

THE RICCHI CONDOMINIUMS

RESIDENTIAL RULES &

REGULATIONS

**RESIDENTIAL RULES AND REGULATIONS
FOR
THE RICCHI LUXURY CONDOMINIUMS**

PART I

GENERAL PROVISIONS

These Residential Rules and Regulations ("Regulations") are established by the Board of Directors ("Board of Directors") of the Residential Association effective as of 14 day of March, 2013 pursuant to the rule-making and rule-enforcement authority granted to the Board of Directors.

The Regulations are in addition to the provisions of the Residential Declaration and the Residential Bylaws. In the event of a conflict among the Residential Governing Documents, the order of governing authority shall be as follows: Restrictive Covenants (highest), the Declaration, Certificate, Bylaws and then these Regulations (lowest). The Board of Directors is empowered to interpret, enforce, amend, and repeal these Regulations.

A. DEFINITIONS

The following terms are defined for use in these Regulations and those capitalized terms not expressly defined herein have the same meaning as defined in The Ricchi Luxury Condominium Declaration (the "Declaration") and all amendments thereto:

"Balcony Areas." All areas shown and marked as a "balcony," "patio" or "balcony area" on the Residential Map.

"Covered Parking Spaces." The locations designated as the "Covered Parking Spaces" and Limited Common Elements on the Residential Map, which may be assigned by the Residential Association, or its designee, as determined by the Board of Directors.

"Contractor." Any party performing construction, repair, remodeling or other services for the benefit of a Residential Owner.

"Game Room(s)." All areas shown and marked as "Game Room" on the Residential Map.

"Manager" or "Management Office." The management staff of the Condominium's management office who are employees of the Residential Association or its managing agent.

"Occupancy", "Occupy" or "Occupied." Occupancy of a Residence in excess of 30 continuous days or 60 days in any consecutive 12-month period.

"Occupant." The Residential Owner or its Tenant, as applicable.

"Parking Spaces." The locations designated as the "Parking Spaces" on the Residential Map, which may be assigned by the Board of Directors.

"Playground." The area designated as "Playground" on the Residential Map.

"Pool Area." The area designated as "Pool Area" on the Residential Map.

"Posted Rules." Rules and signs posted by the Residential Association at any time on the Property from time to time.

"Recreational Facilities." The Pool Areas, Fitness Center, Game Room(s), Playground Area, Volleyball Court Area, Grilling Area, and Internet Room, as shown on the Residential Map.

"Regulations." These rules and regulations, Posted Rules and Temporary Rules.

"Residential Association." The Ricchi Luxury Condominium Association, Inc., a Texas nonprofit corporation organized under the Act and the TNCL and created for the Purposes and possessing the rights, powers and authority set forth in the Governing Documents and shall include the Manager to the extent the Residential Association has delegated any right or duty to such Manager.

"Residential Common Elements." All portions of the Residential Condominium, including the Residential General Common Elements and Residential Limited Common Elements, but excluding the Residences.

"Residential Owner." Any Person (including Residential Declarant) owning fee title to Residence, but excluding any Person having an interest in a Residence solely as security for an obligation.

"Temporary Rules." Notices communicated to the Residential Owners by the Residential Association from time to time or at any time which rules are seasonal or temporary in nature or notices of change affecting the use of the Property.

B. COMPLIANCE

1. Compliance. Each Residential Owner will comply with the provisions of the Governing Documents and any other policies or regulations adopted by the Board of Directors to supplement the Governing Documents, as any of these may be revised from time to time. Additionally, each Residential Owner shall be responsible for ensuring compliance with the Governing Documents by all Person using or occupying such Residential Owner's Residence and its invitees and guests. If a Regulation requires, prohibits or permits conduct by a "Residential Owner" or "Tenant," each of those terms shall be deemed to include the other, and applies to all persons for whom a Residential Owner or Tenant is responsible.

2. **Additional Regulations.** Each Residential Owner must comply with the Posted Rules and the Temporary Rules. The Posted Rules and the Temporary Rules are incorporated into these Regulations by reference.

3. **Waiver.** Circumstances may warrant waiver or variance of these Regulations. To obtain a waiver or variance, a Residential Owner must make written application to the Board of Directors. The Board of Directors will consider such request and respond to the Residential Owner in accordance with the Governing Documents. If the application is approved, the waiver must be in writing, and may be conditioned or otherwise limited.

4. **Right to Enforce.** The Residential Association has the right to enforce these Regulations against any Person on the Property.

C. OBLIGATIONS OF RESIDENTIAL OWNERS

1. **Safety.** Each Residential Owner is solely responsible for such Residential Owner's own safety and for the safety, well-being and supervision of such Residential Owner's guests and any person at the Condominium to whom the Residential Owner has a duty of due care, control, or custody.

2. **Residence Key.** Each Residential Owner will provide the Residential Association with a set of all keys required to enter such Residential Owner's Residence through the front door, and shall provide replacement keys to the Residential Association each time a lock on the Residence is changed. The Residential Association assumes no liability related to possession of the keys, beyond reasonable and prudent care to safeguard them.

3. **Damage.** Except as otherwise provided in the Governing Documents, a Residential Owner is responsible for any loss or damage the Residential Owner causes to its own Residence, other Residences, the Residential Common Elements or the personal property of the Residential Owners.

4. **Insurance.** A Residential Owner assumes full risk and sole responsibility for placing such Residential Owner's personal property in or on the Property. Each Residential Owner is solely responsible for insuring such Residential Owner's personal property on the Property. The Residential Association recommends that all Residential Owners and Tenants purchase and maintain appropriate insurance coverage on their personal belongings, vehicles and Residences.

5. **Risk Management.** A Residential Owner may not permit anything to be done or kept in its Residence or the Residential Common Elements that is illegal or that may result in the cancellation or increase in any insurance premiums paid by the Residential Association or any other Residential Owner in connection with the Property.

6. **Reimbursement for Enforcement.** Each Owner shall promptly reimburse the Residential Association on demand for any expense incurred by the Residential Association to enforce the Governing Documents against such Residential Owner or its Residence.

7. Reimbursement for Damage. Except as otherwise provided in the Governing Documents, each Residential Owner shall promptly reimburse the Residential Association on demand for the cost of damage caused by the negligent or willful conduct or omission of such Residential Owner.

8. Certain Sales Prohibited. Without the Residential Association's prior written permission, a Residential Owner may not conduct or permit a Tenant to conduct on the Property a sale or activity that is advertised to the public as an "estate sale," "yard sale" or "garage sale," or post any signage on the windows or exterior of the Building that sends a similar message. This section does not apply to marketing the sale or rental of a Residence, unless combined with a prohibited activity.

D. OCCUPANCY STANDARDS

1. Number of Occupants. Subject to any exception for familial status under any applicable fair housing law, no more than two persons may Occupy any one-bedroom Residence, no more than four persons may Occupy any two-bedroom Residence, and no more than four persons may Occupy any three-bedroom Residence.

2. Familial Status. The Residential Association's Occupancy standard for Residential Owners or Tenants who qualify for the familial status protection under any applicable fair housing law is a maximum of two persons per bedroom.

3. Minors. No person under the age of 18 years of age may Occupy a Residence unless such Occupancy is with a Residential Owner or Tenant who is a parent, legal guardian, or designee in writing of such minor's parent or legal guardian. A Residential Owner must provide satisfactory proof of the ages and relationships among the Occupants of such Residential Owner's Residence upon request of the Residential Association.

4. Danger. No Residence may be occupied by a person who constitutes a threat to the health or safety of other persons, or whose occupancy could result in substantial physical damage to the property of others.

E. LEASES

1. Term and Conditions of Lease. Except for those Residences owned and leased by Declarant, which are not subject to these restrictions on leasing, an entire Residence (but not less than an entire Residence) may be leased for (a) private residential purpose only; or (b) parking purposes only if a Parking Space, and may not be leased for a term of less than 6 months.

2. Written Leases. Each lease of a Residence and Parking Space must be in writing, fully executed and in a form substantially similar to the form attached as Attachment A to these Regulations. At least ten days before the start of each lease term, the Residential Owner will provide the Residential Association with: (a) an executed copy of the lease of the Residence; and (b) information about the Tenant(s) in a form acceptable to the Residential Association. As soon as practical after its receipt thereof, the Residential Owner must notify the Residential Association of any changes in Tenant information during the lease term.

3. Subject to Documents. The mere execution of the lease for a Residence or occupancy (for any period of time) subjects a Tenant to all pertinent provisions of the Governing Documents to the same extent as if Tenant were a Residential Owner; provided that, notwithstanding the foregoing or any provision of the lease between Residential Owner and a Tenant, the Residential Owner shall not be relieved of any obligation under the Governing Documents and shall remain primarily liable thereunder. The Residential Owner is responsible for providing a Tenant with the Governing Documents and notifying the Tenant of any changes therein. The Residential Association may send notices of violations by a Tenant to both the Tenant and to the Residential Owner of the Residence occupied by the Tenant. Whether or not it is so stated in the lease, a Tenant's violation of the Governing Documents is deemed to be a material default of the lease for which Residential Owner has all available remedies at law or equity.

