

**BY-LAWS
OF
MOUNT VERNON CONDOMIUM**

As amended July 13, 2015

**EXHIBIT B
TO DISCLOSURE STATEMENT**

BY-LAWS
OF
MOUNT VERNON OWNERS' ASSOCIATION, INC.
(A Minnesota Non-Profit Corporation)

ARTICLE I
GENERAL

The following are the By-Laws of "Mount Vernon Owners' Association, Inc.", a Minnesota non-profit corporation (the "Association"). The Association is organized pursuant to Section 515.3-101 of the Uniform Condominium Act (the "Act") for the purpose of operating and managing Mount Vernon Condominium, Washington County Condominium No. 22, a condominium created pursuant to the Act. The terms used in these By-Laws shall have the same meaning as they have in the Declaration of Covenants, Easements and Restrictions of Mount Vernon Condominium (the "Declaration") and the Act.

ARTICLE II
MEMBERSHIP

1. Members Defined. All Persons defined as Unit Owners in the Declaration shall be "Members" of the Association. No Person shall be a Member solely by virtue of holding an interest as security for an obligation in a Unit. A person shall cease to be a Member at such time as that Person is no longer a Unit Owner.

2. Registration of Owners and Occupants. It shall be the duty of each Unit Owner to promptly register with the Secretary of the Association, in writing, (i) the name and address of such Unit Owner or any lessee of the Unit, (ii) the nature of such Unit Owner's interest or estate in each Unit owned; (iii) the address at which such Unit Owner desires to receive notice, of any duly called meeting of the Members; (iv) the name and address of the First Mortgagee, if any; and (v) the name of the Unit Owner, if there is more than one Unit Owner of a Unit, who shall be authorized to cast the vote with respect to such Unit. If there is more than one Unit Owner of a Unit, each must execute the registration as provided in this Section. If the Unit Owners of a Unit fail to register as provided herein, the Board of Directors or a committee appointed by it shall determine who may cast the vote attributable to the Unit.

3. Restriction on Transfer. The interests, rights and obligations of a Member in the Association may not be assigned, pledged, encumbered or transferred in any

manner, except an appurtenance to such Member's Unit.

ARTICLE III

VOTING

1. Entitlement. Each Unit shall be assigned a vote as provided in Article III of the Declaration. No vote shall inure to any Unit during any time when the Association is a Unit Owner thereof.

2. Authority to Cast Vote. At any meeting of the Members, a Member, or another Person who has been granted a proxy as provided in Section 3 of this Article and is included on the voting register presented by the Secretary in accordance with Article IV, Section 6, shall be entitled to cast the vote which is attributable to the Unit or Units of which the Member is a Unit Owner. If there is more than one Unit Owner entitled to vote with respect to a Unit, that vote may be cast by any such Unit Owner; provided that if more than one vote is cast on any matter with respect to a Unit, only the vote cast by the Unit Owner authorized to cast such vote as registered with the Secretary of the Association may be counted.

3. Voting by Proxy. A Member may cast the vote to which the Member is entitled and be counted as present at any meeting of the Members by written proxy naming another Person or Persons entitled to act on that Member's behalf, and delivered to the Secretary before the commencement of any such meeting. All proxies granted by a Member shall be revocable by that Member by written notice or by personally attending and voting at a meeting of the Members, and shall in any case be invalid after one year from the date thereof.

4. Vote Required. The concurring vote of Members who are entitled to cast a majority of the votes represented by all Members present, in person or by proxy, at any meeting of the Members, shall decide all matters properly brought before such meeting, except where a different vote is specifically required in the Declaration, the Articles of Incorporation, these By-Laws or the Act. The term "majority" as used herein shall mean those Unit Owners holding in excess of 50% of the votes in accordance with the allocations set, forth in Exhibit B to the Declaration.

ARTICLE IV

MEETINGS OF MEMBERS

1. Place. All meetings of the Members of the Association shall be held at the office of the Association or at such other place in the county in the State of Minnesota where the condominium is located as may be designated by the Board of Directors in any notice of a meeting of the Members.

