THE LAS COLINAS ASSOCIATION

RESOLUTION 2017-6 Short-Term Residential Rentals

WHEREAS, Las Colinas (herein so called) is a master-planned development in the City of Irving and North Texas which has been and is being developed pursuant to a common plan of development adopted in 1973;

WHEREAS, The Las Colinas Association (the "Association") is a non-profit corporation formed under and operating pursuant to Articles of Incorporation dated August 21, 1973 (as amended), that certain Declaration dated August 22, 1973 (and all amendments and supplements thereto) (the "Declaration"), and the Fifth Amended and Restated Bylaws dated September 20, 2016 (collectively the "Governing Documents");

WHEREAS, the Board of Directors (the "Board") of the Association is empowered to govern the affairs of the Association pursuant to the Association's Bylaws¹ and enforce the covenants, conditions and restrictions of the Declaration²;

WHEREAS, the Board recognizes that the practice of short-term leasing of residential properties by their respective owners, including but not limited through websites such as Homeaway.com or Airbnb.com, has become increasingly prevalent in recent years;

WHEREAS, to the extent there is any perceived ambiguity, the Board wishes to clarify, pursuant to its interpretation of applicable law and the intent of the drafters of the Declaration, the intent and meaning of the term "residential purposes" as that term is used in the Declaration, specifically with regard to whether short-term leasing of residential properties in Las Colinas constitutes a "residential purpose" as opposed to a business or commercial purpose, which is often expressly prohibited; and

WHEREAS, based upon numerous community complaints about the conditions created when residential properties are used for short-term leasing, such as excessive noise and crowding of street parking among other complaints, the Board further wishes to clarify, pursuant to its interpretation of applicable law and the intent of the drafters of the Declaration, the intent and meaning of the use limitation prohibiting uses that "may become an annoyance, dangerous or a nuisance to the neighborhood..." as that phrase is used in the Declaration

NOW, THEREFORE, BE IT RESOLVED THAT "residential purposes" is not intended, and shall not be interpreted, to include the practice of leasing a residential property for transient use. "Residential purposes" means, with respect to the leasing of a residential property, the act of occupying the residential property for residential purposes with the intent to remain in possession of the residential property and to make the property one's home. Transient use means

¹ Fifth Amended and Restated Bylaws of The Las Colinas Association (adopted September 20, 2016), Article IV, Section 4.1

² Articles of Incorporation of The Las Colinas Association, Article Four (h)

occupying the residential property without any intention of making the residential property one's home.

BE IT FURTHER RESOLVED THAT the practice of leasing a residential property for periods of less than thirty (30) consecutive days shall be conclusively deemed as leasing the residential property for transient purposes and, therefore, expressly prohibited by the Declaration.

BE IT FURTHER RESOLVED THAT the practice of leasing a residential property for periods of less than thirty (30) consecutive days where hotel taxes may be collected under the Texas Tax Code Sec. 156.001(b) shall be interpreted as using such property for a business or commercial purpose, where those uses are expressly prohibited by the Declaration.

BE IT FURTHER RESOLVED THAT the practice of leasing a residential property for periods of less than thirty (30) consecutive days has been observed to be an activity which may become an annoyance or nuisance to the neighborhood, where such use is expressly prohibited by the Declaration.

Duly adopted by the Board of Directors of The Las Colinas Association this 19th day of September 2017.

Albert C. Zapanta

Chairman of the Board

David A. Cole

Aftest:

Vice Chairman of the Board