4. Landlord Residential Owners. Residential Owners of Tenant-occupied Residences are advised to stay informed of and to comply with federal and state laws and local ordinances regulation residential rental properties and relations between landlords and tenants. The Residential Association has no duty to notify Residential Owners about landlord/tenant laws and ordinances.

5. Tenant Communications. Residential Owners shall instruct their Tenants to channel all communications (including non-emergency repair requests) through the Residential Owner. Residential Owners will further instruct their Tenants that the Residential Association does not manage or repair the Residences, and that the Tenant should not contact the Residential Association (except as may be required by the Governing Documents or to report emergencies that are within the Residential Association's scope of responsibility pursuant to Governing Documents).

F. PARKING SPACES

1. Parking Spaces.

(a) **General.** A Residential Owner shall use a Parking Space for parking purposes only and in accordance with and subject to the Governing Documents. Parking Spaces which are assigned to such Residential Owner's Residence may be leased to a Residential Owner's Tenant pursuant to the lease for such Residence. Except as otherwise specifically provided in the Governing Documents, no person shall have the right to use a Parking Space except a Residential Owner or Tenant. Parking Spaces may not be enclosed or altered in any way. The Board of Directors may assign two individual Parking Spaces for each Residence.

(b) **Authorized Vehicles.** Parking Spaces may be used for the parking of private passenger vehicles only and shall not be used for parking commercial vehicles or trucks (except sport utility vehicles, mini-vans, and pick-up trucks utilized as personal transportation), boats, personal watercraft, recreational vehicles, buses, taxi cabs, or trailers. No Parking Space may be used for the storage of machinery, equipment or other personal property. For purposes hereof, private passenger vehicles include automobiles, motorcycles, motorized bikes, station wagons, sport utility vehicles, minivans, and trucks not exceeding 21 feet in length.

(c) **Vehicle Conditions.** The Residential Owners and Tenants shall not leave any vehicle in a state of disrepair (including flat tires, out-of-date inspection stickers or license plates) on the Property. Each vehicle must be muffled and must be maintained and operated to minimize noise, odor, and oil emissions. No such vehicle may be kept on the Property if the Board of Directors deems it to be unsightly, inoperable, inappropriate, or otherwise violative of these Regulations. If the Residential Owners or Tenants park their vehicles in areas other than the Parking Space designated for such Residential Owner's Residence, or leave any vehicle in the state of disrepair, the Residential Association, after giving written notice to the applicable Residential Owner of such violation, shall have the right to remove such vehicle at the Residential Owner's expense. No removal or impoundment of a vehicle shall create any liability on the Residential Association.

(d) **Nuisances.** All Residential Owners and Tenants shall cooperate with the Residential Association in keeping all parts of the Parking Lot and other parking areas on the Property neat and clean. The use of car horns on the Property or in the Parking Lot is discouraged, except for the judicious use of a horn for right of way. Signs advertising a vehicle "for sale" are prohibited.

(e) **Parking Practices.** Vehicles must be parked entirely within the lines and all directional signs, arrows and posted speed limits must be observed. Parking is prohibited in areas not striped for parking, in aisles, in fire lanes, where "No Parking" signs are posted, in crosshatched areas, and in other areas as may be designated by the Residential Association. All cars parked in fire lanes will be subject to immediate towing at the car owner's expense. Motorcycles or bicycles may not be chained to building, fences, or any other part of the Property, unless designated for that purpose. No Residential Owner or Tenant shall encumber

or obstruct, or permit the encumbrance or obstruction of any of the drive lanes, sidewalks, or entrances of the Parking Lot. No vehicle may be parked in a manner that impedes or prevents ready access to the Property or Parking Space.

(f) Hazards. Residential Owners and Tenants shall not do anything or permit anything to be done, in or about the Parking Lot or other parking areas, or bring or keep anything therein, that will in any way increase the possibility of fire or other casualty or obstruct or interfere with the rights of or otherwise injure or annoy, other users of the Parking Lot or other parking areas, or do anything in conflict with laws, rules or regulations of any governmental authority. Residential Owners and Tenants shall not use or keep in the Parking Lot or other parking areas any flammable or explosive fluid or substance or otherwise dangerous fluid, chemical or substance, or any illumination material, except for such substances contained in vehicles using the Parking Lot and other parking areas in reasonable and normal quantities and in accordance with reasonable and customary usage by such vehicles. In addition, every person is required to park and lock his or her vehicle. All responsibility for damage to vehicles or persons is assumed by the owner of the vehicle or its driver.

(g) Prohibited Actions. Car washing is prohibited anywhere on the Property. No servicing or repairs shall be made to any motor vehicle either on or within the Residential Common Elements, including in the Parking Lot or other parking areas on the Property, except for emergency repairs as necessary to enable movement of the vehicle to a repair facility. No motor vehicle shall be driven on or within any part of the Property including the Parking Lot other than on a driveway or designated parking area. Visitors' motor vehicles may be parked only in those Parking Spaces clearly marked or designated for visitors.

(h) Violations. A vehicle in violation of these Regulations may be stickered, wheel-locked, towed or otherwise removed from the Property by the Manager, at the expense of the vehicle's owner. The Residential Association expressly disclaims any liability for damage to vehicles occasioned by the exercise of these remedies.

2. Part F Not Exclusive. The rules and regulations contained with this part F shall not be interpreted to apply to the exclusion of other rules contained in these Regulations which would logically apply to Parking Spaces.

G. GENERAL USE AND MAINTENANCE OF RESIDENCE

1. Use. Except for those Residences owned by Declarant, each Residence must be used solely for private residential use, and may not be used for any commercial or business purposes. This restriction does not prohibit a Residential Owner from using the Residence for personal, business, or professional purposes, provided that: (a) such use is incidental to the Residence's residential use; (b) such use conforms to all applicable Legal Requirements; (c) there is no external evidence of such use; and (d) such use does not entail excessive visits to the Residence by the public, employees, suppliers, or clients. The use of all Residences shall be in accordance with the Governing Documents.

2. Annoyance. A Residential Owner may not use a Residence in a way that:
(a) Annoys other Residential Owners; (b) reduces the desirability of the Condominium as a residential community; (c) endangers the health or safety of other Residential Owners; or (d) violates any law or any provision of the Governing Documents.

3. Right of Entry. The Residential Association may enter a Residence in case of an emergency origination in or threatening the Residence, whether or not the Residential Owner is present at the time. This right of entry may be exercised by the Manager, directors, officers, agents, and employees, and by all police officers, firefighters, and other emergency personnel in the performance of their respective duties. Also, the Residential Association may enter a Residence to perform installations, alterations, or repairs to the mechanical, electrical, or utility services which, if not performed, would affect the use of other Residences or the Residential Common Elements; provided that, if possible, requests for any entry shall be made in advance and at a time convenient to the Residential Owner. In case of an emergency, the right of entry is immediate and if the Residential Owner has failed to provide a door key or refuses to provide entry, the Residential Owner is liable for the cost of repairs to the Residence or Residential Common Elements caused by the Residential Association's chosen method of access under such circumstances.

4. Maintenance. Each Residential Owner, at such Residential Owner's sole cost and expense, will maintain its Residence in accordance with the Maintenance Standard, and shall keep it in good repair at all times; provided, however, that any work to be performed by a party not the Residential Owner shall require an executed copy of any agreement substantially in the form attached as Attachment B to be provided to the Residential Association.

5. Balcony Areas. Each Residential Owner shall maintain its Balcony Area in a clean manner at all times. Each Residential Owner will take care that the cleaning of its Balcony Area does not annoy or inconvenience other Residential Owners. A Balcony Area may not be enclosed or used for storage purposes. Open-post balcony railings may not be closed or screened with wire, mesh, or other material. In addition, the weight of items such as hanging plants or patio furniture is subject to the Residential Association's approval. If the Residential Association determines that a Balcony Area is unsightly (including the need for any cleaning of windows or doors) or that any hanging items or patio furniture poses a safety risk to anyone on the Property, the Residential Association may give the Residential Owner notice of such condition and a reasonable time period in which to correct it, after which the Residential Association may take corrective action at the Residential Owner's expense. The use of outdoor cooking or heating equipment, including but not limited to charcoal grills, electric or gas grills and hibachis, is prohibited anywhere on the Property, including the Balcony Areas.

6. Hot Tubs. The use or installation of hot tubs, whirlpools, or Jacuzzis (portable or permanently installed) in a Residence or on a Balcony Area is prohibited. This rule does not apply to a customary bathtub fixture with water jets located within a Residence that is installed pursuant to all applicable plumbing codes.