2. Annual Meetings. The first annual meeting of the Members shall be held at the earliest of the times or events set forth in Article XII, Section 4 of the Declaration, but in no case later than One year following the date of incorporation of the Association, on a date and at a time set by the Board of Directors. Thereafter, regular annual meetings of the Members shall be held in the same calendar month in each succeeding fiscal year unless the Members at any annual or special meeting designate a different date for annual meetings. At each annual meeting of the Members, the Persons who are to constitute the Board of Directors shall be elected. Any other matter which is properly brought before any annual meeting of the Members, and is a proper subject for discussion or decision by the Members, may be passed upon at the meeting.

3. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of Members who are entitled to vote 25% of all of the votes of the membership. The request shall state the purpose or purposes of the meeting requested, **the time, date, and location of the meeting**, and the business transacted at a special meeting shall be confined to the purposes stated in the notice thereof.

4. Notice of Meetings. At least 21, but no more than 30, days in advance of any annual or regularly scheduled meeting of the Members, and at least seven (7) days in advance of any special meeting of the Members, the Secretary shall send to each Unit Owner of record and First Mortgagee notice of the time, place and complete agenda of the meeting, by hand delivery or by United States mail, at the Unit Owner's Unit address or to such other address, as the Unit Owner may have designated in writing to the Secretary, and, upon request, to the First Mortgagee at its address provided pursuant to Article II, Section 2. Unit Owners of record shall be those Unit Owners who are registered with the Secretary as provided in Article II, Section 2 on a date specified by the Board of Directors (the "Record Date"). Such Unit Owners of record shall be entitled to notice of any duly called meeting of the Members, provided that the Board of Directors may not specify a Record Date which is more than 35 days prior to the date of an annual meeting or more than 20 days prior to the date of a special meeting. Any First Mortgagee shall, upon request, be entitled to designate a representative to be present at such meetings.

5. Quorum. The presence of Members in person or by proxy, who have the authority to cast a majority of the total votes of all Members of the Association entitled to vote shall be necessary to constitute a quorum at all meetings of the Members for the transaction of any business, except that of adjourning the meeting to reconvene at a subsequent time. In the event a quorum shall not be present at any meeting of the Members, the meeting may be adjourned from time to time, without notice other than announcement at the meeting of adjournment, until a quorum shall be present, at which time any business may be transacted which might have been transacted at the meeting as initially called, had a quorum then been present. The quorum, having once been established at a Meeting, shall continue to exist for that meeting, notwithstanding the departure of any Member previously in attendance in person or by proxy. The Association may not be counted in determining a quorum as to any Unit of which the

Association is a Unit Owner.

6. Voting Register. At the beginning of each meeting of the Members **when there is an item of business on the agenda requiring a vote**, the Secretary shall present to the meeting a written list of the Unit numbers, the respective name or names of the Unit Owners, the number of votes attributable to each Unit and the name of the Person (in the case of multiple Unit Owners) authorized to vote.

7. Agenda. The agenda for meetings of the Members shall be as established by the Board of Directors, and shall be sent to all Unit Owners along with the notice of the meeting.

ARTICLE V

BOARD OF DIRECTORS

1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors. The first Board of Directors shall consist of the persons designated as directors in the Articles of Incorporation of the Association and such additional directors as Declarant may select pursuant to the Declaration and the Act. Upon the ending of the terms of the first Board of Directors, the Board of Directors shall be composed of five (5) Directors, all of whom shall be Members; or, in the case of ownership by a partnership, shall be partners or employees of such partnership; or, in the case of ownership by a corporation, shall be officers or employees of such corporations; or, in the case of ownership by a fiduciary, shall be officers or employees of such fiduciary.

2. Term of Office. The terms of office of the five members of the Board of Directors shall all be for three (3) years. Every third year one member shall be elected; in other years two shall be elected. Thereafter, the term of each member of the Board of Directors shall expire upon the election of a successor at a subsequent annual meeting of the Members or until the director has been removed in accordance with the provisions of these By-Laws. A director elected to fill a vacancy, or the position of a removed director, shall serve out the vacated term.

