

RULES AND REGULATIONS FOR

EIBANDS LUXURY CONDOMINIUMS ("Condominium")

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Board of Directors

_____, 2006

PART I

GENERAL PROVISIONS

These Rules and Regulations are established by the Board of Directors ("Board of Directors") of Eibands Luxury Condominiums Association, Inc. effective as of _____, 2006, pursuant to the rule-making and rule-enforcement authority granted to the Board of Directors.

These Rules are in addition to rules contained in the Declaration and Bylaws. In the event of a conflict among documents, the order of governing authority shall be as follows: Declaration (highest), Articles, Bylaws, and then these Rules (lowest). The Board of Directors are empowered to interpret, enforce, amend, and repeal these Rules.

A. DEFINITIONS

The following terms are defined for use in these Rules and those capitalized terms not expressly defined herein have the same meaning as defined in the Declaration:

"Articles." This term shall have the meaning as defined in the Declaration.

"Assessments." This term shall have the meaning as defined in the Declaration.

"Association." This term shall have the meaning as defined in the Declaration.

"Board of Directors." This term shall have the meaning as defined in the Declaration.

"Bylaws." This term shall have the meaning as defined in the Declaration.

"Common Elements." This term shall have the meaning as defined in the Declaration.

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

"Declarant." This term shall have the meaning as defined in the Declaration.

"Declaration." The condominium declaration for Eibands Luxury Condominiums and all recorded amendments thereto, which Declaration and all amendments thereto, shall be recorded in the real property records of Galveston County.

"Governing Documents." Individually and collectively, the Act, the Articles, the Bylaws, the Declaration, and the Rules.

"Legal Requirements." This term shall have the meaning as defined in the Declaration.

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

“Monthly Assessments.” This term shall have the meaning as defined in the Declaration.

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

"Owner." The owner of each Unit and any other persons Occupying, using, visiting, or otherwise on the Property at the direction or invitation (express or implied) of such Owner (including the Owner's family, invitees, Tenants, visitors, servants, agents, representatives and licensees).

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

"Property." The Units and the Common Elements.

“Recreational Facilities.” The swimming pool and fitness center on Level 1 of the Building.

“Retail Units: This term shall have the meaning as defined in the Declaration.

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

"Special Assessments." This term shall have the meaning as defined in the Declaration.

"Temporary Rules." Notices communicated to the Owners by the 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.

“Unit.” This term shall have the meaning as defined in the Declaration.

B. COMPLIANCE

1. Compliance. Each Owner shall 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 Owner shall be responsible for ensuring compliance with the Governing Documents by all persons using or occupying such Owner's Unit. Each Owner shall be liable for damages to any Person or property for violations of the Governing Documents by the Owner. The Rules contained within any specific section shall not be interpreted to apply to the exclusion of other rules contained in these Rules which would logically apply to the same subject matter.

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

3. Waiver. Circumstances may warrant waiver or variance of these Rules. To obtain a waiver or variance, an Owner must make written application to the Board of Directors. The Board of Directors will consider such request and respond to the Owner in accordance with the

Governing Documents. If the application is approved, the waiver or variance must be in writing, and may be conditioned or otherwise limited. The variance or waiver of any Rules by the Association for the benefit of any particular Owner shall not be construed as a waiver of any of the Rules in favor of any other Owner nor shall any such waiver or variance prevent the Association from thereafter enforcing any Rule against any or all of the Owners.

4. Right to Enforce. The Association has the right to enforce these Rules against any person who owns or uses the Property.

5. Consent. When required by the Governing Documents, Owners must obtain the approval of the Association.

C. OBLIGATIONS OF OWNERS

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

2. Unit Key. Each Owner shall at all times maintain with the Association a set of all keys required to enter such Owner's Unit and Storage Unit, if applicable, through the front door, and shall provide replacement keys to the Association each time a lock on the Unit is changed. The Association assumes no liability related to possession of the keys.

3. Damage. Subject to the insurance requirements and the waiver of subrogation provisions in Article VI of the Declaration, an Owner is responsible for any loss or damage the Owner causes to the Unit and the personal property of other Owners. By way of example but not limitation, an Owner is responsible for water damage to the other Units due to water which emanates from such Owner's Unit, including leaks or overflows of sinks, tubs, showers, shower pans, toilets, dishwashers and clothes washers. In case of continuous water overflow, the Owner should immediately turn off the water source within such Unit. Any damage to plumbing pipes, drains and apparatus resulting from misuse, or from unusual or unreasonable use, shall be borne by the Owner causing such damage.

4. Insurance. An Owner assumes full risk and sole responsibility for placing such Owner's personal property in or on the Property (including Storage Spaces). Each Owner is required to carry the insurance set forth in Article VI of the Declaration.

5. Risk Management. An Owner may not permit anything to be done or kept in such Owner's Unit or the Common Elements that is illegal or that may result in the cancellation or increase in any insurance premiums paid by the Association or any other Owner in connection with the Property.

6. Reimbursement for Enforcement. Each Owner shall promptly reimburse the Association governing such Unit on demand for any expense incurred by the Association to enforce the Governing Documents against such Owner or such Owner's Unit as provided in the Declaration.

7. Reimbursement for Damage. Each Owner shall promptly reimburse the Association on demand for the cost of damage caused by the accidental or willful conduct or omission of such Owner.

8. No Estate Sales. An Owner may not conduct on the Property a sale or activity that is advertised or attractive to the public, such as "estate sales," "yard sales" or "garage sales." This section does not apply to marketing the sale or rental of a Unit, 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 or other Legal Requirements, no more than two persons may occupy any one-bedroom Unit, no more than three persons may occupy any two-bedroom Unit, and no more than four persons may occupy any three-bedroom Unit.

2. Familial Status. The Association's occupancy standard for 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 individual under the age of 18 years of age may Occupy a Unit unless such Occupancy is with an Owner or Tenant who is a parent, legal guardian, or designee in writing of such minor's parent or legal guardian. An Owner must provide satisfactory proof of the ages and relationships among the Occupants of such Owner's Unit upon request of the Association.

4. Danger. No Unit 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 of a Unit. Units may be leased; however: (i) no such lease shall be made for transient or hotel purposes, with all leases shall be for a term of at least one year; (ii) such lease shall be in writing, shall be fully executed, shall state that it is subject in all respects to the provisions of the Governing Documents and shall provide that any failure by the Tenant to comply with the terms and provisions of the Governing Documents shall constitute a default under such lease; (iii) each lease shall be subject to leasing restrictions set forth by the Association; (iv) an executed copy of each lease shall be submitted to the Association promptly following execution; and (v) all such leases shall be substantially in the form attached as Attachment A to these Rules and shall be for not less than an entire Unit. At least ten (10) days before the start of each lease term, the Owner must provide the Association with: (a) a copy of the lease and (b) information about the Tenant(s) in a form acceptable to the Association. The Management Office shall order criminal background searches on all prospective Tenants, at the sole cost and expense of such Owner, and shall reserve the right to refuse possession to any prospective Tenant convicted of a felony offense. As soon as practical after its receipt thereof, the Owner must notify the Association of any changes in Tenant information during the lease term.

2. Subject to Documents. The mere execution of the lease for a Unit 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 an Owner; provided that notwithstanding the foregoing or any provision of the lease between Owner and its Tenant, Owner shall not be relieved of any obligation under the Governing Documents and shall remain primarily liable thereunder. The Owner is responsible for providing such Owner's Tenant with the Governing Documents and notifying the Tenant of any changes. The Association (but only with respect to leases for Units governed by such Association) has no duty to notify Owners or Tenants concerning any Legal Requirement. The Association may, but are not obligated to, send notices of violations by a Tenant to both the Tenant and to the Owner of the Unit 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 Owner has all available remedies at law or equity.

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

4. Tenant Communications. Owners shall instruct their Tenants to channel all communications to such Owner, except for matters pertaining specifically to the Building or Association and emergency matters which shall be directed by the Tenant to the Manager.

F. STORAGE SPACES AND PARKING SPACES

1. Parking Spaces and Storage Spaces for the Units.

(a) Except as otherwise specifically provided in the Governing Documents, no person shall have the right to use a Parking Space and/or an assigned Storage Space except the Owner, or a Tenant of such Unit pursuant to the Tenant's lease, to whom such Parking Space and/or Storage Space is assigned pursuant to the Governing Documents. An Owner may elect, however, to assign such Parking Space and/or Storage Space to another Owner, provided such assignment is provided to the Association and is substantially in accordance with the forms attached hereto as Attachment C and Attachment D, respectively. No person shall have the right to use a Parking Space which is specifically identified as a "visitor" space, except a visitor to a Unit.