7. Prohibition of Outdoor Cooking or Heating Equipment. Other than those grills designated for use in the Grill Area, the use of outdoor cooking or heating equipment is prohibited anywhere on the Property, including charcoal grills, electric or gas grills and hibachis.

8. Stoves. Each Residential Owner, at its own expense, shall keep the ventilation hood above the stove or range in its Residence clean and in operating condition.

9. Glass. The Residential Association is responsible for replacing broken or cracked glass in the windows and doors in any Residence, unless such damage is the responsibility of a Residential Owner. In the event that a Residential Owner is responsible for such damage, that Residential Owner, at such Residential Owner's expense, must promptly repair and replace any broken or cracked glass in the windows and doors of its Residence. The Residential Association will have the sole authority to determine fault for broken or cracked glass. Replacement windows must conform to the windows that conform to the windows that are standard in the Improvements or be approved in writing prior to installation by the Residential Association. The Residential Association reserves the right to replace any broken or cracked exterior windows of the Building on behalf of a Residential Owner, at such Residential Owner's sole expense, to ensure proper installation.

10. Combustibles and Hazardous Materials. Except for those retail products sold for exclusive use as household cleaning products, a Residential Owner or Tenant may not store or maintain explosives or other combustible materials or hazardous materials anywhere on the Property, including within a Residence and/or Storage Space.

11. Water Problems. A Residential Owner is responsible for water damage to the Residential Common Elements (except as otherwise provided in the Declaration) and adjoining Residences which emanates from its Residence, including leaks or overflows of sinks, tubs, showers, shower pans, toilets, dishwashers, and clothes washers. In case of continuous water overflow, the Residential Owner should immediately turn off water and turn the shut-off valves, e.g. behind the toilet or under the sink, to "Off" position.

12. Water Cut-Off. Except in the case of an emergency, no person may interfere with or interrupt the Property's water lines, including water lines to an individual Residence, without the prior knowledge and cooperation of the Residential Association. A Residential Owner who requires a water cut-off for the purpose of remodeling shall submit a written request to the Manager at least five days prior to the requested water cut-off. All instances of flooding or water drainage must be reported to the Residential Association immediately.

13. Report Malfunctions. A Residential Owner shall immediately upon discovery, report to the Residential Association any leak, break, or malfunction in any portion of the Property which the Residential Association has a duty to maintain. A Residential Owner who fails to promptly report a problem may be deemed negligent and may be liable for any additional damage caused by the delay.

14. Cable. A Residential Owner who subscribes directly to cable or satellite service is solely responsible for the cost and maintenance of the subscription and the appurtenant equipment (except that any central antenna system described in Section 19 below shall be maintained by the Residential Association as a Common Expense); provided that, no antenna or satellite dishes may be installed except in compliance with Section 19 below. A Residential Owner who obtains cable or satellite service through the Residential Association (in the event the Residential Association were to provide such service, at its sole discretion) is responsible for the proper use, maintenance, and return of cable connections or equipment. No additional exterior cable lines may be connected to the Residence.

15. Utilities. A Residential Owner will conserve the use of utilities furnished through the Residential Association (if any), including water consumption within any Residence.

16. No Right to Vent or Cut Into, Chase, etc. Notwithstanding any provision hereof to the contrary, under no circumstances whatsoever, may any Residential Owner, directly or indirectly, vent or cut into any chute, duct, conduit or vertical chase or any plumbing that serves a Residence, without the prior written consent of the Residential Association.

17. Signage; Advertising. No sign, advertisement or notice shall be inscribed, painted, affixed or placed on any part of the outside of a Residence (or on the inside, to the extent visible from any other Residence, the Residential Common Elements or the exterior of the Building) or on any Common Element whatsoever, without the prior written consent of the Residential Association.

18. Electrical and Plumbing Facilities. Residential Owners shall not overload existing electrical circuits and plumbing facilities in its Residence.

19. Antenna.

(a) Central Antenna System. The Declarant, Residential Association or Manager may elect to install a central antenna system that enables Residential Owners and Tenants to receive DIRECTV DBS service and/or other video programming or fixed wireless services described in the Over-the-Air Reception Device Rule ("OTARD") adopted by the Federal Communications Commission, without the need for installation of individual antennas within a Residential Owner's or Tenant's Residence, Balcony Area or other area subject to such Residential Owner's or Tenant's exclusive use and control. If the Declarant, Residential Association or Manager installs such a central antenna system for a particular service, then Residential Owners and Tenants desiring the particular service received by such central antenna system may not install individual antennas for such service within their Residence, Balcony Area or other area subject to such Residential Owner's or Tenant's exclusive use and control, except as permitted by applicable laws and regulations, and must receive such service through the central antenna system.

(b) Other Antenna. Except as provided in Section 9(a) above, the Residential Association and Manager shall not prohibit the installation, maintenance or use of antennas used to receive those video programming or fixed wireless services described in OTARD ("Permitted Antennas"). A Residential Owner or a Tenant shall be permitted to install or maintain a Permitted Antenna within such Residential Owner's or Tenant's Residence or its Balcony Area, subject to reasonable safety rules established by the Residential Association from time to time; provided, however that no such Permitted Antenna or related structures shall be erected on, or fastened to, the roof, any exterior wall of a Residence, on any portion of the Residential Common Elements or anywhere else on the Property that is not subject to such Residential Owner's or Tenant's exclusive use or control, without the prior written consent of the Residential Association. Prior to the installation of any Permitted Antenna, each Residential Owner or Tenant shall execute an agreement substantially in accordance with the document attached as Attachment C to these Regulations.

20. Window Air Conditioning Units. No window heating or air conditioning unit shall be installed within any Residence or Residential Common Element.

21. Infestation. No Residential Owner shall permit or suffer the infestation of its Residence by pests, insects, rodents, or other vermin. Failure to comply with the foregoing, or the failure to report such infestation to the Residential Association as soon as the Residential Owner is aware of same, will render such Residential Owner liable for all costs and expenses incurred in having to eradicate such infestation.

22. Compliance with Laws. EACH RESIDENTIAL OWNER SHALL PROMPTLY AND FULLY COMPLY WITH ANY AND ALL LEGAL REQUIREMENTS WITH RESPECT TO THE OCCUPANCY AND USE OF ITS RESIDENCE.

23. Window drapery is subject to the Residential Association's approval, the association also has the approved type and color of drapery.

H. GENERAL USE AND MAINTENANCE OF RESIDENTIAL COMMON ELEMENTS

1. Access Codes and/or Cards. Admittance to the Building or Parking Lot may require use of a code (an "Access Code") or coded access card (an "Access Card"), in which case an appropriate Access Code or Access Card will be issued to the Residential Owners through the Management Office. To obtain an Access Code or Access Card, a Residential Owner must provide the Manager with evidence of its ownership of a Residence. To obtain an Access Card, a Residential Owner must pay the appropriate fee. Access Codes and Cards are personal to the person to whom they are issued, and may not be transferred or assigned except to Tenants. Any person in possession of an Access Code or Card shall, upon request of the Residential Association, produce a valid driver's license or other picture identification. An Access Card found in the possession of a person to whom it is not issued will be confiscated. Replacement of a lost or confiscated Access Card, or the purchase of an additional Access

Card, requires payment of a fee set by the Board of Directors.

2. **Intended Use.** Each area on the Property may be used only for its intended and obvious purpose. For example, walkways, stairways, sidewalks, elevators, and driveways are used exclusively for purposes of access and emergency egress, not for social congregation or recreation.

3. **Limited Recreation Areas.** The Recreational Facilities described in these Regulations are the only recreational facilities at the Condominium. No other portions of the Residential Common Elements may be used for recreation, sports, exercise, or play.

4. **Hallways.** No item or object of any type, other than doormats, may be stored, placed, or maintained anywhere on the Residential Common Elements, including hallways and stairwells, except as authorized by the Residential Association or with the Residential Association's prior written consent. A Residential Owner may not decorate or customize the exterior of such Residential Owner's front door, except for a decorative wreath or temporary holiday appropriate decorations, which must be removed within two weeks of any such holiday. Items of personal property found on Residential Common Elements (other than Balcony Areas) are deemed abandoned and may be disposed of by the Residential Association of the Manager.

5. **Balcony Areas.** Although items or objects such as doormats, furniture, plants and decorative items may be placed on the Balcony Areas, the Residential Association or Manager reserves the right to determine whether a Balcony Area is unsightly or cluttered, and may at their sole discretion request the removal of such items. A Residential Owner who does not remove such items in a reasonably timely manner may be subject to the disposal of such items by the Residential Association; provided that, neither the Residential Association nor Manager shall be liable for any claims or losses by a Residential Owner arising from the entry of its Residence by the Residential Association or Manager and the disposal of such items in the Balcony Area appurtenant thereto.

6. **Use of Elevators.** The Residential Association may designate one of the elevators in the Tower for use as a casual (service) elevator to be used by residents: (a) accompanied by pets; or (b) carrying parcels, bags or moving any item.