3. Nominations. Nominations for election to the Board of Directors shall be made by a nominating committee and may also be made from the floor at the annual meeting. The nominating committee shall consist of a Chairperson who shall be an officer or member of the Board of Directors, and two or more other Members of the Association. The nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to select nominees for positions on the Board of Directors that became vacant as of the time of such annual meeting. The nominating committee shall make as many nominations as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations shall be made from among those Persons qualified under Section 1 of this Article.

4. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association, and may exercise for the Association all powers, duties and authority vested in or delegated to the Association (and not expressly prohibited or reserved to the Members) by law or by the Declaration, the Articles of Incorporation and these By-Laws. Such powers and duties of the Board of Directors shall include, without limitation, the power to: (a) adopt and amend Rules and Regulations; (b) adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for Common Expenses from Unit Owners; (c) hire and terminate managing agents and other employees, agents, and independent contractors; (d) institute, defend, or intervene in litigation or administrative proceedings in the Association's name on behalf of the Association or two or more Unit Owners on matters affecting the condominium; (e) regulate the use, maintenance, repair, replacement and modification of Common Elements; (f) cause improvements to be made as a part of the Common Elements; (g) grant leases, licenses, and concessions not to exceed one year and utility easements through or over the Common Elements, provided, however, that after conveyance to Owners other than the Declarant or affiliate of a Declarant of Units to which more than 50 percent of the voting power is allocated, the Association may by resolution of a meeting of the members duly called grant leases, licenses and concessions in excess of one year and easements through or over the Common Elements; (h) impose and receive payments, fees, or charges for the use, rental or operation of the Common Elements other than Limited Common Elements described in Section 515A.2-102(2) and (4) of the Act or in the Declaration; (i) impose reasonable charges including reasonable costs and attorneys, for the evaluation, preparation and recordation of amendments to the Declaration, resale certificates required by Section 515A.4-107 of the Act, or statements of unpaid assessments; (j) provide for the indemnification of its officers and board and maintain directors' and officers' liability insurance; (k) impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, by-laws, and Rules and Regulations of the Association; and (l) exercise any other powers conferred by state law, the Declaration, or by-laws.

5. Meetings and Notice. An annual meeting of the Board of Directors shall be held within three (3) days following the annual meeting of the Members. Regular meetings of the Board of Directors shall be held at such times and places within the State of Minnesota as may be fixed from time to time by a majority of the Members of the Board of Directors. Special meetings of the Board of Directors shall be held when called by the President of the Association or by the Secretary within ten (10) days following the written request of any two (2) directors. Notice of any special meeting must be given to each director not less than four (4) days in advance thereof. Notice to a director will be deemed to be given when deposited in the United States mail postage prepaid to the Unit address of such director or when personally delivered by an officer of the Association. Any director may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of necessary notice. Attendance by a director at any meeting of the Board of Directors shall constitute a waiver of notice by that director of the time and place thereof. If all the

directors are present at and take part in any meeting of the Board of Directors, no notice shall be required, and any business may be transacted at such meeting.

6. Quorum. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting thereof. A majority vote of the directors present at any meeting at which a quorum is present shall be sufficient to adopt any action.

7. Action Taken Without a Meeting. The Board of Directors shall have the right to take action in the absence of a meeting, which it could take at a meeting when authorized in a writing signed by all the directors.

8. Vacancies. Vacancies in the Board of Directors shall be filled by a person elected by a majority vote of the remaining directors, which persons shall serve out the term vacated.

9. Removal. Any director may be removed from the Board of Directors, with or without cause, by Members casting a majority of the votes of all Members entitled to vote at any annual or special meeting of the Members, provided that the notice of the meeting at which removal is to be considered states such purpose, and that a new director is elected at such meeting by the Members to fill each vacant position.

10. Compensation. No director shall receive compensation for any service he may render in his capacity as a member of the Board of Directors unless such compensation is approved at a meeting of the Members. However, any director may be reimbursed, by resolution of the Board of Directors, for his actual expenses incurred in the performance of his duties as a director.

11. Fidelity Bond. Fidelity bonds shall be obtained and maintained by the Board of Directors covering officers, employees and volunteers of the Association responsible for the handling of Association funds.

