

**1201 BALSAM OWNERS ASSOCIATION, INC.  
RULES & REGULATIONS**

The following Rules and Regulations have been adopted by the 1201 Balsam Owners Association, Inc. ("Association") Board of Directors and implemented to protect the investment of the Owners and to enhance the economic value of the Units subject to regulation by the Association. This document is to be used in conjunction with the Declaration, Bylaws and other governing documents of the Association. Capitalized terms used in these Rules and Regulations shall have the same meanings as set forth in the Declaration. In the event of any conflict between these Rules and Regulations and the Association's Declaration of Condominium, Articles of Incorporation and Bylaws, the provisions of the Association's Declaration of Condominium, Articles of Incorporation and Bylaws shall govern. It shall be every Owner's responsibility to ensure that its tenants, occupants, licensees and invitees at the Project abide by these Rules and Regulations:

1. No use shall be made of the Project or any portion or portions thereof which would: (a) violate any law, ordinance or regulation; (b) constitute a nuisance; (c) constitute a hazardous use; (d) violate, suspend or void any policy or policies of insurance on the stores or General Common Elements; or (e) endanger the lives or property of others.
2. Neither sidewalks, walkways, drives, parking areas nor hallways shall be used to display, store or replace any merchandise, trash, equipment or devices except with express written consent of the Association and in compliance with all applicable laws, ordinances and restrictions.
3. No person shall use any utility area, truck court or other area reserved for use in connection with the conduct of business except for the specific purpose for which permission to use such area is given.
4. No activity such as, but not limited to, maintenance, repairs, rebuilding, dismantling, repainting or servicing of any kind of vehicle, trailer, motorcycle, ATV or boat, may be performed or conducted in the General Common Elements, except for emergency repairs required to start a vehicle or to change a flat tire.
5. Vehicles.
  - a. Each Owner who owns a Garage Unit will park his, her or its vehicle(s) in such Garage Unit. Other Owners will not park in such owned Garage Units.
  - b. If any vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner's or occupant's Unit or dwelling, is obstructing the flow of traffic, is parked on any landscaped or grassy area, is parked in a space which has been assigned as exclusively serving another Unit, or otherwise creates a nuisance or hazardous condition, no notice shall be required and the vehicle may be towed immediately, at the vehicle owner's expense.

- c. A vehicle is "derelict" if it is not roadworthy. To be roadworthy it must have all of the following: (i) a valid registration; (ii) round tires; (iii) glass in both front and rear windows; (iv) an ability to move under its own power; and (v) no visible fluid leakage. If any derelict vehicle is located on any portion of the Project, the Board of Directors may place a notice on the vehicle stating that if the vehicle is not made roadworthy or removed from the Project within 24 hours, the vehicle may be towed.
- d. If a vehicle is towed in accordance with these Rules and Regulations, neither the Association nor any director or officer or agent of the Association shall be liable to any person for towing and storage costs or for any claim of damage as a result of such towing. The Association's right to tow is in addition to, and not in limitation of all other rights of the Association, including the right to assess fines. The Board of Directors reserves the right to impose or use other available sanctions, rather than exercise its authority to tow.
- e. No vehicles may be parked overnight except pursuant to the approval of the Association in designated parking spots.
- f. All vehicles on the Project in violation of these Rules and Regulations may be immediately towed at owner's expense.
- g. The Association may develop additional policies governing parking, including without limitation, requiring Owners and occupants to register their vehicles with the Association.
6. All trash, refuse, and waste materials shall be regularly removed from the premises of each Unit and the Project so as not to constitute any health or fire hazard or nuisance to any occupant. Absolutely no harmful or hazardous waste may be deposited in the trash dumpsters. Should the Association provide recycling bins, they shall be used by all Owners and occupants as they are designed to be used.
7. All loading and unloading of goods shall be done in such a manner so as to minimize any interference with traffic and parking at the Project and so as to minimize any interference with the conduct of any Owners' or tenants' business at the Project.
8. The Declarant or the Association will furnish each Unit with standard window coverings. Other than such standard window coverings, no signs, placard notices, banners, posters, window coverings, flags or other written material may be affixed to either the exterior of a Unit or the interior surface of glass which may be visible from the exterior of a Unit, without in each instance, the prior written consent of the Association. All signage shall comply with the Signage Guidelines (as set forth in the Declaration) of the Association, as the same may be amended or modified by the Association.
9. The Association shall hire a qualified window cleaning company to clean all exterior glass windows as the Association deems necessary, which cost shall be a common expense assessment.

10. No medium may be utilized in a Unit that can be heard, seen or experienced outside such Unit, including flashing lights, search lights, loud speakers, phonographs, radios, televisions, etc.