(b) Care and Maintenance of Storage Spaces. Each Owner shall obtain and maintain safe and acceptable locks on its Storage Space. No person shall have a duty to the Owner to furnish smoke detectors, security guards, or additional locks and latches, except as required by Legal Requirements. Owners shall use reasonable diligence in the care and minor repair of the Storage Spaces and shall not make any substantial alterations to the Storage Spaces without prior written permission of the Association. Owners shall not place nor permit any water furniture in the Storage Spaces; make any holes in the woodwork, floors or walls of the Storage Spaces; or store any paint, highly flammable or hazardous materials, food products, or any items that attract vermin or produce an odor within the Storage Spaces. Doors to the Storage Spaces shall not be replaced by Owners

without the prior written permission of the Association. All approved replacement doors must be of substantially similar materials, construction, and appearance as the original doors to Storage Spaces.

(c) Liability for Storage Spaces. Each Owner agrees that no other Person is responsible for items stored by such Owner in a Storage Space and that the Owner is solely liable at all times for such Owner's personal property. The following items may not be stored within the Storage Space: paint, highly flammable materials, food products and any item that attracts vermin or produces an odor. Other than an obligation to rebuild or repair the Storage Spaces, as set forth in the Governing Documents, no Person shall be liable to Owners entitled to use Storage Spaces, nor to such Owners' guests, invitees or other occupants, for any damages, injuries, or losses to person or property caused by fire, flood, water leaks, ice, snow, hail, winds, explosion, smoke, interruption of utilities, theft, burglary, robbery, assault, vandalism, acts of other persons, condition of the Storage Spaces, or other occurrences. The Owners shall be responsible for securing insurance coverage for protection against the above liabilities and losses. Owners shall notify the Association immediately of any dangerous conditions on or about the Storage Spaces.

(d) Parking Spaces may not be altered in any way by the Owner.

G. GENERAL USE AND MAINTENANCE OF UNIT

1. Use. Except for those Units owned by Declarant and the Retail Units, each Unit must be used solely for private residential use, and may not be used for any commercial or business purposes. This restriction does not prohibit an Owner from using the Unit for personal, business, or professional purposes, provided that: (a) such use is incidental to the Unit'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 visits to the Unit by the public, employees, suppliers, or clients. Each Parking Space shall be used solely for parking of automobiles by an Owner or its Tenant, and each Storage Space shall be used solely for storage purposes by an Owner or its Tenant. The use of all Units shall be in accordance with the Governing Documents.

2. Right of Entry. The Association, Owners or Declarant may enter a Unit as provided in the Declaration. In case of an emergency, the right of entry is immediate and, if the Owner or Tenant has failed to provide a door key or refuses to provide entry, the Owner is liable for the cost of repairs caused by the chosen method of access under such circumstances.

3. Maintenance. Any maintenance work on a Unit of a non-de minimus nature or involving more than \$500 in value shall require an executed copy of an agreement substantially in the form attached as Attachment D to these Rules to be provided to the Association.

4. Hot Tubs. The use or installation of hot tubs, whirlpools, or Jacuzzis (portable or permanently installed) in a Unit is prohibited. This rule does not apply to a customary bathtub fixture with water jets located within the Unit that is installed pursuant to all applicable Legal Requirements.

5. Prohibition of Outdoor Cooking or Heating Equipment. The use of outdoor cooking or heating equipment is prohibited anywhere on the Property, including charcoal grills, electric or gas grills and hibachis, unless the Owner has received prior written approval of the Association. The Association shall take into consideration the requirements and limitations of the respective insurance carriers and insurance policies in any decision to approve such activities, and the permitted use of outdoor cooking or heating equipment shall at all times be in compliance with the Governing Documents.

6. Stoves. Each Owner, at such Owner's expense, shall keep the ventilation hood above the stove or range in such Owner's Unit clean and in operating condition.

7. Glass. Each Owner, at such Owner's expense, must promptly repair and replace any broken or cracked glass in the windows and doors of such Owner's Unit. Replacement windows must conform to the windows that are standard in the Improvements or be approved in writing prior to installation by the Association. The Association reserves the right to replace any broken or cracked exterior windows of the Building on behalf of an Owner, at such Owner's sole expense, to ensure proper installation.

8. Combustibles. Except those retail products sold for exclusive use as household cleaning products, an Owner may not store or maintain explosives or other combustible materials anywhere on the Property, including within a Unit.

9. Water Cut-Off. Except as allowed in the Governing Documents or in the case of an emergency, no person may interfere with or interrupt the Property's water lines, including water lines to an individual Unit, without the prior knowledge and cooperation of the Association. An Owner who requires a water cut-off for the purpose of remodeling shall submit a written request to the Manager at least five (5) days prior to the requested water cut-off. All instances of flooding or water damage must be reported to the Association immediately.

10. Report Malfunctions. An Owner shall immediately upon discovery, report any leak, break or malfunction in any portion of the Property to the Manager. An Owner who fails to promptly report a problem in such Owner's Unit may be deemed negligent and may be liable for any additional damage caused by the delay, if such Owner reasonably should have known further damage would likely occur due to the delay in reporting such problem.

11. Cable/Satellite. An Owner who subscribes directly to cable or satellite service is solely responsible for the cost and maintenance of the subscription and the appurtenant equipment; provided that no antennas or satellite dishes may be installed except in compliance with these Rules. An Owner who obtains cable or satellite service through the Association (in the event the 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 Unit. No antenna, satellite dish, aerial, tower or similar structure shall be erected on, or fastened to, any Unit or on any portion of the Property, without the prior written consent of the Association; provided, however, the following antennas may be erected on, or fastened to, a location reasonably approved by the Association on the roof. Prior to the installation of any antennae, satellite dishes or other similar receptive device

permitted under these Rules, each Owner or Tenant shall execute an agreement substantially in accordance with the document attached as Attachment E to these Rules.

(a) An antenna and ancillary cable line that is designed to receive direct broadcast satellite service, including direct-to-home satellite services, that is one meter or less in diameter;

(b) An antenna and ancillary cable line that is designed to receive video programming services via multipoint distribution services, including multichannel multipoint distribution services, instructional television fixed services and local multipoint distribution services, and that is one meter or less in diameter or diagonal measurement, that is one meter or less in diameter; or

(c) An antenna and ancillary cable line that is designed to receive television broadcast signals, that is one meter or less in diameter.

12. Utilities. Owners shall use reasonable efforts not to overload existing electrical circuits and plumbing facilities in such Owners' Unit.

13. No Right to Vent or Cut Into Chases, etc. Subject to the Governing Documents, under no circumstances whatsoever, may any Owner, directly or indirectly, vent or cut into any chute, duct, conduit or vertical chase or any plumbing that serves a Unit.

14. Signage; Advertising. Subject to the provisions of the Declaration, no sign, advertisement or notice shall be inscribed, painted, affixed or placed on any part of the Property.

15. Window Air Conditioning Units. No window heating or air conditioning Unit shall be installed within any Unit or Common Element.

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

17. Compliance with Laws. EACH OWNER SHALL PROMPTLY AND FULLY COMPLY WITH ANY AND ALL LEGAL REQUIREMENTS WITH RESPECT TO THE OCCUPANCY AND USE OF A UNIT.

H. GENERAL USE AND MAINTENANCE OF COMMON ELEMENTS

1. 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.

2. Access Cards. Admittance to the Common Elements may require use of a coded access card, in which case an appropriate card will be issued to Owners through the Management Office. Access cards are personal to the Owner or Tenant to whom they are issued and may not

be transferred or assigned except to Tenants or other third parties approved by the Management Office and pursuant to a form approved by the Association. Any Owner or Tenant in possession of an access card will, upon request of the 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 Association. The Management Office shall issue no more than two cards per Unit without the special consent of the Association.

3. Limited Recreation Areas. The Recreational Facilities described in these Rules are the only recreational facilities at the Condominium. No other portions of the 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 Common Elements, including hallways and stairwells.. An Owner may not decorate or customize the exterior of such 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 Common Elements are deemed abandoned and may be disposed of by the Association or the Manager.

5. Use of Elevators. The Association may designate one of the Condominium's elevators for use as a casual (service) elevator to be used by residents: (a) accompanied by pets; (b) dressed in swimming, exercise or workout attire; or (c) carrying bulky parcels or moving any item.

6. Fire and Safety. Except in the event of a relevant emergency, 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 Owners shall be responsible for reporting damaged or missing sprinkler heads or smoke detectors within its Unit to the Association or Manager.