7. **Fire and Safety.** No person may use, tamper with, pry open, or modify any fire or safety equipment on the Property, including alarms, extinguishers, monitors, and self-closing doors. All Residential Owners shall be responsible for reporting damaged or missing sprinkler heads or smoke detectors within its Residence to the Residential Association or Manager.

8. **Landscaping.** No one shall harm, mutilate, alter, litter, uproot or remove any of the landscaping work on or within the Residential Common Elements, or place or affix any planters, statues, fountains, ornamental objects or artificial plants upon any portion of the Residential Common Elements (other than the Balcony Area appurtenant to such Residence), without the prior written consent of the Residential Association. Digging, planting, pruning, and

climbing in any landscaped areas are expressly prohibited.

9. Clotheslines. No hanging or drying of clothes shall be allowed on (or within) any portion of the Residential Common Elements, and no pulley clothesline or similar device shall be affixed to or used in connection with any Residence or Common Element.

10. Waste Disposal; Plumbing Damage. No one shall place, leave or permit to be placed or left in or upon the Residential Common Elements any waste, debris, refuse or garbage except in the areas designated by the Residential Association or the Manager as a central garbage depository, and only on those days and times as are designated by the Residential Association or the Manager from time to time. Water shall not be left running unless in actual use; and no waste, garbage, rubbish, or noxious or unusual substances shall be disposed into any toilet, sink or drain. Any damage to plumbing pipes, drains and apparatus resulting from misuse, or from unusual or unreasonable use, shall be borne by the Residential Owner causing such damage.

I. COMMUNITY ETIQUETTE

1. Courtesy. Each Residential Owner will endeavor to use its Residence and the Residential Common Elements in a manner calculated to respect the rights and privileges of other Residential Owners and other users of the Property. Each Residential Owner will refrain from conduct that may reasonably be expected to inconvenience, embarrass, or offend the average Residential Owner in the Condominium and other users of the Property.

2. Visitors. Visitors to Residences may be required to register at the lobby desk and each Residential Owner is responsible for guests' compliance with the Regulations.

3. Code of Conduct. Residential Owners will conduct themselves in a civil manner when dealing with the Residential Association's officers, directors, committee members, Manager, employees, contractors, agents, and other Residential Owners. In return, the Residential Owners are due the same courtesy and civility. The following actions are expressly prohibited: (a) verbal abuse; (b) insults and derogatory name-calling; (c) cursing; (d) aggressive or threatening behavior; (e) hostile touching or physical contact; (f) sexual harassment; (g) posting correspondence on the doors of directors and officers; and (h) phone calls that are designed, by their tone, time, or frequency, to harass or intimidate. No person has the right to abuse another, or the duty to tolerate abuse.

4. Residential Association Employees. Residential Owners may not instruct, direct, or supervise the Residential Association's or Manager's employees and agents, unless directed to do so by the Board of Directors. Residential Owners may not interfere with the performance of duties by the Residential Association's or Manager's employees, and will refrain from monopolizing the time or attention of the Residential Association's or Manager's employees.

5. No Hiring of Employees. The employees and agents of the Residential Association and Manager are not permitted or authorized to render personal services to Residential Owners. The Residential Owners will not request or encourage employees or agents to violate this provision.

6. Communications among Residential Owners. The Residential Association bears a duty to balance the right of members to communicate with each other against the desire of the Residential Owners and Tenants to be free of uninvited solicitations and misleading communications. To achieve that balance, oral and written communications that are intended for delivery to more than one Residential Owner are subject to this section.

(a) Without the Board of Directors' prior written permission, Residential Owners may not communicate with others in a manner that may give the impression of having been approved or sanctioned by the Residential Association. In communicating with other Residential Owners, the issuer should identify himself and state that the communication has not been sanctioned by the Residential Association.

(b) Without the Board of Directors' prior written permission, a person may not distribute handbills or hand-deliver written communications to mailboxes, Residence doors, or car windshields.

(c) Without the Board of Directors' prior written permission, a person may not solicit information, endorsements, or money from Tenants, or circulate petitions, except via the U.S. mail.

7. Attire. Residential Owners must wear neat and clean street attire in the elevators, lobby, and other Residential Common Elements. Residential Owners are prohibited from wearing lingerie and pajamas as outerwear, or being barefoot in the Residential Common Elements. As a person en route to or from the swimming pool, shall wear a shirt or beach robe over swimming attire.

8. Annoyance. Residential Owner will avoid doing or permitting anything to be done that will annoy, harass, embarrass, or inconvenience other Residential Owners, their guests, or the Residential Association's employees and agents.

9. Noise and Odors. Each Residential Owner will exercise reasonable care to avoid making or permitting to be made loud, disturbing, or objectionable noises or noxious odors that are likely to disturb other Residential Owners.

10. Quiet Hours. Between the hours of 10:00 p.m. and 6:00 a.m., Residential Owners shall refrain from activities that are likely to create a noise disturbance for Residential Owners of adjoining Residences. Examples of such activities include the operation of dishwashers, garbage disposals, vacuum cleaners, hammering, musical instruments, and aerobic exercise. During these hours, Residential Owners must also try to modulate their conversations and entertainment equipment to avoid disturbing Residential Owners in adjoining Residences.

11. Reception Interference. Residential Owners will avoid doing or permitting anything to be done that may unreasonably interfere with the television, radio, telephonic, or electronic reception on or about the Property.

12. Packages. Each Residential Owner agrees that the Residential Association is not responsible for any item or article left with or delivered to the Residential Association's employees or agents on behalf of such Residential Owner.

13. Wildlife. Feeding of birds, squirrels, or any wildlife is prohibited on Residential Common Elements.

14. Smoking. The smoking of tobacco products is permitted in the individual Residences and on Balcony Arcas. All cigarette and cigar butts shall be disposed of properly and may not be thrown off Balcony Arcas or out windows. Smoking is prohibited in the Residential Common Elements, including any elevators, hallways, lobbies, Fitness Center, Pool Area, and other Recreational Facilities, the Management Office, entry foyers and outside of building entrances.

15. Resolution by Arbitration. All disagreements between a Residential Owner and the Residential Association as a representative of another Residential Owner, with regard to whether or not noises, odors or particular conduct are loud, disturbing, objectionable or otherwise annoying as contemplated in these Regulations shall constitute a "Dispute" as defined in the Declaration and shall be resolved in accordance with the terms therein.

J. USE OF RECREATIONAL FACILITIES

1. Access to Recreational Facilities. The Residential Association may, in its sole and absolute discretion, designate the hours of access to the Recreational Facilities, as well as restrict the use thereof, by requiring pre-scheduling and limiting the amount of time available to each Residential Owner to ensure fair access. The use of all Recreational Facilities is subject to compliance with these Regulations and any other Posted Rules at the Recreational Facility. Persons using the Recreational Facilities must, at all times, respect the rights and privileges of others using the Recreational Facilities.

2. Recreational Facilities. The Recreational Facilities consist of the Pool Area, , Game Room(s), Playground Area, Grilling Area and Lobby. The Recreational Facilities are open from 6:00 a.m. to 10:00p.m., seven days per week.

3. Guests. Except for Tenants, a non-Residential Owner may not use the Recreational Facilities unless accompanied at all times by a Residential Owner. Each Residential Owner agrees to assume all responsibility for the care, safety and well-being of such Residential Owner's guest or invitee relating to the use of the Recreational Facilities. The right of a Residential Owner to share the use of Recreational Facilities with such Residential Owner's guests or invitees is at all times subject to the immediate termination by the Board of

Directors if the Governing Documents are violated, or if such termination is deemed by the Board of Directors to be in the Residential Association's best interests.

4. **Number of Guests.** With respect to each Residence, the Residential Owners of such Residence, at any one time, may not have more than four guests outside the Residential Owner's immediate family (unless prior arrangements are made with the Management Office) using the Recreational Facilities. By reservation through the Management Office, functions involving a large number of guests may be permitted in the Recreational Facilities provided, however, that the number of guests in the Recreational Facilities shall at all times comply with the Restrictive Covenants and the maximum occupancy standards set forth therein. Reserved functions must be confined to the area reserved, and the host Residential Owner must ensure that such Residential Owner's guests do not use the other Recreational Facilities.

5. **Age Restrictions for Health and Safety.** In addition to the general requirement that the use of Recreational Facilities by minors or legal incompetents be with the knowledge and consent of their parent or guardian, no person under the age of 14 years may be permitted in or around the Recreational Facilities at any time unless accompanied by a parent or legal guardian.

6. **Animals Prohibited.** Other than assistance animals allowed by Legal Requirements, no animals or pets are permitted in any Recreational Facility at any time.

7. **Disturbances Prohibited.** No loud sounds or boisterous conduct is permitted in any Recreational Facility at any time. No use of a radio, television, CD player or similar device is permitted in a Recreational Facility unless used with headphones so that others are not disturbed.

8. **Glass Containers Prohibited.** Containers made of glass are not permitted at any time in the Recreational Facilities.