ARTICLE VI

REPORTS

The Board of Directors shall prepare an annual report on behalf of the Association to be provided to each Member prior to each annual meeting of the Members. The report shall contain at a minimum:

a. A statement of any capital expenditures in excess of two percent (2%) of the current budget, or \$5,000, whichever is greater, anticipated by the Association during the current year or succeeding two fiscal years.

b. A statement of the status and amount of any reserve or replacement

fund and any portion of the fund designated for any specified project by the Board of Directors.

c. A copy of the statement of financial condition for the Association for the last fiscal year.

d. A statement of the status of any pending suits or judgments to which the Association is a party.

e. A statement of the insurance coverage provided by the Association.

f. A statement of any unpaid assessments on individual Units, identifying each Unit number and the amount of the unpaid assessment.

ARTICLE VII

OFFICERS

1. Principal Officers. The principal officers of the Association shall be a President, Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may from time to time elect such other officers and designate their duties as in their judgment may be necessary to manage the affairs of the Association. No person may hold more than one office except for the offices of Secretary and Treasurer.

2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at its annual meeting and shall hold office at the pleasure of the Board.

3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, with or without cause, and his/her successor elected, at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for that purpose.

4. President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of president of a corporation, including, without limitation, the duty to supervise all other officers, to preside at all Member and Board meetings and to execute all contracts and similar obligations on behalf of the Association. The President shall have such other duties as may from time to time be prescribed by the Board of Directors.

5. Vice President. The Vice President shall take the place of the President and perform the duties of the office whenever the President shall be absent or unable to act.

The Vice President shall also perform such other duties as shall, from time to time, be prescribed by the Board of Directors.

6. Secretary. The Secretary shall record the minutes of all meetings of the Board of Directors and the Members. The Secretary shall keep and have charge of the books and records of the Board and the Association and shall give all notices required by the Declaration, the By-Laws and the Act.

7. Treasurer. The Treasurer shall have custody of all intangible property of the Association, including funds, securities and evidences of indebtedness and shall give bond in such sum and with such sureties as the Board of Directors may require. The Treasurer shall keep the assessment rolls and accounts of the Unit Owners. The Treasurer shall keep the books of the Association in accordance with good accounting practices and shall submit them to the Board of Directors for its examination upon request. The Treasurer shall deposit all moneys and other valuable effects in the name of or to the credit of the Association in such depositories as may be designated by the Board of Directors and shall disburse the funds of the Association as ordered by the Board of Directors and shall perform all other duties incident to the office of Treasurer. The Board of Directors may designate some or all of the foregoing functions to be undertaken by a managing agent, provided that such delegation shall not relieve the Treasurer of the ultimate responsibility for the Treasurer's duties.

8. Compensation. Except as authorized by the Board of Directors, officers of the Association shall receive no compensation for their services in such capacity, provided, however, a Board member or other Unit Owner or Occupant may, upon approval by the Board of Directors, be retained by the Association and fairly compensated for goods and services furnished to the Association in an individual capacity. Officers and Directors may be reimbursed for out-of-pocket expenses incurred in the performance of their duties.

ARTICLE VIII

OPERATION OF THE PROPERTY

1. Assessments. The Association shall from time to time, and at least annually, prepare a budget of Common Expenses for the Association and assess and levy such Common Expense against the Units according to their respective Common Expense liability as set forth in Exhibit B to the Declaration, provided that the Association may, as provided in Article VII of the Declaration, assess any Common Expense benefiting less than all of the Units against only the Units benefited. The levy shall be deemed to occur upon the date of the resolution which sets forth the assessment of the Common Expense. The Common Expenses shall include a general operating reserve and an adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis. The Board of Directors shall fix the amount of the annual assessment. against each Unit and shall advise each Member in writing as to the amount of the assessment payable with respect to the Unit at least

thirty (30) days prior to the first day of the year for which the assessment is made. In addition, the Association shall, upon request by the Member, furnish copies of each budget on which such Common Expenses and the assessment are based to such Member, and to any First Mortgagee of the Unit. In the event an annual assessment proves to be insufficient, the budget and assessments therefor may be amended, or a special assessment levied, at any time.