7. Landscaping. No Owner shall harm, mutilate, alter, litter, uproot or remove any of the landscaping work on or within the Common Elements, or place or affix any planters, statues, fountains, ornamental objects or artificial plants upon any portion of the General Common Elements, without the prior written consent of the Association. Digging, planting, pruning, and climbing in any landscaped areas are expressly prohibited.

8. Clotheslines. No hanging or drying of clothes shall be allowed on (or within) any portion of the Property, and no pulley clothesline or similar device shall be affixed to or used in connection with any Unit.

9. Guests. Except for Tenants, a non-owner of a Unit may not use the Recreational Facilities unless accompanied at all times by an Owner. The right of an Owner to share the use of these facilities with such Owner's guests or invitees is at all times subject to the immediate termination by the Association if the Rules or Governing Documents are violated or if such termination is deemed by the Association, respectively, to be in the Association's best interests.

10. Animals Prohibited. Other than assistance animals required by Legal Requirements, no animals or pets are permitted in the Recreational Facilities at any time.

11. Disturbances Prohibited. No loud sounds or boisterous conduct is permitted in the Recreational at any time, however, the reasonable use of a radio, television, tape player or similar device is permitted during periods when an Owner and such Owner's guests are the sole users of such facility.

12. Waste Disposal; Plumbing Damage. No one shall place, leave or permit to be placed or left in or upon the Common Elements any waste, debris, refuse or garbage except in the areas designated by the Association or the Manager as a central garbage depository, and only on those days and times as are designated by the 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 Owner causing such damage.

13. Doormats. Each Unit shall have a uniform doormat placed in front of the entry door of the Unit, which doormat has been approved by the Board of Directors. Owner shall be responsible for maintaining such doormat in a clean and presentable condition at all times.

I. COMMUNITY ETIQUETTE

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

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

3. Code of Conduct. Owners will conduct themselves in a civil manner when dealing with the Association's officers, directors, committee members, Manager, employees, contractors, agents, and other Owners. In return, the 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.

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

5. No Hiring of Employees. The employees and agents of the Association and Manager are not permitted or authorized to render personal services to Owners including but not limited to performing services such as walking or caring for pets. The Owners will not request or encourage employees or agents to violate this provision. Emergency situations or requests

through the Manager for staff assistance, at such Owner's expense, should be addressed directly to the Manager.

6. Communications among Owners. The Association balances the right of Members to communicate with each other against the desire of the Condominium's Members 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 Owner are subject to this section.

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

(b) Without the Board of Directors' prior written permission, a person may not distribute handbills or hand-deliver written communications to mailboxes, Unit 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. Owners must wear neat and clean street attire in the elevators, lobby, and other Common Elements. Owners are prohibited from wearing lingerie and pajamas as outerwear, or being barefoot in the Common Elements. A person en route to or from the swimming pool shall wear a shirt or beach robe over swimming attire.

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

9. Noise and Odors. Each 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 Owners.

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

11. Reception Interference. 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 Owner agrees that the Board of Directors, the Association, all other Owners, Tenants, Manager, the Declarant and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees are not responsible for any item or article left with or delivered to the Association's employees or agents (including the Manager and its employees or agents) on behalf of such Owner.

13. Wildlife. Feeding of birds, squirrels, or any wildlife is prohibited on the Property.

14. Smoking. The smoking of tobacco products is permitted within a Unit; provided, however, that the Association may require the purchase and use of air purifiers for an individual Unit if the Association determines, in its sole discretion, that such individual Unit is the cause of smoke infiltrating other areas of the Property. Smoking is prohibited in the Common Elements, including without limitation any elevators, hallways, the Manager's Office, and entry foyers. Smoking is also prohibited in the Recreational Facilities and within 100 feet outside Building entrances.

15. Resolution by Arbitration. All disagreements between an Owner and the Association as a representative of another Owner, with regard to whether or not noises, odors or particular conduct are loud, disturbing, objectionable or otherwise annoying as contemplated in these Rules 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 Association may, in its sole and absolute discretion, designate the hours of access to the Recreational Facilities (the "Facilities"), as well as restrict the use thereof, by requiring pre-scheduling and limiting the amount of time available to each Owner to ensure fair access. The use of all Facilities is subject to compliance with these Rules and any other Posted Rules at the Facility. Persons using the Facilities must, at all times, respect the rights and privileges of others using the Facilities.

2. Recreational Facilities. The Facilities consist of a swimming pool, pool area and fitness room. The swimming pool is open from 10:00 a.m. to 10:00 p.m., seven days a week. The fitness room is open twenty-four (24) hours a day, seven (7) days a week and shall be available for special bookings for activities such as organization of informative classes with respect to diet, exercise and health issues.

3. Guests. Except for Tenants under leases pursuant to Part E above, a non-Owner may not use the Facilities unless accompanied at all times by an Owner. Each Owner agrees to assume all responsibility for the care, safety and well-being of such Owner's guest or invitee relating to the use of the Facilities. The right of an Owner to share the use of Facilities with such 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 Association's best interests.

4. Number of Guests. The Owners of a Unit, collectively, at any one time, may not have more than: (a) three guests using the swimming pool; or (b) three guests using the fitness

room. By reservation through the Management Office, functions involving a larger number of guests may be permitted, provided, however, that the number of guests in the Facilities shall at all times comply with the Governing Documents and the maximum occupancy standards set forth therein. Reserved functions must be confined to the specific Facility reserved, and the host Owner must ensure that such Owner's guests do not use the other Facilities.

5. Age Restrictions for Health and Safety. In addition to the general requirement that the use of Facilities by minors or legal incompetents be with the knowledge and consent of their parent or guardian, the following restrictions apply:

(a) **Swimming Pool.** No person under the age of 14 years shall be permitted in or around the swimming pool or the spa at any time unless accompanied by an adult over the age of 21 years. Children who are not toilet trained must wear diapers.

(b) **Fitness Room.** No person under the age of 14 years may be permitted in or around the fitness room at any time unless accompanied by an adult over the age of 21 years.

6. Animals Prohibited. No animals or pets are permitted in any Facility at any time.

7. Disturbances Prohibited. No loud sounds or boisterous conduct is permitted in any Facility at any time. The reasonable use of a radio, television, CD player or similar device is permitted in any Facility only during periods when an Owner and such Owner's guests are the sole users of that Facility.

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

9. Suspension of Privileges. The Board of Directors may suspend use of a Facility by any Owner or guest who violates these Rules in relation to any Facility. The length of the suspension will be determined solely by the Board of Directors, taking into consideration the 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 Facility user to a hearing before the Board of Directors.

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

11. Swimming Pool. In addition to the Rules and Posted Rules at the swimming pool, the following rules will condition any use of the swimming pool, the spa: (a) customary bathing attire must be worn in the swimming pool or spa; (b) street clothes, cutoffs, underwear and nude bathing are not allowed in the pool or spa; (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.

12. Fitness Room. In addition to the Rules and Posted Rules at the fitness room, the following rules will condition any use of the fitness room: (a) customary exercise attire must be

worn in the fitness room; (b) street clothes, cutoffs and underwear (without other clothing) are not allowed in the fitness room; (c) furniture may not be removed from the fitness room; and (d) running, rough play, wrestling, and loud behavior are prohibited in the fitness room.

13. Facilities. In addition to the above Rules, including age and guest limitations and the Posted Rules posted at the Facilities, the following rules will condition use of the Facilities:

(a) Reservation. Such Facilities may be reserved through the Manager for a specific date not more than sixty (60) days prior to such date. Advance notice of at least one week should be given for any reservation. Owners are limited to a total of two reservations per month, of which only one reservation may be on a Friday, Saturday or Sunday. The Association may charge a fee for the reservation and use of any Facility in addition to the refundable deposit.

(b) Use Agreement and Deposit. The Association may require the Owner to sign a use agreement and deliver a refundable deposit in connection with such reservations.

(c) Use or Function. In connection with a reservation, the Association may require the Owner to describe the purpose for which such Facility will be used. The right of Owners to reserve such Facilities 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.

14. Cleaning. An Owner who has exclusive use of a Facility must restore the Facility to a neat and clean condition within two (2) hours after the end of the period reserved or no later than 8:00 a.m. the next day following an evening use. The Association shall have the right to require a deposit in connection with an Owner's reservation of a Facility, and if the condition of the 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 Association for cleaning or repairs may be set by the Board of Directors.