9. **Suspension of Privileges.** The Board of Directors may suspend use of a Recreational Facility by any Residential Owner or guest who violates these Regulations in relation to any Recreational Facility more than two times within a 12-month period. The length of the suspension will be determined solely by the Board of Directors, taking into consideration the Recreational Facility in question and the nature and frequency of the violations. Notice of such suspension will be delivered in writing and will entitle the suspended Recreational Facility user to a hearing before the Board of Directors.

10. **Suspension for Nonpayment.** The Board of Directors may suspend use of a Recreational Facility by a Residential Owner or by the occupants of that Residential Owner's Residence for any period during which Assessments against that Residence are unpaid.

11. **Additional Rules for Swimming Pool.** In addition to the Regulations and Posted Rules at the swimming pool, the following rules will condition any use of the

swimming pool: (a) customary bathing attire must be worn in the swimming pool; (b) street clothes, cutoffs, underwear and nude bathing are not allowed in the pool; (c) pool furniture may not be removed from the swimming pool area; (d) running, rough play, wrestling, excessive splashing and loud behavior are prohibited in the pool area; (e) no person under the age of 14 years may be permitted in or around the swimming pool except pursuant to paragraph 5 above; and (f) children who are not toilet trained are not permitted in the swimming pool.

12. Reservation of Recreational Facilities. In addition to these Regulations, including age and guest limitations, the following rules will condition use of the Recreational Facilities:

(a) Reservation. The Recreational Facilities may be reserved through the Residential Association or Manager for a specific date on a first come, first served basis. Advance notice of at least one week should be given for any reservation. After a Residential Owner has reserved a particular Recreational Facility four (4) times in the same calendar year, that Residential Owner cannot reserve that particular Recreational Facility any earlier than one week before the scheduled use. The Residential Association may charge a fee for the reservation and use of the Recreational Facilities listed above in addition to the refundable deposit.

(b) Use or Function. In connection with a reservation, the Residential Association may require the Residential Owner to describe the purpose for which the Recreational Facility will be used. The right of Residential Owners to reserve such Recreational Facility for private use is subject to the right of the Board of Directors to prohibit or condition certain uses or functions or to require additional security deposits.

(c) Cleaning. A Residential Owner who has exclusive use of a Recreational Facility must restore that Recreational Facility to a neat and clean condition within two hours after the end of the period reserved or no later than 8:00 a.m. the next day following an evening use. The Residential Association shall have the right to require a deposit in connection with a Residential Owner's reservation of a Recreational Facility, and if the condition of such Recreational Facility is not satisfactory upon Manager's inspection, the cost of cleaning or repair will be deducted from such deposit. A minimum deduction by the Residential Association for cleaning or repairs may be set by the Board of Directors.

13. Release. Although all Residential Owners, guests and invitees may be required to sign releases of liability releasing and holding harmless the Residential Association, Board of Directors, employees and Manager from any and all liability, claims, losses, and actions arising out of or in connection with the use of any of the Recreational Facilities, the mere use of such Recreational Facilities, in and of itself, by any person shall constitute a full and complete release and indemnification of the Residential Association, Board of Directors, employees and Manager arising out of and in connection with all such activities. **THE RESIDENTIAL ASSOCIATION EXPRESSLY DISCLAIMS AND DISAVOWS ANY AND ALL REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF FITNESS OR SAFETY FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY OF THE RECREATIONAL FACILITIES OR ANY EQUIPMENT**

ASSOCIATED WITH THE RECREATIONAL FACILITIES.

14. Risk. Each Residential Owner uses the Recreational Facilities and other Residential Common Elements at such Residential Owner's own risk. The Recreational Facilities are unattended and unsupervised. Each Residential Owner is solely responsible for such Residential Owner's own safety and that of such Residential Owner's guests. The Residential Association disclaims any and all liability or responsibility for property damage, injury or death occurring from the use of the Recreational Facilities.

K. HEALTH AND WELL-BEING

For the health, well-being and enjoyment of all Residential Owners, the following limitations and restrictions will be observed, in addition to any Regulations, Posted Rules and other warnings or notices that may be posted at the Recreational Facilities.

1. Supervision of Minors. For their own well-being and protection, persons who are legally incompetent or younger than 14 years must be under the general control and supervision of their parents or guardians at all times while on the Property. A person under 14 years may not be left unattended in a Residence at any time.

L. SAFETY DISCLAIMER

THE RESIDENTIAL ASSOCIATION MAY, BUT IS NOT OBLIGATED TO, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE PROPERTY DESIGNATED TO MAKE THE CONDOMINIUM LESS ATTRACTIVE TO INTRUDERS THAN IT OTHERWISE MIGHT BE. THE RESIDENTIAL ASSOCIATION, ITS DIRECTOR, COMMITTEES, MEMBERS, AGENTS, EMPLOYEES, AND THE MANAGER WILL NOT IN ANY WAY BE CONSIDERED AN INSURER OR GUARANTOR OF SECURITY WITHIN THE PROPERTY, AND MAY NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. EACH RESIDENTIAL OWNER, GUEST AND INVITEE ON THE PROPERTY ASSUMES ALL RISK FOR LOSS OR DAMAGE TO PERSON, SUCH RESIDENTIAL OWNER'S RESIDENCE, TO THE CONTENTS OF SUCH RESIDENTIAL OWNER'S RESIDENCE, AND TO ANY OTHER PROPERTY ON THE PROPERTY. THE RESIDENTIAL ASSOCIATION EXPRESSLY DISCLAIMS AND DISAVOWS ANY AND ALL REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY SECURITY SYSTEMS, EQUIPMENT, OR MEASURES RECOMMENDED, INSTALLED, OR UNDERTAKEN WITHIN THE PROPERTY.

M. CONSTRUCTION AND ARCHITECTURAL CONTROL

1. Prohibited Changes to Residential Common Elements. Without the prior written approval of the Board of Directors, a Residential Owner may not change, remodel, decorate, destroy, or improve, in any way, the Residential Common Elements or do anything to change the appearance of the Residential Common Elements, including the hallway entry door, or Balcony Area appurtenant to the Residence.

2. Prohibited Changes to Residence. Without prior written approval of the Board of Directors, a Residential Owner may not make structural alterations or modifications to its Residence.

3. Removing Carpet. Without prior written authorization of the Board of Directors, it is prohibited: (a) to replace carpeting with any flooring material other than padded carpeting and (b) to replace cushioned vinyl with any material other than carpeting or cushioned vinyl. The Board of Directors will require the applicant to install an acoustical cushion, separation, or sub-floor beneath the uncushioned flooring.

4. Windows and Doors. The front doors of Residences must conform to the building standard unless otherwise approved in advance by the Board of Directors. No awnings, shades or shutters shall be erected over or outside any windows or Balcony Area appurtenant to any Residence, and no exterior doors shall be removed, replaced or changed in any way, without the prior written consent of the Residential Association. All window treatments visible from the exterior of the Residence shall be white or off-white in color. Foil is not permitted in the exterior of any window or door. Nothing shall be placed on the outside of window sills or projections, or upon any patio railings, without the prior written consent of the Residential Association. Nothing shall be thrown or swept out of any windows or doors, and no mops, brooms, dusters, rugs or bedding shall be shaken or beaten from any windows or doors, or any portion of the Residential Common Elements. No screen or storm doors or windows shall be installed within any existing door or window openings which form part of the Residential Common Elements. If applicable, window mullions (the strips that divide a glass into smaller panes) may not be removed. A Residential Owner may not alter the color or appearance of the glass surfaces in the Residence's windows from the building standard.

5. Balcony Floors. Because certain materials trap moisture which deteriorates the balcony structure, the floors of Balcony Areas may not be covered or resurfaced without the Residential Association's prior written permission. The Residential Association prohibits the use of carpeting on Balcony Areas.

6. Screen Doors. Subject to provisions of paragraph 4 above, a Residential Owner is permitted to install screen doors over the Residence's sliding glass doors, provided the screen door is obtained and maintained solely at the Residential Owner's expense. Color of screen material must conform to building standard. Contact the Management Office for specifications and applications.

7. Application for Board of Directors Approval. As part of the application to the Board of Directors for its written consent for any alteration or modification requiring such consent, a Residential Owner must submit to Manager complete plans and specifications showing the nature, kind, shape, size, materials, colors, connection to condominium systems and location for all proposed work, and any other information reasonably requested by the Board of Directors.

8. Construction Hours. Without the Residential Association's prior permission, no construction may be performed in any Residence by any person except between the hours of 8:30 a.m. and 5:00p.m. on business days. This rule is intended to prevent disturbances by construction-related utility cutoffs, noise, odors, workmen, and activity between 5:00p.m. and 8:30a.m. and on Saturday, Sunday or holidays.