2. Payment of Common Expenses. All Owners shall be obligated to pay the Common Expenses assessed and levied by the Board of Directors pursuant to the Governing Documents. Such assessment shall be due in monthly installments in advance on the first day of each month of the year or other period for which the assessments are made, or when designated by the Board of Directors in the case of a special assessment.

3. Default in Payment of Common Expenses. In the event any Owner does not make payment on or before the date when any assessment or installment thereof is due, the Board of Directors may assess, and such Owner shall be obligated to pay, a reasonable charge and/or penalty for each such unpaid assessment or installment thereof, and/or interest at the highest rate allowed by law on such assessment or installment thereof from the date due, together with all expenses, including reasonable attorneys' fees incurred by the Board in any proceeding brought to collect any such unpaid assessment. In the event of a default of more than thirty (30) days in payment of any assessment or installment thereof, the Board of Directors may accelerate the remaining installments of the assessment upon notice thereof to the Owner, and thereupon the entire unpaid balance of the assessment with all accrued interest shall become due and payable upon the date stated in the notice. The Board of Directors shall have the right and duty to attempt to recover all assessments for Common Expenses, together with interest and the expenses of the proceeding, including reasonable attorney's fees, in any action, legal or administrative, to recover the same brought against an Owner or by foreclosure of the lien upon a Unit. Upon written request of a Unit Owner or his First Mortgagee, notice of a default of more than thirty (30) days in payment of any assessment or installment of an assessment for Common Expenses or any other default in the performance of obligations by the Unit Owner shall be given in writing to such First Mortgagee.

4. Foreclosure of Liens for Unpaid Assessments. The Association has the right to foreclose a lien against a Unit for assessments imposed by the Association, as more fully described in the Declaration. During any such foreclosure action brought by the Association, the Unit Owner or Occupant may be required by the Board of Directors to pay a reasonable rental for the use of the Unit and the Association shall be entitled to the appointment of a receiver to collect the same.

5. Records. The Board of Directors shall cause to be kept at the registered office of the Association, and at such other place as the Board of Directors may determine, records of the actions of the Board of Directors, minutes of the meetings of the Board of Directors, minutes of the meetings of the Members of the Association, names of the Unit

Owners and First Mortgagees, and detailed and accurate records, in chronological order, of the receipts and expenditures of the Association. Such records of receipts and expenditures and any vouchers authorizing payments shall be available for examination by the Unit Owners and the First Mortgagee upon reasonable notice and during normal business hours. Separate accounts shall be maintained for each Unit setting forth the amount of the assessments against the Unit, the date when due, amount paid thereon and the balance remaining unpaid.

6. Enforcement of Obligations. All Unit Owners, Occupants and their guests are obligated and bound to observe the applicable provisions of the Governing Documents and the Act. The Association may impose any or all of the charges, sanctions and remedies authorized in the Governing Documents and by law to enforce and implement its rights and to otherwise enable it to manage and operate the condominium.

7. Smoking. In furtherance of the Association's responsibility to protect the health, safety and welfare of all residents of the Property, no smoking shall be permitted anywhere on Association property. Unrestricted smoking on the Property may result in unnecessary second-hand smoke being distributed to other Unit Owners, Occupants, and guests, and also increases the risk of damage, injury or death from fires started from careless smoking activities.

8. Rental Units. The number of rental units on the Property shall be limited to no more than three (3) at any one time. As of the effective date of these Bylaws, as amended, there are three grandfathered rental units on the Property. These Unit Owners may continue to rent their Units until the Unit is sold, or if the Unit Owner voluntarily discontinues renting the Unit, upon written notice to the Board. Non-grandfathered Unit Owners may seek authorization from the Board to rent their Units only if one or more of the grandfathered rental units changes to a non-rental, as described in the previous sentence. The Board of Directors, in its sole discretion, may consider granting a hardship variance to this rule, to allow additional rental unit(s), if the Unit Owner is forced to be away from the Unit due to a medical condition, military service, or some other prolonged absence. If a hardship variance is granted the Board may place reasonable conditions on the variance, including an expiration date for the variance.