15. Release. Although all Owners, guests and invitees are required to sign releases of liability releasing and holding harmless the 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 Facilities, the mere use of such Facilities, in and of itself, by any person shall constitute a full and complete release and indemnification of the Association, the Board of Directors, employees and Manager arising out of and in connection with any such activities. **THE 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 FACILITIES OR ANY EQUIPMENT ASSOCIATED WITH THE FACILITIES.**

16. Risk. Each Owner uses the Facilities and other Common Elements at such Owner's own risk. The Facilities are unattended and unsupervised. Each Owner is solely responsible for such Owner's own safety and that of such Owner's guests. The Association

disclaims any and all liability or responsibility for property damage, injury or death occurring from use of the Facilities.

K. HEALTH AND WELL-BEING

For the health, well-being and enjoyment of all Owners, the following limitations and restrictions will be observed, in addition to any Rules, Posted Rules and other warnings or notices that may be posted at the 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 an adult over the age of 21 years at all times while on the Property but not in a Unit. A person under 13 years may not be left unattended in a Unit at any time.

2. **SAFETY DISCLAIMER.** The Association may, but is not obligated to, maintain or support certain activities within the Property designed to make the Condominium less attractive to intruders than it otherwise might be. The Board of Directors, the Association, all Owners, Tenants, the Declarant, any manager of the Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees 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 or not undertaken. Each Owner, guest and invitee on the Property assumes all risk for loss or damage to such person, such owner's Unit, to the contents of such owner's Unit, and to any other property on the Property. The Association, the Board of Directors, all other Owners, Tenants, the Declarant, any manager of the Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees expressly disclaim and disavow 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.

L. CONSTRUCTION AND ARCHITECTURAL CONTROL

1. **Prohibited Changes to Common Elements.** Without the prior written approval of the Board of Directors, an Owner may not change, remodel, decorate, destroy, or improve the Common Elements, or do anything to change the appearance of the Common Elements, including the hallways, hallway entry doors or windows.

2. **Prohibited Changes to Unit.** Without prior written approval of the Board of Directors, an Owner may not make structural alterations or modifications to the Unit. No Owner may alter, add or improve or change the size or location of any Parking Space or any Storage Space without the prior written consent of the Association.

3. **Windows and Doors.** The interior doors and windows of Units must conform to the building standard unless otherwise approved in advance by the Board of Directors. No enclosures, awnings, shades or shutters shall be erected over or outside any windows appurtenant to any Unit, and no exterior doors shall be removed, replaced or changed in any way, without the

prior written consent of the Association. All window treatments visible from the exterior of the Unit shall be light in color and shall not be foil. Nothing shall be placed on the outside of window sills or projections, or upon any patio railings, without the prior written consent of the Association. No screen or storm doors or windows shall be installed within any existing door or window openings which form part of the Common Elements. An Owner may not alter the color or appearance of the glass surfaces in the Unit's windows from the building standard.

4. Screen Doors. An Owner is permitted to install screen doors over the Unit's sliding glass doors, provided the screen door is obtained and maintained solely at the Owner's expense. Color of screen material must conform to building standard. Contact the Management Office for specifications and applications.

5. 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, an Owner must submit to the 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.

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

7. Understanding and Agreement Concerning Contract Work. As a condition to the Association's approval of any construction work in a Unit (which approval is required for any work on a unit of a non-de minimus nature or involving more than \$500 in value), the 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 D to these Rules. All debris or construction material must be disposed of in the trash dumpsters located on the ground floor of the Condominium and not in any of the trash chutes, nor shall any such material be collected by valet services.

M. VEHICLE RESTRICTIONS

1. Authorized Vehicles. To be permitted on the Parking Lot, a vehicle must be operable, and must display a current license tag and current inspection sticker. For purposes of these Rules, unless otherwise determined by the Association, permitted vehicles include automobiles, motorcycles, motorized bikes, passenger trucks, small vans, SUVs and similar passenger vehicles not exceeding eighteen (18) feet in length, seven (7) feet in height and eight (8) feet in width.

2. Motorized Vehicle Prohibitions. Commercial vehicles, including trucks, trailers, vans, recreational vehicles, busses, boats, water craft, machinery or equipment, are prohibited on any portion of the Common Elements. No vehicle shall be parked on any portion of the Common Elements other than in a designated Parking Space without the prior written consent of the Association. No servicing or repairs shall be made to any vehicle either on or within the

Common Elements, except for emergency repairs as necessary to enable movement of the vehicle to a repair facility. No vehicle shall be driven on or within any part of the Common Elements, other than on a driveway or designated Parking Space. Car washing is prohibited anywhere on the Common Elements. Parking Spaces shall only be used for vehicle parking purposes.

3. Non-Motorized Vehicle Prohibitions. Bicycles, skateboards, rollerblades and other non-motorized wheeled or similar devices may not be ridden, and must be walked, on the Property.

4. Proper Placement. Each vehicle must be parked straight-in (not angled or sideways), so that it does not occupy more than one space within the Common Element. Motorcycles or bicycles may not be chained to buildings, fences or any other part of the Property, unless designated for that purpose.

5. Nuisances. Each vehicle must be muffled and must be maintained and operated to minimize noise, odor and oil emissions. The use of car horns on the Property is discouraged, except for the judicious use of a horn for right of way. Signs advertising a vehicle "for sale" are prohibited. No vehicle may be kept on the Property if the Board of Directors deems it to be unsightly, inoperable, inappropriate, or otherwise violative of these Rules.

6. Firelanes/Obstructions. No vehicle may be parked in a manner that impedes or prevents ready access to the Property, driveways, parking spaces, or garage. No vehicle may obstruct the flow of traffic, constitute a nuisance or otherwise create a safety hazard. No vehicle may be parked, even temporarily, in spaces reserved for others, in fire lanes or in any area designated as "No Parking."

7. Violations. A vehicle or non-motorized device in violation of these Rules may be stickered, wheel-locked, towed or otherwise removed from the Property by the Manager, at the Owner's expense. The Association, the Board of Directors, all Owners, Tenants, the Declarant, any manager of the Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees expressly disclaim any liability for damage to vehicles occasioned by the exercise of these remedies.

N. TRASH DISPOSAL

1. General Duty. All Owners will endeavor to keep the Property clean, will dispose of all refuse and trash (except as set forth in these Rules) in receptacles for that purpose, will not litter the Property, will place lighted or smoldering items, including cigarettes, only in designated containers (and not in general trash receptacles) and will not store trash in a manner that unreasonably permits the spread of fire, odors or seepage or encouragement of vermin.

2. Specific Rules. Owners must place trash in a sealed or tied container or bag before putting it in the trash chute (making certain that the door to the trash chute is securely closed after using it) 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 by the Association. Construction materials, solvents, paints and toxic waste must be

removed from the Property by the Owner or its contractor. If provided, a separate receptacle for newspapers and glass items should be used at all times.

3. Excess Trash. An 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 Owner should locate another container or hold the trash. Boxes and large objects should be crushed or broken down before placed in a container. An Owner must arrange privately for removal of discarded furnishings or any unusually large volume of debris.

4. Closing the Trash Chute. An Owner must make certain that the door to the trash chute is securely closed after using it.

O. PETS

1. Subject to Rules. Owners may not keep or permit on the Property an animal of any kind, at any time, except a pet permitted by these Rules and the Governing Documents. Pets may be kept only in Units that are Owner occupied.

2. Pet Agreement. Owners must complete a pet registration form furnished by the Management Office immediately upon acquiring a pet.

3. Pets Banned in Parking or Storage Units. Although permitted pets may be kept in Units that are Owner or Tenant occupied, pets are not allowed in any Parking Space or Storage Unit at any time.

4. Permitted Pets. Subject to these Rules and the Declaration, an Owner (and a Tenant of the Owner with such Owner's consent) may keep in such Owner's Unit up to two house pets (other than aquarium fish). Permitted house pets are limited to domesticated dogs, cats, caged birds, aquarium fish, or other household pets, as approved and licensed in writing by the Association as compatible with the Condominium. 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 Owner may keep a dangerous animal, pit bull terrier, 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 pet may be kept, bred, or maintained for any commercial purpose. Pets belonging to people other than the Unit owner, such as guests, friends, or relatives of Owners are prohibited, even for short visits or temporary stays.

6. Indoors. An Owner's permitted pet must be maintained inside the Unit.

7. Leashes. Pets must be leashed or carried while in any portion of the Property outside of the Units. If applicable, pets may be transported through the first floor elevator lobby or the main lobby only if carried. Pets are not permitted in Unit elevators unless freight or service elevators are out of service. Pets may not be leashed to a stationary object on any portion of the Property outside of the Units. No pet is allowed in the Recreational Facilities.