9. Understanding and Agreement Concerning Contract Work. As a condition to the Residential Association's approval of any construction work hereunder, the Residential Owner and the Contractor must execute and deliver to the Board of Directors an agreement substantially in the form of the document attached as Attachment B to these Regulations. All debris or construction material must be disposed of in the trash dumpsters designated therefore by the Residential Association or the Manager and not in any of the trash chutes.

N. TRASH DISPOSAL

1. General Duty. Residential Owners will endeavor to keep the Property clean and will dispose of all refuse in receptacles for that purpose and may not litter Residential Common Elements. Garbage shall be disposed of by leaving all garbage during such times and on such days as are designated by the Residential Association for garbage pickup or through the use of the trash chute, if any, located on the Property.

2. Hazards. Trash may not be left anywhere on the Property other than in the designated receptacles. Residential Owners may not place lighted or smoldering items, including cigarettes, in such designated trash receptacles. Residential Owners may not store trash inside or outside its Residence in a manner that may permit the spread of fire, odors, or seepage, or encouragement of vermin. Trash chutes may not be used to dispose of building materials.

3. Trash. Residential Owners must place trash in a sealed or tied container or bag before putting it in the trash chute or any designated trash receptacle. Large boxes and bulky objects must be placed neatly in secured containers on the loading dock or such other place designated for such items. Construction material, solvents, paints, and other toxic waste must be removed from the Property by the Residential Owner or such Residential Owner's contractor. If provided, a separate receptacle for newspapers should be used.

4. Excess Trash. A Residential Owner will place trash entirely within a container, and may not place trash outside, next to, or on top of a container. If a container is full, the Residential Owner should locate another container or hold the trash. Boxes and large objects should be Crushed or broken down before placed in a container. A Residential Owner must arrange privately for removal of discarded furnishings or any unusually large volume of debris.

5. Closing the Trash Chute. A Residential Owner must make certain that the door to the trash chute, if any, is securely closed after using it.

0. PETS

1. Subject to Regulations. Residential Owners may not keep or permit on the Property a pet or animal of any kind, at any time, except as permitted by these Regulations and the Governing Documents. Additionally, all pets must conform to any applicable animal control ordinances or laws, a copy of which may be made available in the Management Office.

2. Pet Agreement. Residential Owners must complete a pet registration form furnished by the Management Office when a pet is acquired or within seven days after taking up occupancy on the Property.

3. Pets Banned in Parking Space. Although permitted pets may be kept in Residences that are Residential Owner or Tenant Occupied, pets are not allowed in any Parking Space at any time.

4. Permitted Pets. Subject to these Regulations, a Residential Owner (and a Tenant with such Residential Owner's consent) may keep in a Residence that is Residential Owner or Tenant occupied, up to two (2) house pets (other than aquarium fish). Permitted house pets are limited to domesticated dogs under 20 pounds, cats, caged birds (excluding parrots), and aquarium fish. If required by any law, ordinance, government rule or regulation, any such pet(s) must be appropriately vaccinated, to include rabies, and licensed through the appropriate municipal or city department.

5. Prohibited Animals. No Residential Owner may keep a dangerous or exotic animal, trained attack dog, or any other animal determined by the Board of Directors in its sole discretion to be a potential threat to the well-being of people or other animals. No animal or house pet may be kept, bred, or maintained for any commercial purpose. Pets or animals belonging to guests, friends, or relatives of Residential Owners are prohibited, even for short visits or temporary stays.

6. Indoors/Outdoors. A permitted pet must be maintained inside the Residence, and may not be kept in the Balcony Area or Parking Space. No Residential Owner may confine a pet to a Balcony Area when the Residential Owner is absent from the Property, and no Residential Owner may use a Balcony Area as a latrine for a pet.

7. Leashes. Pets must be leashed or carried while in Residential Common Elements. No pet may be leashed to a stationary object on the Residential Common Elements. No pet is allowed, at any time, in the Recreational Facilities.

8. Disturbance. Pets must be kept in a manner that does not disturb another Residential Owner's rest or peaceful enjoyment of its Residence or the Residential Common

Elements. No pet may be permitted to bark, howl, whine, yap, yip, screech or make other loud noises for extended or repeated periods of time.

9. Damage. Residential Owners are responsible for any property damage, injury, or disturbance such Residential Owner's pet may cause or inflict and must compensate any person injured or otherwise damaged by such Residential Owner's pet. A Residential Owner who keeps a pet at the Condominium is deemed to indemnify and agrees to hold harmless the Board of Directors, the Residential Association, and other Residential Owners and Tenants, from any loss, claim, or liability of any kind or character whatever resulting from any action of such Residential Owner's pet or arising by reason of keeping or maintaining the pet at the Condominium.

10. Dog Walk and Pooper Scooper. Pets must only use designated areas to relieve themselves. Residential Owners are responsible for the removal of pet's wastes from the Property. The Board of Directors may levy a fine against a Residence and its Residential Owner each time feces or urine are discovered on the Residential Common Elements and attributed to an animal in the custody of such Residential Owner.

11. Removal. If a Residential Owner or such Residential Owner's pet violates these Regulations, or if a pet creates a nuisance, odor, unreasonable disturbance, or noise, the Residential Owner or person having control of the animal may be given a written notice by the Board of Directors to correct the problem. After the first written warning, a fine in the amount of at least \$50 shall be levied for all future violations. If violations occur repeatedly, the Residential Owner, upon written notice from the Board of Directors, may be required to remove the pet. Each Residential Owner agrees to permanently remove the violating animal of such Residential Owner from the Condominium within ten days after receipt of such removal notice from the Board of Directors.

12. Complaints. Any complaints about pets or Residential Owners violating these Regulations shall be made in writing and identify the type of infraction, the date of infraction, and must be signed by the witness to the infraction.

13. Staff. The staff of the Condominium are prohibited, while on duty, to walk or care for pets. Residential Owners are requested not to ask the staff to assist them with their pets. Emergency situations requiring staff assistance will be left to the sole discretion of the Manager.

14. Compliance. Pets with a physical handicap or, to the extent permitted by applicable law, Residential Owners who have a physical handicap which would prevent them from complying with these rules, must receive a variance by the Board of Directors or Manager.

P. MOVING

1. Notice. The time and date of all moves must be scheduled in advance with the Management Office. A Residential Owner, other than Declarant, must give the Manager at least ten days prior written notice of any move of furniture, appliances, or other large or heavy objects to or from the Property.

2. Times. Moves must be performed between 8:30 a.m. and 5:30 p.m. on business days. It is the Residential Owner's duty to notify the Residential Owner's movers about this Regulation.

3. Deposits. If applicable, to schedule a move and reserve an elevator may require payment of a refundable deposit which shall be set by the Board of Directors. Such deposits will be refunded within ten days after the move if the move did not damage any Residential Common Elements.

P. STORAGE SPACES

1. Usage. Those 18 Storage Spaces (not otherwise designated), used exclusively for the storage of items by the Residence Owners in the Residential Tower, each of which are designated as a Residential Limited Common Element. The Board of Directors of the Residential Association or Manager will assign usage of the Storage Spaces to Residence Owners for a predetermined fee on a first come basis. The Board of Directors or Manager may change the fee from time to time.

Q. SERVICE STAFF DORMITORY

Usage. That dormitory, used for or by the service staff of the Residence Owners of Residences in the Residential Tower, designated as a Residential Limited Common Element. The Board of Directors of the Residential Association or Manager will assign usage of the Service Staff Dormitory to Residence Owners for a predetermined fee on a first come basis. The Board of Directors or Manager may change the fee from time to time.

S. MISCELLANEOUS

1. Right to Hearing. Prior to the commencement of the mediation and arbitration process in Article XI of the Declaration, a Residential Owner may request in writing a hearing by the Board of Directors regarding an alleged breach of these Regulations by the Residential Owner or any person for whom the Residential Owner is responsible. The Board of Directors will schedule a hearing within ten days after receiving the Residential Owner's written request. At the hearing, the Board of Directors will consider the facts and circumstances surrounding the alleged violation. The Residential Owner may attend the hearing in person, or may be represented by another person or written communication.

2. Mailing Address. A Residential Owner who receives mail at an address other than the address of such Residential Owner's Residence is responsible for maintaining with the Residential Association such Residential Owner's current mailing address. A Residential Owner who changes such Residential Owner's name or mailing address must notify the Manager in writing within 15 days after the change. Notifications of change of name or change of address should be clearly marked as such. All notices required to be sent to Residential Owners by the Governing Documents will be sent to a Residential Owner's most recent address as shown on the records of the Residential Association. If a Residential Owner fails to provide a forwarding address, the address of that Residential Owner's Residence is deemed effective for purposes of delivery.

3. No Waiver. The failure of the Residential Association to enforce a provision of these Regulations does not constitute a waiver of the right of the Residential Association to enforce such provision in the future.

4. Severability. If any term or provision of these Regulations is held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding will not affect any other term or provision of these Regulations.