11. The plumbing facilities shall not be used for any other purpose than that for which they are constructed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage, or damage resulting from violation of this provision shall be borne by the Owner of such Unit.

12. No trash or garbage of any kind may be burned on or about the Premises or the Project.

13. Except as allowed by applicable statutes and regulations and only if approved in advance by the Association, no exterior television or another antennae, microwave dish, satellite dish, satellite antenna, satellite earth station or similar device of any type shall be erected, installed or maintained on a Unit.

14. No structure or mechanical or other device, including, but not limited to, swamp coolers or air conditioning units shall be placed on, attached to or visible from the exterior of a Unit or the General Common Element without the prior, written approval of the Board of Directors and in accordance with the provisions of these Rules and Regulations, the Bylaws and the Declaration.

15. No Owner or occupant shall cause any penetration of any kind of the roof or any exterior wall of a Unit, or a wall between Units or other Common Elements, without the Owner:

- a. Obtaining the prior written approval of the Association.
- b. Agreeing in writing to indemnify the Association for any damages resulting from such penetration and agreeing to pay any costs or fees incurred by the Association associated with such penetration, which costs or fees may include, without limitation, an engineering study and the approval of a qualified engineer.
- c. Obtaining any required permits or approvals of any applicable governmental authority.

16. All floor coverings and ceilings must be approved in advance by the Board of Directors. Any machine or mechanical device of any nature whatsoever that may be likely to cause objectionable noise or vibration detectable in other Units may not be introduced into a Unit. Only machines which have been modified, or mounted, or sound isolated in a manner preventing sound or vibration traveling to another Unit are permitted.

17. In each instance of a sale or transfer of ownership of a Unit (other than from the Declarant, which Declarant shall instead so update the Association records in lieu of the payment of a fee for the same), the relinquishing Owner shall pay the Association a transfer fee of \$250.00 to compensate the Association for the cost of updating its books

and records and performing services incidental to a transfer of ownership, which fee shall include all copy fees for governing documents, as permitted by the Act. The Association may adjust such fee from time to time for inflation. Should the selling Owner fail to pay such fee, the Association may elect to pursue the same as a personal debt of the seller or may assess the buying Owner for the same with all remedies the Association may have for the enforcement of assessments.

18. Residential Units are to be used for residential purposes. Garage Units are to be used for garage purposes.

19. All utilities or amenities available in the General Common Elements are owned by the Association and may only be used for the purpose for which they are constructed. Utilities, such as power and water, may be used for the cleaning and maintenance of the General Common Elements only and may not be appropriated for private use of any kind.

20. Units shall be used pursuant to the Declaration of Condominium, Articles of Incorporation, Bylaws, and these Rules & Regulations only.

21. The following shall be prohibited activities:

- a. use or storage of explosives, flammable gases or liquids or the storage of any other materials or the use of any equipment in violation of applicable county and local fire code standards;
- b. automotive maintenance, repair or paint shop or paint booth;
- c. use or storage of materials that emanate offensive, foul or obnoxious odors;
- d. any activity which may result in a material increase in the rates of insurance or the cancellation of any insurance required to be maintained by the Association; and
- e. any other use prohibited herein.

22. Owners shall be responsible for the actions of their family members, guests, invitees and tenants that are in violation of the Declaration of Condominium, Articles of Incorporation and Bylaws, including any direct or consequential damages to the Project as a result of the activities of such family members, guests, invitees and tenants.

23. Owners shall further be subject to those policies and procedures enacted, modified and supplemented by the Board of Directors from time to time.

24. Modification, Amendments, Repeal and Re-Enactment.

- a. The Association and Board of Directors reserve the right, at any time and from time to time hereafter, to modify, amend, add to, repeal and/or re-enact

policies and procedures and these Rules and Regulations in accordance with the Declaration, Bylaws and applicable law.

b. Failure by the Association, the Board of Directors or any person to enforce any provision of these Rules and Regulations shall in no event be deemed to be a waiver of the right to do so thereafter. Further, the Association, Board of Directors or any such person may temporarily forebear partially or fully on the enforcement of any of the Rules and Regulations with the same constituting a waiver of the right to do so thereafter.

c. The provisions of these Rules and Regulations shall be deemed to be independent and severable, and the invalidity of any one or more of the provisions hereof by a court of competent jurisdiction shall in no way affect the validity or enforceability of the remaining provisions, which shall remain in effect.

The Board of Directors of the Association adopted these Rules and Regulations on January 15, 2009.

**1201 Balsam Owners Association, Inc.**

By:

  
L. Calvin Cox, Secretary