8. Disturbance. Pets must be kept in a manner that does not disturb another Owner's rest or peaceful enjoyment of such Owner's Unit or the 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 or to create a nuisance, odor, unreasonable disturbance or noise.

9. Damage. Each Owner is responsible for any property damage, injury, or disturbance such Owner's pet may cause. An Owner who keeps a pet at the Condominium is deemed to indemnify and agrees to hold harmless the Board of Directors, the Association, and other Owners and Tenants, from any loss, claim, or liability of any kind or character whatever resulting from any action of such 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. Owners are responsible for the removal of pet's wastes from the Property. The Board of Directors may levy a fine against a Unit and its Owner each time feces or urine are discovered on the Common Elements and attributed to an animal in the custody of such Owner.

11. Removal. If an Owner or such Owner's pet violates these Rules, the Owner having control of the animal may be given a written notice by the Association to correct the problem. After the first written warning, a fine in the amount of at least \$25 shall be levied for all future violations. If violations occur repeatedly, the Owner, upon written notice from the Association, may be required to remove the pet. Each Owner agrees to permanently remove the violating animal of such Owner from the Property within ten days after receipt of such removal notice.

12. Complaints. Any complaints about pets or Owners violating these Rules 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.

P. UNIT MOVING

1. Notice. The time and date of all Unit moves must be scheduled in advance with the Management Office and dock usage is subject to availability. An Owner, other than Declarant, must give the Manager at least ten (10) days prior written notice of any move of furniture, appliances, or other large or heavy objects to or from the Property and must complete the required move form which is available from the Manager.

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

3. Deposits. Scheduling a move and reserving an elevator may require payment of a deposit which shall be in an amount set by the Association. Such deposit will be refunded to the Owner within ten (10) days after the move, to the extent there is no damage to any portion of the Property or other violation of these Rules.

Q. MISCELLANEOUS

1. Mailing Address. An Owner who receives mail at an address other than the address of such Owner's Unit is responsible for maintaining with the Association such Owner's current mailing address. An Owner who changes such Owner's name or mailing address must notify the Manager in writing within ten (10) 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 Owners by the Governing Documents will be sent to an Owner's most recent address as shown on the records of the Association. If an Owner fails to provide a forwarding address, the address of that Owner's Unit is deemed effective for purposes of delivery.

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

3. Severability. If any term or provision of these Rules 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 Rules.

4. Amendment of Rules. These Rules may be revised, replaced, amended or supplemented by the Association. Owners are urged to contact the Management Office to verify the Rules currently in effect on any matter of interest. These Rules will remain effective until ten (10) days after the Association delivers to each Owner, or publishes and distributes in an Association newsletter or other community-wide publication., notice of amendment to, or revocation of, these Rules.

5. Complaints. Any complaints about violations of these Rules shall be made in writing to the Association (if such complaints involve an Owner) and shall identify the type of infraction and the date of infraction and must be signed by the witness to the infraction

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

7. Release. Although all Tenants and Owners are required to sign releases of liability releasing and holding harmless the Association, the Board of Directors, all other Owners, other Tenants, the Declarant, any manager of any Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees from any and all liability, claims, losses and actions arising out of or in connection with the use of any of the Common Elements, the mere ownership occupancy of a Unit or use of such Common Elements, in and of itself, by any Owner shall constitute a full and complete release and indemnification of the Association, the Board of Directors, all other Owners, Tenants, the Declarant, any manager of the Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees arising out of and in connection with any such activities. **The Association, the Board of Directors, all Owners/Owners, Tenants, the Declarant, any manager of the Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees expressly disclaim and disavow 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 Common Elements or any property associated with the Common Elements.

8. Risk. Each Unit owner uses the Common Elements at such Owner's own risk. The Common Elements and Recreational Facilities are unattended and unsupervised. Each Owner is solely responsible for such Owner's own safety. **The Association, the Board of Directors, the other Owners/Owners, the other Tenants, the Declarant, any manager of the Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees disclaim any and all liability or responsibility for property damage, injury or death occurring from use of the Common Elements, Recreational Facilities.**

9. Compliance. To the extent mandated by Legal Requirements, disabled Owners who are unable to comply with these Rules because of their disability, shall receive a variance by the Association.

These Rules are solely for the benefit of the Manager, the Owners, the Association and the Board of Directors, as well as their officers, directors, employees and agents and are not for the benefit and may not be relied upon in any manner by any Owner. Rights and obligations of the Association may be exercised by the Association's designees, including the Manager.

PART II

RULES GOVERNING COLLECTION AND FINING

A. COLLECTION RULES AND PROCEDURES

To the extent permitted by applicable law:

1. Due Date. An Owner will timely and fully pay Monthly Assessments, Special Assessments and Individual Assessments (collectively "Assessments") in accordance with the provisions of the Declaration. Monthly Assessments are due and payable on the first calendar day of each month, and shall be applied to the payment of Common Expenses for which the Association is responsible. Special Assessments are due at the reasonable direction of the Board of Directors to pay the Individual Assessments its Unit

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

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

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

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

6. Collection by Association's Attorney. After giving the Owner notice of the delinquency, the Association may refer the delinquent account to an attorney for collection. In that event, the defaulting Owner will be liable to the 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 Association may notify the Owner's Mortgagee of the default in payment of any Assessment in accordance with the provisions of Article XIII of the Declaration.

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

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

11. Right to Accelerate. If an Assessment is payable in installments and if an Owner defaults in the payment of any installment, the Association may declare the entire Assessment in default and accelerate the due date on all remaining installments of that Assessment. However, a Special Assessment payable in installments may be accelerated only after the Association gives the Owner at least fifteen (15) days prior notice of the default and the Association's intent to accelerate the unpaid balance if the default is not cured within such notice period.

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

13. Non-judicial Foreclosure of Lien. The Board of Directors may instruct an attorney, officer or agent of the Association to notify the defaulting Owner of the 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 Unit on the steps of the county courthouse in accordance with the Act, the Governing Documents and all other requirements of state law.

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

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

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

17. Application of Payments. All payments received by the Association may be applied in the following order, starting with the oldest charge in each category, until that category is fully paid, regardless of the amount of payment, notations 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; (f) delinquent monthly assessments; (g) current special assessments; and (h) current monthly assessments.

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

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

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

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

22. Limited Right of Redemption. If the Association buys a Unit at the non-judicial foreclosure sale of its assessment lien, the Association's Ownership is subject to a ninety (90) day right of redemption by the Owner as provided by the Act and the Declaration.

23. 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 effecting a waiver of the provisions of this policy, the Board of Directors will exercise extreme caution in granting adjustments to an Owner's account.

24. Utility Shut-Off. Pursuant to Part III hereof, the Association may terminate utility service to the Unit for which Assessments used to pay the cost of that utility are delinquent.

B. FINING RULES AND PROCEDURE

1. Policy. The 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 Association.

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

3. Violation Notice. Before levying a fine, the Association will give the Owner a written violation notice. The 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; and (f) the date the fine attaches or begins accruing.

4. New Violation. If the Owner was not given notice and a reasonable opportunity to cure a similar violation within the preceding twelve (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 a repeat violation, the notice will state that, because the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding twelve (12) months, the fine attaches from the date of the violation notice.

6. Levy of Fine. Within thirty (30) days after levying the fine, the Association must give the Owner notice in writing of the levied fine.

7. Amount. The 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 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.

8. 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.

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

10. Effective Date. These fining rules will become effective ten (10) days after the Association delivers, or causes to be delivered, a copy of these Rules to an Owner of each Unit as shown on the records of the Association.

11. Amendment of Policy. These fining rules will remain effective until ten (10) days after the Association delivers, or causes to be delivered, to an Owner of each Unit notice of amendment to or revocation of these Rules. The notice may be published and distributed in an Association newsletter or other community-wide publication.

Adopted by the Board of Directors on _____, 2006 at a special meeting of the Board of Directors at which a quorum was present.

SIGNED this ____ day of _____, 2006.

**EIBANDS LUXURY CONDOMINIUMS
ASSOCIATION, INC.**
a Texas non-profit corporation

By: _____
Name: _____
Title: _____

**ATTACHMENT A
STANDARD FORM OF LEASE**

1. **PARTIES.** This Condominium Lease (the "Lease") between _____, hereinafter called Owner, and _____, hereinafter called Tenant, whereby Owner leases to Tenant the Unit described below.

2. **UNIT** described as Unit No. _____ the ("Unit") in Eibands Luxury Condominiums, a Condominium, located at _____ ("Condominium").