5. Amendment of Regulations. These Regulations are subject to being revised, replaced, amended or supplemented by the Board of Directors. Upon any such revision, a copy of the revisions will be delivered to each Residential Owner. Residential Owners are urged to contact the Management Office to verify the Regulations currently in effect on any matter of interest. These Regulations will remain effective until ten days after the Residential Association delivers to a Residential Owner of each Residence notice of amendment to or revocation of these Regulations. The notice may be published and distributed in a Residential Association newsletter or other community-wide publication.

6. Other Rights. These Regulations are in addition to all rights of the Residential Association under the other Governing Documents and the laws of the State of Texas.

PART II

RULES GOVERNING COLLECTION AND FINING

A. COLLECTION RULES AND PROCEDURES

To the extent permitted by applicable law:

1. Due Date. A Residential Owner will timely and fully pay all Assessments in accordance with the provisions of the Declaration. Monthly Assessments are due and payable on the first calendar day of each month. Special Assessments and Individual Assessments are due at the reasonable direction of the Board of Directors.

2. Delinquent. Any Assessment that is not fully paid when due is delinquent. When the account of a Residence becomes delinquent, it remains delinquent until paid in full. The defaulting Residential Owner is liable to the Residential Association for the cost of title reports, credit reports, certified mail, long distance calls, court costs, filing fees and other reasonable costs and attorney's fees incurred by the Residential Association in collecting delinquency.

3. Late Fees and Interest. If the Residential Association does not receive full payment of an Assessment by 5:00p.m. on the fifth calendar day following the due date, the Residential Association may collect interest at the Past Due Rate until the delinquency is paid in full.

4. Insufficient Funds. The Residential Association may levy a charge of at least \$25 or the actual bank charge, whichever is greater, against a Residential Owner if the check on which payment is made is returned to the Residential Association marked "insufficient funds" or the equivalent.

5. Delinquency Notices. If the Residential Association has not received full payment of an Assessment by the due date, the Residential Association may send one or more written notices of nonpayment to the defaulting Residential Owner stating the amount delinquent. Such delinquency-related correspondence may state that if full payment is not timely received, the Residential Association may pursue any or all of the Residential Association's remedies under the Governing Documents or state law at the sole cost and expense of the defaulting Residential Owner.

6. Collection by Residential Association's Attorney. After giving the Residential Owner notice of the delinquency, the Residential Association may refer the delinquent amount to an attorney for collection. In that event, the defaulting Residential Owner will be liable to the Residential Association for its legal fees and expenses.

7. Collection Agency. The Board of Directors may employ or assign the delinquency to one or more collection agencies.

8. Notification of Mortgagee. The Residential Association may notify the Residential Owner's Mortgagee of the default in payment of any Assessment.

9. Notification of Credit Bureau. The Residential Association may file a report on the defaulting Residential Owner with one or more credit reporting services.

10. Notice of Lien. The Residential Association may cause a notice of the Residential Association's assessment lien against the Residence to be publicly recorded. A copy of the notice of lien will be sent to the defaulting Residential Owner, and may be sent to its Mortgagee.

11. Right to Accelerate. If an Assessment is payable in installments and if a Residential Owner defaults in the payment of any installment, the Residential Association may

declare such Assessment in default and accelerate the due date on all remaining installments of that Assessment.

12. Notice to Residential Owner. A Special Assessment or Individual Assessment payable in installments may be accelerated only after the Residential Association gives the Residential Owner at least 15 days prior notice of the default and the Residential Association's intent to accelerate the unpaid balance if the default is not cured within such notice period.

13. No Duty to Reinstate. Following acceleration of an Assessment payable in installments, the Residential Association has no duty to reinstate the installment program upon payment by Residential Owner of any delinquent installment.

14. Foreclosure of Lien-Non-judicially. The Board of Directors may instruct an attorney, officer or agent of the Residential Association to notify the defaulting Residential Owner of the Residential Association's intent to foreclose its assessment lien, to post the property for sale at public auction, and to conduct a public auction of the Residence in accordance with the Act, the Governing Documents and all other requirements of state law.

15. Foreclosure of Lien - Judicially. The Residential Association may file suit against the Residential Owner for judicial foreclosure of the Residential Association's assessment lien. This action may be combined with a claim against the Residential Owner for recovery of a money judgment.

16. Suit Against Residential Owner. Whether or not the Residential Association forecloses the Residential Association's assessment lien, the Board of Directors may elect to file suit to recover delinquent Assessments against the defaulting Residential Owner and the Residential Owner shall be personally liable for any judgment obtained by the Residential Association.

17. Possession Following Foreclosure. If the Residential Association purchases the Residence at public sale, the Board of Directors may immediately institute appropriate actions to recover possession of the Residence.

18. Application of Payments. All payments received by the Residential Association may be applied in the following order, starting with the oldest charge in each category, until the category is fully paid, regardless of the amount of payment, notation on checks, and the date the obligations arose: (a) collection costs and attorneys fees; (b) fines; (c) reimbursable expenses; (d) late charges and interest; (e) delinquent Special Assessments or Individual Assessments; (f) delinquent Monthly Assessments; (g) current Special Assessments or Individual Assessments; and (h) current Monthly Assessments.

19. Form of Payment. The Residential Association may require that payment of delinquent Assessments be made only in the form of cash, cashier's check, or certified funds.

20. **Partial and Conditioned Payment.** The Residential Association may refuse to accept partial payment (i.e., less than the full amount due and payable) and payments to which payor attaches conditions or directions contrary to the Board of Directors' policy for applying payments. The Residential Association's endorsement and deposit of a payment does not constitute acceptance. Instead, acceptance by the Residential Association occurs when the Residential Association posts the payment to the Residence's account. If the Residential Association does not accept the payment at that time, it will promptly refund the payment to the payor. A payment that is not refunded to the payor within 30 days after being deposited by the Residential Association may be deemed accepted. The acceptance by the Residential Association of partial payment of delinquent Assessments does not waive the Residential Association's right to pursue or to continue pursuing its remedies for payment in full of all outstanding obligations or the Residential Association's right to apply payments pursuant to any rights herein granted.

21. **Notice of Payment.** If the Residential Association receives full payment of the delinquency after recording a notice of lien, the Residential Association will cause a release of notice of lien to be publicly recorded, a copy of which will be sent to the Residential Owner; provided, however, the Residential Owner prepays the reasonable cost of preparing and recording the release.

22. **Notification of Credit Reporting Agency.** If the Residential Association receives full payment of the delinquency after reporting the defaulting Residential Owner to a credit reporting service, the Residential Association, will report receipt of payment to that credit reporting service.

23. **Limited Right of Redemption.** If the Residential Association buys a Residence at the non-judicial foreclosure sale of its assessment lien, the Residential Association's ownership of such Residence is subject to a right of redemption by the Residential Owner, as provided by the Act and the Declaration.

24. **Waiver.** Properly levied collection costs, late fees, and interest may not be waived by the Board of Directors, unless a majority of the Board of Directors determines that extraordinary circumstances warrant an adjustment to the account, in which case the adjustment must be described in detail in the minutes of the Board of Directors' meeting. Because of the potential for inadvertently affecting a waiver of the provisions of this policy, the Board of Directors will exercise extreme caution in granting adjustments to a Residential Owner's account.

B. FINING RULES AND PROCEDURE

1. **Policy.** The Residential Association uses fines to discourage violations of the Governing Documents and to encourage present and future compliance when a violation does occur, not to punish violators or generate revenue for the Residential Association.

2. Residential Owners Liable. A Residential Owner is liable for fines levied by the Residential Association for violations of the Governing Documents whether the Residential Owner commits the violation or Tenants, guests or other invitees of such Residential Owner commit the violation. Regardless of who commits the violation, the Residential Association will direct its communication to the Residential Owner, although the Residential Association may also send copies of its notices to the actual violator.

3. Violation Notice. Before levying a fine, the Residential Association will give the Residential Owner a written notice and an opportunity for a hearing. The Residential Association's written violation notice will contain the following items: (a) the date the violation notice is mailed or prepared; (b) a description of the violation; (c) a reference to the rule being violated; (d) a description of the action required to cure the violation; (e) the amount of the fine; (f) a statement that not later than the 30th day after the date of the violation notice, the Residential Owner may request a hearing before the Board of Directors to contest the fine; and (g) the date the fine attaches or begins accruing.

4. New Violation. If the Residential Owner was not given notice and reasonable opportunity to cure a similar violation within the preceding 12 months, the notice will state a specific date by which the violation must be cured to avoid the fine, if the violation is ongoing or continuous. If the violation is not ongoing, but is instead sporadic or periodic, the notice must state that any future violation of the same rule may result in the levy of a fine.

5. Repeat Violation. In the case of repeat violation, the notice will state that, because the Residential Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding 12 months, the fine attaches from the date of the violation notice.