ARTICLE IX

AMENDMENT TO BY-LAWS

1. These By-Laws may be amended under the following condition:

The amendment must be approved by Members entitled to cast at least two-thirds (2/3) of the votes in the Association, in writing, or at a duly held meeting of the Members. Notice of the meeting of the Members, stating the purpose, including the

proposed amendment, must be given to each Member entitled to vote on the proposed amendment not less than 10 days before the meeting, and given to each officer and director regardless of his or her voting rights. If notice required by this clause has been given, the proposed amendment may be adopted at any meeting of Members by a majority of a quorum of Members present in person or by proxy.

ARTICLE X

INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Association shall, to the extent such liability is not covered by insurance, indemnify every director and officer, his heirs, executors and administrators, against all loss, cost and expense, including attorney's fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by legal counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such director or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such director or officer may be entitled. All liability, loss, damage, costs and expenses incurred or suffered by the Association by reason of, arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as a Common Expense, provided, however, that nothing in this Section shall be deemed to obligate the Association to indemnify any Member who is or has been a director or officer of the Association, with respect to any duties or obligations assumed or damage or liabilities incurred by him solely in his capacity as a Unit Owner.

ARTICLE XI

MISCELLANEOUS

1. Notices. Unless specifically provided otherwise in the Declaration and these By-Laws, all notices required hereunder to be given to the Association or the Board of Directors shall be sent by certified mail to the Board of Directors at the office of the Association or to such other address as the Board of Directors may hereafter designate from time to time by written notice given in the manner hereinafter prescribed; all notices to any Unit Owner or to any other Persons entitled to notice shall be sent by U.S. mail to his Unit address or to such other address as may be designated, in writing, by him or other Persons entitled to notice. All notices shall be deemed to have been given when deposited in the U.S. mail postage prepaid, except notices of change of address, which shall be deemed to have been given when received.

2. Severability. The invalidity or unenforceability of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

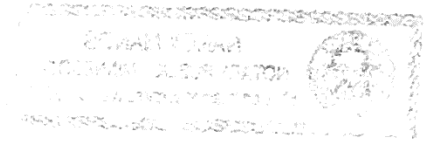
3. Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way limit or proscribe the scope of these By-Laws or the intent of any provision hereof.

4. Conflicts in Documents. In the event of any conflict among the provisions of the Act, the Declaration, the By-Laws or any rules and regulations approved by the Association, the Act shall control. As among the Declaration, By-Laws and rules and regulations, the Declaration shall control, and as between the By-Laws and the rules and regulations, the By-Laws shall control.

5. Waiver. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

6. No Corporate Seal. The Association shall have no corporate seal.

7. Fiscal Year. The fiscal year of the Association shall be as determined by the Board of Directors.



**RULES AND REGULATIONS
OF
MOUNT VERNON CONDOMINIUM**

**EXHIBIT D
TO DISCLOSURE STATEMENT**

RULES AND REGULATIONS FOR

MOUNT VERNON CONDOMINIUM

GENERAL REGULATIONS

1. Each Unit Owner shall comply with all applicable laws, ordinances and regulations and shall save the Association and other Unit Owners harmless from all fines, penalties, costs and prosecutions for any violation thereof.

2. Except for the sales activities of the Declarant, no business activity, nor any other activity which might involve a nuisance to any Unit Owner, whether or not any such activity is designed for profit, shall be permitted on the Property.

3. No garbage cans, trash barrels or other obstructing personal property shall be placed in the Common Elements, nor shall anything be hung or shaken from the windows. No accumulations of rubbish, debris or unsanitary material shall be permitted in the Common Elements, except in designated trash storage areas. No personal property shall be stored in the Common Elements, except in the storage compartments which are assigned to each unit as provided in the Declaration.

4. Trash shall be placed in properly tied, non-leaking garbage bags (for sanitary purposes) and disposed of in designated areas, including recycle bins. Cardboard must be broken down. Our waste vendor must be called for disposal of large items such as appliances, furniture, etc. The owner is responsible for scheduling pickup and putting the items on the curb the night before pickup.

5. The removal of refuse or litter created in the Common Elements by any Unit Owner shall be the responsibility of such Unit Owner, and if not removed, the Association may charge such Unit Owner for the costs incurred in the removal of refuse or litter. Unit Owners will use their best efforts to prevent the Common Elements from becoming unsightly.