3. **TERM.** This Lease shall be for a term of _____ [cannot be less than twelve months], beginning on the _____ day of _____, and ending on the _____ day of _____.

4. **RENTAL** of \$ _____ per month ("Rental"), payable at the designated address given herein, in advance without demand or a grace period, on or before the first day of each month ("Due Date") during the period of this Lease. Receipt is hereby acknowledged of the pro-rated Rental in the sum of \$ _____ for Rental to the first Due Date. Rental paid after Due Date is delinquent and the provisions of paragraph 14 below shall apply. At the option of Owner, Tenant shall additionally pay interest at the Past Due Rate for payments made after the Due Date, until Rental is paid in full, and \$25.00 for each check dishonored by Tenant's bank for any reason.

5. **CLEANING CHARGE.** Tenant agrees to pay on execution hereof a non-refundable cleaning charge of \$ _____. The charge does not relieve Tenant of the responsibility to maintain and clean the Unit as outlined herein.

6. **SECURITY DEPOSIT.** Tenant agrees to pay on execution hereof a security deposit ("Deposit") of \$ _____ for the faithful performance of the terms and conditions of this Lease by Tenant. Such deposit is not to be construed as Rental.

7. **RETURN OF DEPOSIT.** Subject to paragraph 8 below, the Deposit shall be refunded to Tenant by mail within thirty (30) days of the date Tenant surrenders the Unit and delivers to Owner in writing Tenant's forwarding address. Surrender shall occur on the earliest date when it appears to Owner that the Unit is vacant and Tenant has moved, all keys have been returned to Owner and any Deposit deductions have been evaluated and calculated.

8. **DEPOSIT DEDUCTIONS.** There shall be deducted from the Deposit unpaid (a) sums due under this Lease; (b) Rental; (c) utilities; (d) damages or required repairs to the Unit or its contents beyond reasonable wear and tear; (e) cost of removing unauthorized locks; (f) removing and storing Abandoned property; (g) removing vehicles that are Abandoned, illegally parked, parked in violation of this Lease or in violation of the Governing Documents or Owner's rules; (h) replacing unreturned keys and/or change of locks; (i) cost of extermination if a pet has been in the Unit; (j) other charges provided for herein or agreed to by Owner and Tenant. Owner shall provide Tenant a written report of any deductions. The Deposit shall be applied first to non-Rental items, with the balance to Rental. In the event the Deposit is insufficient to pay for

damages or unpaid charges under the terms of this Lease, Tenant shall promptly pay same upon demand by Owner.

9. **RESIDENT'S REQUIRED NOTICE.** Tenant agrees to give Owner a minimum of thirty (30) days written notice prior to the expiration of the term of this Lease or any extension thereof of Tenant's intent to vacate the premises. Failure to do so shall entitle Owner to retain the entire Deposit.

10. **HOLDING OVER.** If Tenant fails to vacate the Unit at the end of the Lease term, or on any agreed move out date, Owner shall have the option to assess Rental for the hold over period at twice the Rental agreed to herein which shall be payable at a daily rate computed on the basis of a 30-day month and shall be payable daily at the designated address herein without waiving Owner's rights under paragraph 14 below.

11. **ABANDONMENT.** If Tenant is absent from the Unit for five (5) consecutive days while any sum of money due hereunder remains unpaid, or has been evicted by judicial process, the Unit and all personal property found in or about the Unit, including storage buildings and parking areas, may be deemed abandoned by Owner ("Abandoned"), and Owner or their agents may peacefully enter, remove and store same. Owner shall be entitled to reasonable charges for removal, packing and storage of Abandoned property.

12. **LIENS.** An express contractual lien and a landlord's lien where permitted by law are hereby granted Owner on all non-exempt personal property of Tenant to secure payment of the Rental. Owner or his agent may peacefully enter the Unit to remove and store such property. Owner may sell all property deemed Abandoned, seized under a valid lien, or removed under a court eviction order, to the highest bidder at a public or private sale, after first giving Tenant thirty (30) days written notice of the time, date and place of the sale, by certified mail, return receipt requested, addressed to Tenant at the address given herein. Sale shall be to the highest bidder for cash and subject to any unrecorded lien. The proceeds shall be applied first to the costs of sale, then to sums due Owner, with the remainder mailed to Tenant at address shown herein. The Unit is accepted by Tenant subject to and subordinate to all existing and future mortgages and liens.

13. **RENTAL ACCELERATION.** In the event Tenant, prior to the end of the term of this Lease, or any extension or renewal thereof, Abandons the Unit, or gives Owner written or oral notice of intent to move prior to the end of the Lease term, or is judicially evicted, all remaining Rental for the full term of this Lease shall be accelerated automatically and without notice, and shall immediately become due and payable.

14. **DEFAULT.** If Tenant (a) defaults in the prompt payment of the Rental or any other sums due hereunder; (b) Abandons the Unit; (c) fails to occupy the Unit within five (5) days of the beginning date of this Lease; (d) violates any of the terms of this Lease including, but not limited to, failure to vacate; or (e) or violates any of the provisions of the Governing Documents, Owner at Owner's option may terminate Tenant's right of occupancy by giving Tenant the statutory written notice to vacate, delivered either in person or by first class mail, and shall have the right to file suit in the proper court for possession. After giving such notice, or filing suit for possession, Owner may accept payment for sums due hereunder without waiving

or diminishing Owner's right to proceed against Tenant for eviction, property damages, past or future Rentals, or other sums due hereunder. Owner may report any unpaid sums due hereunder, breaches of this Lease or damages, to any credit reporting agency for addition to Tenant's files.

15. **CARE AND MAINTENANCE.** Tenant accepts the Unit in its present condition, including all furniture and fixtures, if any. Tenant has examined the existing locks and agrees they are safe and acceptable. Owner shall have no duty to furnish smoke detectors, security guards, or additional locks and latches except as required by statute. No implied warranties are made by Owner or Owner's agents regarding the condition of the Unit and no agreements as to future repairs have been made unless specifically included herein. Tenant agrees to use reasonable diligence in the care of the Unit and agrees to not (a) make any alterations to the Unit without written permission of Owner; (b) paint, refinish or repair any part of the Unit, its fixtures and furniture included in this Lease if any, without written permission of Owner; (c) remove any part of the Unit for any purpose without written permission of Owner; (d) add, remove, charge or re-key any lock without written permission of Owner; (e) permit any water bed in the Unit; (f) install new or additional telephone or cable outlets; (g) make any holes in the woodwork, floors or walls; provided that a reasonable number of small nail holes for picture hanging is permitted in sheetrock, walls and grooves or painting, without the specific permission of Owner in writing. Tenant shall be responsible for (a) sewer stoppage chargeable to Tenant's use; (b) damage to doors, windows or screens not due to negligence of Owner; (c) supplying and replacing light bulbs; (d) replacing smoke detector batteries; (e) placing trash and garbage in proper containers; (f) pest extermination; and (g) keeping walkways, stairs, hallways, and Common Areas free of trash and obstructions of any kind, or permitting their use for any purpose other than ingress and egress. At the termination of this Lease, Tenant agrees to surrender the Unit in the same condition as when received, reasonable wear and tear excepted.

16. **REPAIRS.**

(a) Tenant shall maintain at Tenant's expense _____

_____.

(b) Owner shall maintain at Owner's expense _____

_____.

All requests for repairs by Tenant must be directed to Owner in writing, except in an emergency such as fire or interruption of utilities. Owner shall make needed repairs to Unit only after receiving written notice from Tenant and under the terms of applicable statutes. Owner shall have the right to temporarily discontinue utilities and Tenant's use of any fixtures to perform repairs, maintenance or to avoid damage to the Unit. Owner shall act with due diligence, but shall not be obligated to make repairs on other than a business day. During such periods, no deductions shall be allowed in the Rental and this Lease shall continue in force. If, in the reasonable opinion of Owner, the Unit, or nearby Units, are substantially damaged by fire or

other disaster, Owner may terminate this Lease upon reasonable notice to Tenant and the Rental shall be prorated to the date of termination and Deposit refunded less lawful deductions.

17. **UTILITIES.** Owner shall pay for use of items checked: Electricity Natural Gas Water Sewage Charges Garbage Collection Cable TV Master TV Antenna Other (describe: _____). Unless otherwise indicated or paid by the Association, Tenant shall be responsible for all such charges.