6. Right to Hearing. Prior to commencement of the mediation and arbitration process in Article XI of the Declaration, a Residential Owner may request in writing a hearing by the Board of Directors regarding the alleged breach of the Governing Documents. The Board of Directors has ten days after receiving the Residential Owner's request for a hearing to give the Residential Owner notice of the time, place and date of the hearing. The hearing must be scheduled for a date within 45 days from the date the Residential Association receives the Residential Owner's request and should be scheduled to provide a reasonable opportunity for both the Board of Directors and the Residential Owner to attend. The Residential Owner's request for a hearing suspends only the levy of a fine. The hearing will be held in a closed or executive session of the Board of Directors. At the hearing the Board of Directors will consider the facts and circumstances surrounding the violation and the Residential Owner may attend in person, or may be represented by another person or written communication.

7. Committee of Board of Directors. The Board of Directors may appoint a committee comprised solely of directors to serve as the Board of Directors at violation hearings. The Board of Directors will be bound by the decision of the Board of Directors committee. Such a committee may be appointed on an ad hoc basis.

8. Levy of Fine. Within 30 days after levying the fine, the Residential Association must give the Residential Owner notice of the levied fine. If the fine is levied at the hearing at which the Residential Owner is actually present, the notice requirement will be satisfied if the Board of Directors announces its decision to the Residential Owner at the hearing; otherwise, the notice must be writing.

9. Amount. The Residential Association may set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Residential Association may establish a schedule of fines for certain types of violations. The amount and cumulative total of a fine must be reasonable in comparison to the violation and should be uniform for similar violations of the same provision of the Governing Documents.

10. Type of Levy. If the violation is ongoing or continuous, the fine may be levied on a periodic basis beginning on the start date. If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.

11. Collection of Fines. The Residential Association is not entitled to collect a fine from a Residential Owner to whom it has not given notice and an opportunity to be heard. The Residential Association may not foreclose its assessment lien on a debt consisting solely of fines. The Residential Association may not charge interest or late fees for unpaid fines.

12. Amendment of Policy. These fining rules will remain effective until ten days after the Residential Association delivers, or causes to be delivered, to a Residential Owner of each Residence notice of amendment to or revocation of these Regulations. The notice may be published and distributed in the Residential Association newsletter or other community-wide publication.

PART III

UTILITY RULES

1. Background. These utility shut-off rules are based on any applicable requirements of the Governing Documents, the rules of the governing public utility commission for discontinuance of master-metered utilities, and any applicable state and local law. The Residential Association intends for these rules to comply with state laws and local ordinances relating to discontinuance of utilities to a Residence.

2. Content of Notices. Before terminating a utility servicing a Residence, the Residential Association shall give three written notices to the Residential Owner. Two of those notices will also be given to the Tenant, if any. All notices will be prominently display "UTILITY SHUT-OFF," "TERMINATION NOTICE," or similar language. All notices will also contain the following: (a) the amount of past due Assessments, interest, late fees, and collection costs; (b) the form and place of payment; (c) the date by which

payment must be received to avoid utility shut-off; (d) a statement that the utility will be shut-off on or after a stated date; and (e) the exact location where the Tenant or Residential Owner may go during normal working hours to make arrangements for payment of the delinquency and for reconnection of the Residence utility.

3. First Notice. In addition to the above requirements, the first notice must invite the Residential Owner to a scheduled hearing before the Board of Directors. The notice must state the time, date, and place of the hearing to which the Residential Owner is invited. The hearing date must be at least ten days after the date the notice is given.

4. Hearing. Pending the hearing, the Residential Association may continue to exercise its other rights and remedies for collection of the delinquency, as if the declared default were valid. The invitation to a hearing suspends only the termination of service. The hearing will be held in a closed or executive session of the Board of Directors. At the hearing, the Board of Directors will consider the facts and circumstances surrounding the delinquency. The Residential Owner may attend the hearing in person, or may be represented by another person or written communication. No audio or video recording of the hearing may be made. The minutes of the hearing must contain (a) a copy of the invitation notice; (b) proof of delivery to the Residential Owner, or a statement by the person handling delivery of its time, date, and method; and (c) a statement of the results of the hearing. If the Residential Owner appears at the hearing, the notice requirements will be deemed satisfied.

5. Second Notice. If full payment is not received by the date of the hearing, the Board of Directors will give a second written notice to the Residential Owner and Tenant, if any, as provided in paragraph 2 above. The second notice must be given at least five days before the scheduled shut-off.

6. Third Notice. At least one day prior to the scheduled termination, the Board of Directors will give a third and final written notice to the Residential Owner and Tenant, if any, if full payment has not been received. The third notice will contain the same information as the second notice.

7. Delivery of Notices to Residential Owner. The Residential Association will deliver all three notices to such Residential Owner's Residence. If the Residential Owner lives at the Condominium, the notices may be hand-delivered to the Residential Owner or posted on the Residential Owner's door in a sealed envelope, provided the first notice is also sent by certified mail return receipt requested. If the Residential Owner does not live at the Condominium, all three notices will be sent by certified mail return receipt requested. Additional copies may be delivered by regular mail, e-mail, or fax transmission.

8. Delivery of Notices to Non-Resident Owner or Tenant. If the Residence is not occupied by the Residential Owner, the Residential Association will deliver copies of the second and third notices to the Residential Owner's Tenant. The notices may be hand-delivered to the Tenant or posted on the Residence door in a sealed envelope. Additional copies may be delivered by regular mail, e-mail, or fax transmission.

9. Calculating Days. In calculating days, the day after the date on which a notice is post-marked or posted on the door, as the case may be, is deemed "Day One."

10. Shut-Off Fees. At the time of the second notice, a charge of \$75 will be assessed against the Residential Owner and such Residential Owner's Residence for costs related to the shut-off. To avoid shut-off after the second notice is given, the Residential Owner must immediately pay all utility-related Assessments owed to the Residential Association, including the \$75 shut-off fee. The Residential Owner solely bears the cost of discontinuing and restarting any Residence utility.

11. Form of Payment. Payment to forestall a Residence shut-off or to restore service after a shut-off must be in the form of cash or a cashier's check, payable to the Residential Association, and received by the Residential Association's Manager or a designated officer.

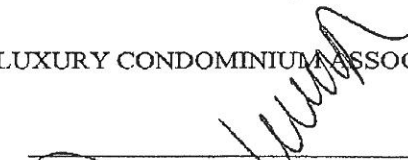
12. Limitations on Disconnection. As a collection remedy, the Residential Association may not disconnect a Residence utility on a day, or on a day immediately preceding a day, when authorized personnel of the Residential Association are not available to receive payment and reconnect service. Further, the Residential Association may not disconnect a Residence utility if the Residential Association has knowledge or reason to believe that the disconnection is likely to be life-threatening for a Residential Owner of the Residence.

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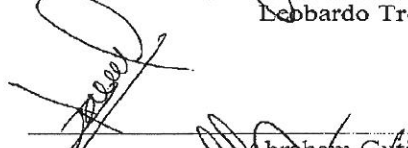
Adoption of Residential Rules and Regulations

The foregoing Initial Residential Rules and Regulations of this Residential Association are hereby adopted by the undersigned, being all the Directors of such Residential Association named in the Certificate of Formation on the 14 day of March, 2013.

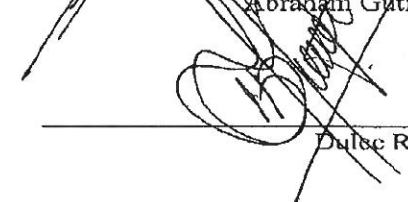
THE RICCHI LUXURY CONDOMINIUM ASSOCIATION, INC.



Lebbardo Trevino, Director



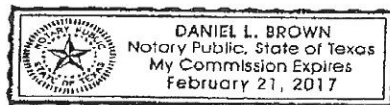
Abraham Gutierrez, Director




Dulce Rivera, Director

THE STATE OF TEXAS }
COUNTY OF BEXAR }

SWORN, ACKNOWLEDGED, AND SUBSCRIBED TO BEFORE ME on March 14, 2013 by
Leobardo Trevino, Director of The Ricchi Luxury Condominium Association, Inc., on behalf of
said corporation.





Notary Public, State of Texas
My commission expires: _____

THE STATE OF TEXAS }
COUNTY OF BEXAR }

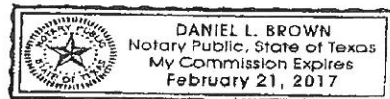
SWORN, ACKNOWLEDGED, AND SUBSCRIBED TO BEFORE ME on March 14, 2013 by
Abraham Gutierrez, Director of The Ricchi Luxury Condominium Association, Inc., on behalf of
said corporation.





Notary Public, State of Texas
My commission expires: _____

THE STATE OF TEXAS }
COUNTY OF BEXAR }

SWORN, ACKNOWLEDGED, AND SUBSCRIBED TO BEFORE ME on March 14, 2013 by
Dulce Rivera, Director of The Ricchi Luxury Condominium Association, Inc., on behalf of said
corporation.




Notary Public, State of Texas
My commission expires: _____