, Rental Monitoring Solutions (RMS). Refer to Article XI, Section 6 of the CC&Rs for rules regarding “Grandfathered Properties.”

2. There is a Leasing Cap, allowing no more than (11) eleven leased properties within the community at any given time.

   a. If a lease is denied due to the community's Leasing Cap and the denial will cause the owner a hardship, the owner may request a waiver from the Board to allow their property to be leased for no more and no less than (12) twelve consecutive months. The Board will have sole discretion to accept or deny this request.

3. All landlords, including landlords of Grandfathered Properties will register their approved leased properties with the Board through Rental Monitoring Solutions, as well as pay the annual fee associated with the Lease Registration Program for each property. Failure to do so will be considered a violation of the CC&Rs and this Leasing Policy, and will be subject to fines and other actions up to and including default of the lease.

4. All landlords will submit a copy of any new fully executed lease to RMS within (10) ten days of execution of the same.

5. For lease renewals, all landlords will submit a new lease to RMS within (10) ten days of expiration of the current lease. Continuation of an expired lease without executing a new lease agreement, "Rollover Leases" are not allowed.

6. No lease shall be for less than (12) twelve consecutive months.

7. All lease agreements will comply with the following requirements, at a minimum:

   a. Be typed or printed in a legible manner.

   b. Specify the effective dates of the lease.

   c. Be signed and dated by both the landlord and tenant.

   d. Contain a clause not allowing tenants to sublease the property.

   e. Include the Chelsea's Way Leasing Addendum for the landlord and tenants to sign, acknowledging they are residing in a community governed by an HOA and they have received a copy of the Governing Documents, which includes the CC&R's and any Rules and Regulations in which, they must wholly comply with.

8. Landlords shall understand they are responsible for the actions of their tenants, just as all homeowners are responsible for the actions of their family and guests within the community.

9. Landlords will ensure the contact information for both the landlord and all tenants are provided to the Chelsea's Way Owners Association's through RMS within (10) ten days of the lease start date.