18. **USE OF RESIDENTIAL PROPERTY.** The residential Units shall be used as a single family private dwelling only, with the total number of adults and children residing therein not to exceed two persons for each bedroom in the Unit. In no event shall the Unit be used for hotel or transient purposes. Tenant shall not (a) sublet or assign any part of the Unit; (b) repair or wash any motor vehicle in any part of the condominium; (c) conduct any business of any type, including child care, from the Unit; or (d) park or allow anyone to park on any portion of the Condominium whether in assigned dedicated parking spaces or not, any trailers, recreational vehicles, mobile homes, boats or inoperable vehicles. Tenant shall have the right to use parking spaces as designated by Owner, in accordance with the provisions of the Governing Documents regulating the manner and place of parking. Use of parking areas and common areas by Tenant, Tenant's family, guests, agents and invitees shall be in strict accordance with the provisions of the Governing Documents. In the event Owner shall be required to pay additional assessments or fees relating to Tenant's use of the Common Areas, parking spaces or storage space (if any), Tenant shall reimburse Owner for such fees with the monthly payment of Rental next due.

19. **LIABILITY.** Owner or Owner's agents shall not be liable to Tenant, Tenant's guests, invitees or other occupants, for any damages, injuries, or losses to person or property caused by fire, flood, water leaks, ice, snow, hail, winds, explosion, smoke, interruption of utilities, theft, burglary, robbery, assault, vandalism, acts of other persons, condition of the Unit, or other occurrences, including use (if any) of storerooms, swimming pool, laundry facilities or other improvements, unless such damage or injury is caused by the gross negligence of Owner or Owner's agents. Owner suggests that Tenant secure insurance coverage for protection against above liabilities and losses. Tenant agrees to notify Owner immediately of any dangerous conditions on or about the Unit.

20. **PETS.** Tenant may keep pets in the Unit, subject to the requirements of the Governing Documents, and must execute a separate pet agreement and post an additional Deposit. The presence of a pet in or about the Unit in violation of the Governing Documents shall constitute a Default under paragraph 14 above.

21. **TENANT'S REPRESENTATIONS AND POSSESSIONS.** In addition to the Governing Documents referenced in paragraph 23 below, incorporated herein by specific reference (if checked) are Tenant's Rental Application move-in rental inspection smoke alarm inspection furniture inventory Owner's Rules and Regulations and _____; and Tenant's statements in any of such documents are material representations and have been relied upon by Owner, any falsity of which shall constitute a breach of this Lease. This Lease is conditioned upon Owner being able to secure possession of the Unit, and if Owner is unable to deliver possession of the Unit on the agreed date for any

reason, Tenant's right to possession shall be delayed a maximum of thirty (30) days until Owner is able to deliver possession, without any liability on the part of Owner.

22. **INSPECTION.** Owner, Owner's agents, employees, and other persons authorized by Owner, may enter the Unit by any reasonable means at all reasonable times without notice, to (a) inspect the Unit; (b) make repairs; (c) show the Unit to prospective Tenants or purchasers; (d) exercise a valid lien; and (e) such other reasons as Owner shall elect.

23. **COMPLIANCE WITH CONDOMINIUM DECLARATIONS AND INSTRUMENTS.** Tenant acknowledges receipt of copies of, and is familiar with the terms, conditions and provisions of the Condominium Declaration for Eibands Luxury Condominiums, the Articles of Incorporation and Bylaws of Eibands Luxury Condominiums Association, Inc. (the "Association"), and the Rules and Regulations of the Association (collectively, and as amended from time to time, the "Governing Documents"), and Tenant understands that Tenant's right to use and occupy the Unit shall be subject in subordinated in all respects to the provisions of the Governing Documents. Failure to comply with the Governing Documents shall constitute a material breach of this Lease. This Lease grants to Tenant a leasehold estate in the Unit for the term specified, together with a license to Owner's rights to use the Common Areas but specifically excluding any membership rights in the Association. Tenant shall indemnify and hold harmless Owner from and against all damage, direct or indirect, incurred by Owner as a result of noncompliance by Tenant, Tenant's agents, guests and invitees, with the provisions of any of the Governing Documents, or any covenant of this Lease.

24. **BACKGROUND INVESTIGATION.** Tenant acknowledges and agrees that the Management Office is required to perform a criminal background search on Tenant and that the validity of this Lease and Tenant's right to take possession of the premises is subject to the results of such searches. If it is discovered that Tenant has been convicted of a felony offense, Manager and/or Owner shall refuse possession of the premises to Tenant and this Lease shall be of no further force and effect.

25. **OTHER.** _____

THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT; IF NOT UNDERSTOOD SEEK COMPETENT ADVICE. THIS PROPERTY IS OFFERED WITHOUT REGARD TO RACE, COLOR, CREED OR NATIONAL ORIGIN. The parties hereto agree that this Lease contains all the agreements between them, that no oral agreements have been made and this Lease may be altered only by an agreement in writing signed by all parties hereto. Tenant acknowledges a receipt of a copy of this Lease.

Executed in multiple originals this the _____ day of _____, 200__.

Owner

Tenant

By Agent

Tenant

Designated Address for Owner's notices and
payment of Rental

Address for Tenant's Notice

**ATTACHMENT B
STANDARD FORM OF STORAGE UNIT LEASE**

[Note: parties must be changed to conform to situation of lease by an Owner]

1. **PARTIES.** This agreement between _____
("Association") ("Lessor") and _____
("Owner") ("Lessee"), whereby Association leases to Owner the Storage Unit described as Unit
number(s) _____ (the "Storage Unit") in the Building of Eibands Luxury Condominiums, a
Condominium, located at _____. **[Lessee must be an Owner or
Tenant of a Unit in the Condominium.]**

26. **PERIOD** of _____, beginning on the _____ day of _____,
200__, and ending on the _____ day of _____, 200__; (provided, however, in the event
Owner sells or otherwise transfers the ownership of its Unit in the Condominium such that
Owner no longer owns any Unit, this agreement shall automatically terminate and Association
and Owner shall have no further obligations to each other except for obligations accruing prior to
such date of termination of Owner's ownership of its Unit(s)).

27. **RENTAL** of \$_____ per month ("Rental"), payable at the designated
address given herein, in advance without demand or grace period, on or before the first day
("Due Date") of each month during the period of this lease. Receipt is hereby acknowledged of
the prorated Rental in the sum of \$_____ for Rental to the first Due Date. Rental paid after
the Due Date is delinquent, and the provisions of paragraph 7 below shall apply. At the option of
the Association, Owner shall additionally pay interest at the Past Due Rate for payments made
after the Due Date, until Rental is paid in full and \$25.00 for each check dishonored by Owner's
bank for any reason.

28. **[Delete if lease by an Owner: RESIDENCE OWNER'S REQUIRED
NOTICE. Owner agrees to give Association a minimum of 30 days written notice prior to
the expiration of the term of this lease or any extension thereof of Owner's intent to vacate
the Storage Unit.]**

29. **HOLDING OVER.** If Owner fails to vacate the Storage Unit at the end of the
lease term, or on any agreed move-out date, Association shall assess Rental for the hold over
period at twice the Rental which shall be payable at a daily rate computed on the basis of a
30-day month and shall be payable daily at the designated address specified herein, without
waiving Owner's rights under paragraph 7 below.

30. **LIENS.** An express contractual lien and a landlord's lien where permitted by law,
are hereby granted Association on all non-exempt personal property of Owner, to secure the
payment of the Rental. Association or his agent may peacefully enter the Storage Unit to remove
and store such property. Association may sell all property deemed abandoned, seized under a
valid lien, or removed under a court eviction order, to the highest bidder at a public or private
sale, after first giving Owner thirty (30) days written notice of the time, date and place of the
sale, by certified mail, return receipt requested, addressed to Owner at the address given herein.

Sale shall be to the highest bidder for cash and subject to any recorded lien. The proceeds shall be applied first to the costs of sale, then to sums due Association, with the remainder mailed to Owner at address shown herein. The Storage Unit is accepted by Owner subject to and subordinate to all existing and future mortgages and liens.

31. **DEFAULT.** If Owner shall default in the prompt payment of the Rental or any other sums due hereunder or violates any of the terms of this lease or violates any of the provisions of the Governing Documents, Association at Association's option may terminate Owner's right of occupancy and use of the Storage Unit by giving Owner ten (10) days' written notice to vacate, delivered either in person or by first class mail, and shall have the right to file suit in the proper court for possession. After giving such notice, or filing suit for possession, Association may accept payment for sums hereunder without waiving or diminishing Association's right to proceed against Owner for eviction, property damages, past or future Rentals, attorneys' fees, or other sums due hereunder. Association may report any unpaid sums due hereunder, breaches of this lease or damages, to any credit reporting agency for addition to Owner's files. If Association is the prevailing party in any action arising out of any breach or default of Owner under the lease, Owner shall pay all attorneys' fees, costs and expenses actually and reasonably incurred by Association in prosecuting its claims against Owner.