7. Damage to the Property caused by the moving or carrying of articles thereon shall be paid for by the Unit Owner or person in charge of such articles. Damage to the property of others, including the Common Elements, resulting from misuse of such facilities, of any nature or character whatever, shall be paid by the Owner of the Unit to or from which the articles were being transported.

8. Hallways, sidewalks, stairways, elevators, parking garage and other portions of the Common Elements used for access to and from parking stalls shall not be obstructed or used for any other purposes than for ingress to and egress from the Units.

9. No noxious or offensive activity shall be carried on in any Unit or in the Common Elements; nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners. No Unit Owner shall make or permit any disturbing noises to be made on the Property by family or guests.

10. Each Unit Owner shall keep his/her Unit, and all limited Common Elements assigned to such Unit (if any), in a good state of cleanliness.

11. The toilets, and other plumbing shall not be used for any purpose other than for which they were constructed, and no sweepings, rubbish, rags, papers, ashes or other substances shall be thrown therein.

12. Neither water nor any other utility provided by or paid for by the Association shall be wasted by any Unit Owner.

13. No Unit Owner shall interfere in any manner with any portion of the common heating or lighting apparatus in the building or anywhere on the Property.

14. Any Unit Owner wishing to install a satellite dish must check with the Board of Directors prior to placement.

15. For security purposes, Unit Owners shall not place identification or other signs in any place in the Building except in the unit directory or on the mailbox provided for the use of the Residential Units respectively occupied by them. Unit Owners' names shall not appear in a permanent fashion anywhere in the building except on their door, mailbox or in the electronic directory.

16. No shades, awnings or window guards shall be used on the balconies except as shall be approved by the Association.

17. Unit Owners shall close all windows when necessary to avoid possible damage from storm, rain or freezing temperatures.

18. Unit Owners, occupants or their employees or guests shall not at any time enter upon the roof of the Building without permission of the Association.

20. Nothing shall be done or maintained on the Property that will increase the rate of insurance for the Property or contents thereof. No Unit Owner shall permit anything to be done or kept in his Unit or in the Limited Common Elements which will result in a cancellation or increase in the cost of insurance on the Property or contents thereof, or which would be in violation of any local, state or federal law. Examples of prohibited activities under this section include but are not limited to, (i) keeping an open flame larger than a standard-size candle, (ii) using water or other Association-paid utilities in an unreasonable fashion that results in a minimum 10% increase in cost over the immediately prior measurement period allocated to such utilities, or (iii) illegal drug use or distribution.

21. No "For Rent" or "For Lease" signs or other window displays or advertising shall be placed on any part of the Property. "For Sale" signs no larger than 36"x24" may be placed on the 3rd Street front lawn.

22. No Unit Owner shall alter, impair, or remove any item from the Common Elements or the Limited Common Elements without the prior written consent of the Association. No Unit Owner shall paint, stain or otherwise change the color of any exterior portion of the building.

23. No additional building, tent or structure of any kind shall be placed, erected, kept or maintained on the Property.

24. Unless the Board of Directors gives advance written consent in each instance, Unit Owners shall not install or operate any machinery, refrigerating or heating device or air conditioning apparatus, except for common household appliances and existing equipment, in any Unit, or use or permit to be brought into any unit any gasoline or other explosives or inherently dangerous articles.

25. The Board of Directors shall retain an extra key to each Unit for use in emergency situations. Keepers of the spare keys are listed on the bulletin board. If not an emergency or threat to public safety, any Unit Owner may only change a lock after receiving permission from the Board and at their own expense. The Unit Owner must then supply a new extra key for emergencies to the then-applicable keeper of the spare keys. If a lock is changed contrary to this section, the Board of Directors may require the Unit Owner to change the lock again at the Unit Owner's expense.

26. The agents of the management company and any contractor or workman authorized by the management company or its agent, bearing proper identification, may enter any Unit at any reasonable hour of the day, after notification (except in case of emergency) to the Unit Owner or Occupant, for the purpose of correcting any condition which presents a danger of serious loss or damage to the Property or injury or death to any person. No non-Unit Owners or non-Occupants should enter any unit they do not own without a resident or management company representative present.

