

Courtyard Owner's Association

Rules & Regulations

(adopted July 2001, revised March 2002, revised July 2002)

The Board of Directors of the Courtyard Owner's Association pursuant to the authority of the Articles of Incorporation and Bylaws of the Association have adopted the following Rules & Regulations for the purpose of maintaining and creating an environment that will provide the maximum opportunity for the orderly development and continued maintenance and of operation of the Courtyard.

1. Objective/Liberal Interpretation. It is the purpose and intent of these Rules & Regulations to facilitate the orderly operation and maintenance of the Courtyard, and to provide for the health and safety of all unit owners, guests, licensees, tenants, and invitees utilizing the premises. These Rules & Regulations are to be liberally construed and interpreted for their stated purposes.

2. Violations. A violation is defined as such conduct which fails to adhere to, abide by, observe, or to obey any of the Rules & Regulations promulgated herein. A violation may be construed as a continuing act, or an individual act for each day that it continues, subject to the sole discretion of the Board of Directors of the Courtyard Owner's Association. Any violation of rules posing a danger to the health, safety, or welfare to owners, guests, licensees, tenants, and invitees may be immediately removed by the Association with the cost of removal being charged to the offending party and/or owner.

3. Notice. Should the Board of Directors determine that either a violation has occurred or a penalty is to be assessed, a written notice of said violation and/or penalty shall be given to the owner of the offending unit by certified mail. The notice shall include the nature of the violation with reasonable specificity as to time and place, and require the removal and/or remedy and cure within five (5) days of mailing of the notice. Each owner shall be responsible for the action and conduct of their respective tenants and shall take such action, including without limitation by specification, notifying the tenant of any violation and seeking the necessary legal remedy to cure the same.

4. Penalties. A failure to cure or remedy any violation of these Rules & Regulations may result in a fine against the owner of the offending unit in the amount of \$100 for each violation, which may be deemed to be either a continuing or individual act as set forth in paragraph 2 above. In addition, the Courtyard Owner's Association may seek such relief as the Board of Directors deems appropriate, including without limitation by specification, injunctive relief through a court of competent jurisdiction.

5. Due Process. An owner shall have the right to contest a notice of violation, or penalty assessed. Within seven (7) days of either a notice of violation or imposition of a penalty, an owner may request in writing a hearing before the Board of Directors, and such hearing shall be

heard within seven (7) days of receipt of the written request. The hearing may be continued for up to an additional ten (10) days by the Board of Directors, either for good cause or a lack of a quorum. The written request for hearing shall include a factual summary of the reasons alleged by the owner that there exists no violation, or that a penalty should be abated or reduced.

The owner shall be entitled to be represented by legal counsel, to confront and/or produce witnesses, to be provided documents or other evidence which support a violation, and to due process in said proceeding. The Board of Directors shall make a written determination within ten (10) days of the hearing and said determination shall be mailed to the owner by certified mail. The decision of the Board of Directors shall be deemed final within ten (10) days of mailing, unless amended or revised within said time. The hearing shall be conducted in an informal manner using such procedures as the Board of Directors determine will fairly implement the objectives and purposes herein.

6. Amendment. These Rules & Regulations may be amended, either by addition, deletion, or variation, by a majority vote of the Board of Directors at any special or regular meeting of the Board, in such manner as the Board deems appropriate, and at the sole discretion of the Board.

7. Waiver. These rules may be waived for good cause, at the sole discretion of the Board, but such waiver shall not be deemed a revocation or modification thereof.

8. Agent. The Board may appoint an agent, employee, or manager to implement and enforce the rules set forth herein.

9. Rules in Addition to Lease Agreements. These Rules & Regulations are in addition to, and shall not be construed to modify or amend, in whole or in part, the terms, covenants, agreements and conditions of any lease of premises.

RECITALS

1. Common Areas. The common areas, including without limitation by specification, courtyard area, sidewalks, halls, passages, exits, entrances, and elevators shall not be obstructed nor used for any purpose other than for ingress and egress to the premises. Notwithstanding the above, it may be permitted in the lower level retail area for one outside display per store, with the exception of clothing racks which will be permitted only on designated holiday weekends (Labor Day, Presidents Day, July 4th, and Gallery Walks).

2. Miscellaneous Displays. Miscellaneous displays, without limitation by specification, such as mailboxes, may be mounted on the exterior wall of units subject to prior approval of the Board. No display shall impede nor obstruct ingress or egress to the premises.

3. Signage. No exterior signs, placards, picture, advertisement or notice shall be permitted without prior approval of the Board, which may determine location and size and uniformity of signage, and which must be in conformity with all applicable laws and ordinances. Each unit shall be entitled to one sign as follows: Lower level units are permitted one hanging sign appurtenant to unit entrance; and, Upper level units are permitted one flat mounted wall sign appurtenant to unit entrance. The Board may approve additional signage only for the designated holidays above, or for special events at the sole discretion of the Board. All replacement of signs shall be subject to these rules, and any signage which is not in conformity at the adoption of these

rules may only be replaced in accordance with the terms herein.

4. Reservation for Use of Courtyard Common Area. The use of the common area may be permitted for special events or social functions, either public or private, provided that such use does not interfere with the ingress or egress to the Courtyard, nor operation of the retail stores or offices. Designated holidays above are excluded, and reservations will be made by the Owner to the Association agent and will be taken on a first application basis. The Owner (sponsor) of special events shall be responsible for all costs associated with the use of the common area.

5. Parking. Parking in the limited common area is reserved for the exclusive use of certain designated condominium owners, and their designees, to the exclusion of all others. All unit owners shall be responsible for compliance of this parking rule by their guests, licensees, tenants and invitees. The owner, *and or assigns*, of the limited common area parking area reserves the right to tow, boot, or take any such action according to these Rules & Regulations that it deems appropriate. (Adopted March 2002).

6. Hazardous Materials. No hazardous materials, with the exception of limited quantities reasonably necessary for the operation or maintenance of office equipment, nor shall any foul or obnoxious substance be kept on the premises.

7. Quiet Enjoyment. No unit shall be used in a manner offensive or objectionable, by reason of noise, odors, or vibrations which will unreasonably interfere with the operation of offices or businesses on the premises.