27. No animals of any kind shall be permitted or retained on the Property, the Common Elements, or in any Unit, except for 'service animals' as defined under Titles II and III of the federal Americans with Disabilities Act. 'Service animals' include a guide dog/seeing-eye dog, a hearing signal dog, a psychiatric service dog (i.e. a dog that reminds a person to take medicine, performs safety checks of the room, keeps disoriented persons from danger), a sensory signal dog (i.e. a dog trained to assist a person with autism), or a seizure response dog. 'Service animals' are not considered to be pets. 'Comfort animals' are not 'service animals' and are therefore not allowed under this section. 'Comfort animals' provide companionship, relieve loneliness, and sometimes help with

depression, anxiety, and certain phobias, but do not have special training to perform tasks that assist people with disabilities.

28. Occupants are responsible for the conduct of their guests, and shall apprise such guests of these Rules and Regulations. Unit Owners bear ultimate responsibility for the behavior of guests (even if the Unit Owner is an absentee owner).

29. In furtherance of the Association's responsibility to protect the health, safety and welfare of all residents of the Property, no smoking shall be permitted anywhere on Association property. Unrestricted smoking on the Property may result in unnecessary second-hand smoke being distributed to other Unit Owners, Occupants, and guests, and also increases the risk of damage, injury or death from fires started from careless smoking activities.

30. The number of rental units on the Property shall be limited to no more than three at any one time. As of the effective date of these Regulations, there are three grandfathered rental units on the Property. These Unit Owners may continue to rent their Units until the Unit is sold, or if the Unit Owner voluntarily discontinues renting the Unit, upon written notice to the Board. Non-grandfathered Unit Owners may seek authorization from the Board to rent their Units only if one or more of the grandfathered rental units changes to a non-rental, as described in the previous sentence. The Board of Directors, in its sole discretion, may consider granting a hardship variance to this rule, to allow additional rental unit(s), if the Unit Owner is forced to be away from the Unit due to a medical condition, military service, or some other prolonged absence. If a hardship variance is granted the Board may place reasonable conditions on the variance, including an expiration date for the variance.

GARAGE AND PARKING AREA REGULATIONS

1. No vehicle belonging to a Unit Owner or his/her guests shall be parked in such a manner as to impede or prevent ready access to any garage stall or other parking spaces. All persons shall obey parking regulations posted by the Association in the garage area and any other traffic regulations promulgated by the Association in the future for the safety, comfort and convenience of the Unit Owners and others using the Property.
2. No Unit Owner shall cause or permit the blowing of any horn from any vehicle in which such person is an occupant anywhere on the Property except as may be necessary for safe operation thereon.
3. No vehicle shall be left standing anywhere on the Property in a non-operative condition. No repairs of vehicles will be permitted on the Property, except as may be permitted by the Association in writing. Vehicles may be washed in the back parking lot.

4. The Association reserves the right to remove any vehicles parked in an unauthorized place or manner at the expense of the respective owners thereof.

GENERAL

1. Complaints regarding services provided by the Association or the operation of the Property shall be made in writing to the Association.
2. A Unit Owner may apply to the Association for a temporary waiver of one or more of the foregoing rules and regulations. Such temporary waiver may be granted by the Board of Directors, provided such temporary waiver will not interfere with the rights of other Unit Owners.
3. The Association shall make such other Rules and Regulations from time to time as may be deemed necessary for the safety, care and cleanliness, of the Property and for securing the comfort and convenience of all of the Unit Owners. No such additional or modified Rules and Regulations shall take effect until thirty (30) days after they are communicated in writing to the Unit Owners. Any Rules and Regulations adopted by the Association may be repealed or otherwise superseded by a vote of the majority of the Unit Owners.
4. In the event that a Unit Owner is fined or otherwise sanctioned by the Association for a violation of these Rules and Regulations, the Unit Owner shall be entitled to appeal his/her sanction to the Board of Directors in writing and to be heard by the Board at such time and place as it shall specify.
5. The term Owner as used in these Rules and Regulations shall include lessees and other permanent occupants.