32. **INSPECTION.** Association, Association's agents, employees and other persons authorized by Association, may enter the Storage Unit by any reasonable means at all reasonable times without notice, to inspect the Storage Unit, make repairs, show the Storage Unit to prospective Tenants or purchasers, exercise a valid lien, and such other reasons as Association deems appropriate.

33. **COMPLIANCE WITH CONDOMINIUM DECLARATIONS AND INSTRUMENTS.** Owner acknowledges receipt of copies of, and is familiar with the terms, conditions and provisions of the Declaration for Eibands Luxury Condominiums, the Articles of Incorporation and Bylaws of the Association, and the Rules and Regulations (collectively, and as amended from time to time, the "Governing Documents"), and Owner understands that Owner's rights to use the Storage Unit shall be subject to and subordinate in all respects to the provisions of the Governing Documents. Failure to comply with the Governing Documents shall constitute a material breach of the lease. **[If Lessee violates any of the provisions of the Governing Documents, the Association may, at the Association's option, terminate Lessee's right of occupancy and use of the Storage Unit by giving Lessor and Lessee ten (10) days' written notice to vacate, delivered either in person or by first class mail, and shall have the right to file suit in the proper court for possession to be held in trust for Lessor. Lessor hereby grants the Association limited power of attorney for this purpose.]** Owner shall indemnify and hold harmless Association from and against all damage, direct or indirect, incurred by Association as a result of noncompliance by Owner, Owner's agents, guests and invitees, with the provisions of any of the Governing Documents, or any covenant of this lease. **[If the Association is the prevailing party in any action arising out of any breach or default of Lessee under the lease, Lessee shall pay all attorneys' fees, costs and expenses actually and reasonably incurred by the Association in prosecuting its claims against Lessee.]**

34. **NO ASSIGNMENT.** Owner may not assign this lease or sublet the Storage Unit.

THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT; IF NOT UNDERSTOOD, SEEK COMPETENT ADVICE. The parties hereto agree that the lease contains all the agreements between them, that no oral agreements have been made and this agreement may be altered only by an agreement in writing signed by all parties hereto.

Executed in multiple originals this the _____ day of _____, 200__.

Eiband Luxury Condominiums Association,
Inc.

Owner

By Agent

Designated Address for Association's notices
and payment of Rental

Address for Owner's notices

**ATTACHMENT C
STANDARD FORM OF PARKING LEASE
(Parking Spaces)**

This Lease of Parking Spaces (the "Lease") is entered into by and between _____ ("Lessor") and _____ ("Lessee"). Lessor must be an Owner of a Unit in Eibands Luxury Condominiums, located at _____ ("Condominium").

RECITALS

A. Lessor is the present Owner of Unit No. _____ (the "Unit") in Eibands Luxury Condominiums, a Condominium located at _____.

B. Lessee is the present Owner or Tenant of Unit No. _____ (the "Lessee Unit") in the Condominium.

C. Lessor desires to lease the Parking Space, as defined in the Condominium Declaration for the Condominium, owned by Lessor described as space number(s) _____ (the "Parking Space") to Lessee, and Lessee desires to accept such lease of the Parking Space.

AGREEMENT

1. **Lease.** Upon the terms and conditions of this Lease, Lessor does hereby lease to Lessee the Parking Space for the period beginning _____, _____, and continuing until the Termination Date (hereinafter defined).

1. **Rent.** Lessee shall pay to Lessor \$ _____ per month (the "Parking Rental"), payable at the designated address given herein, in advance without demand or a grace period, on or before the _____ day (the "Due Date") of each month during the period of this Lease. Receipt is hereby acknowledged of the pro-rated Parking Rental in the sum of \$ _____ for Parking Rental to the first Due Date. Parking Rental paid after Due Date is delinquent, and Default provisions herein shall apply. At the option of the Lessor, Lessee shall additionally pay a late charge of \$ _____ per day for payments made after the Due Date, until Parking Rental is paid in full and \$ _____ for each check dishonored by Lessor's bank for any reason.

2. **Default.** If Lessee shall default in the prompt payment of the Parking Rental or any other sums due hereunder or violates any of the provisions of this Lease or the Governing Documents, Lessor at Lessor's option may either (a) terminate this Lease upon 10 days' written notice to Lessee, delivered either in person or by first class mail, or (b) pursue any other rights or remedies available to Lessor at law or in equity. After giving a notice of termination, Lessor may accept payment for sums due hereunder without waiving or diminishing Lessor's right to proceed against Lessee for property damages, past or future Parking Rentals, or other sums due hereunder. Lessor may report any unpaid sums due hereunder, breaches of this Lease or damages, to any credit reporting agency for addition to Lessee's files.

3. **AS IS. Lessee accepts the Parking Space in the present condition. AS IS, WHERE IS, WITH ALL FAULTS. No implied warranties are made by Lessor or regarding the condition of the Parking Space and no agreements as to future repairs have been made unless specifically included herein.**

4. **Use of Parking Space.** Use of the Parking Space by Lessee shall be in strict accordance with the provisions of the Governing Documents.

5. **Compliance with Governing Documents.** Lessee acknowledges receipt of copies of, and is familiar with the terms, conditions and provisions of the Condominium Declaration for Eibands Luxury Condominiums, a Condominium, the Articles of Incorporation and Bylaws of the Association, and the Rules and Regulations (collectively, and as amended from time to time, the "Governing Documents"), and Lessee understands that Lessee's right to use the Parking Space shall be subject to and subordinate in all respects to the provisions of the Governing Documents. Failure to comply with the Governing Documents shall constitute a material breach of this Lease. Lessee shall indemnify and hold harmless Lessor from and against all damage, direct or indirect, incurred by Lessor as a result of noncompliance by Lessee, Lessee's agents, guests and invitees, with the provisions of any of the Governing Documents, or any covenant of this Lease.

6. **Termination Date.** The date of termination of this Lease ("Termination Date") shall be the earlier of the date of termination pursuant to the notice of termination given to Lessee by Lessor in accordance with the provisions of section 3 above, the date Lessor no longer has Ownership of the Unit, or the date Lessee no longer owns or occupies the Lessee Unit, as the case may be, or _____, _____. In the event Lessor sells or otherwise transfers Lessor's Ownership of the Unit, this Lease shall automatically terminate and Lessor and Lessee shall have no further obligations to each other except for obligations accruing prior to such date of termination.

7. **No Further Assignment.** The Parking Space may not be sublet by Lessee; nor may Lessee assign in any way its rights to use the Parking Space, or permit or endure the use of the Parking Space by any other person or entity.

8. **Validity of This Lease.** This Lease is only valid if the Lessee hereunder is, and throughout the period of this Lease remains, an Owner of at least one residential Unit in the Condominium.

9. **Legal Document. THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT; IF NOT UNDERSTOOD, SEEK COMPETENT ADVICE.** The parties hereto agree that the Lease contains all the agreements between them, that no oral agreements have been made and this agreement may be altered only by an agreement in writing signed by all parties hereto.

10. **Assumption.** Lessee hereby assumes and agrees to perform all of the terms, covenants, and conditions required to be performed on the part of Lessor with respect to the Parking Space from and after the date hereof, but not prior thereto. Lessee hereby agrees to indemnify, save and hold harmless Lessor from and against any and all losses, liabilities, claims,

or causes of action (including attorney's fees incurred in the enforcement of this indemnification and otherwise) arising out of or related to Lessee's failure to perform any of the obligations of Lessor with respect to the Parking Space subsequent to the date hereof.

11. **Headings.** The descriptive headings of the sections contained in this Lease are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

This Lease may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

EXECUTED this _____ day of _____, 200__.

LESSOR:

Address: _____

LESSEE:

Address: _____

**ATTACHMENT D
UNDERSTANDING AND AGREEMENT CONCERNING
CONTRACT WORK WITHIN A UNIT**

I, the Contractor, do hereby state that I have full knowledge of and will comply with the following rules and regulations pertaining to any contract work in Eibands Luxury Condominiums, a Condominium, located at _____ ("Condominium"). I will also furnish these rules and regulations to all subcontractors and workers for signature.

1. Prior to commencement of work, Contractor shall have complied with the following:
 - A. Owner/Tenant must submit plans for remodeling or construction in writing accompanied by drawings, if available, to the Board of Directors (the "Board") for approval and shall allow at least one week for review and approval (or disapproval, as the case may be).
 - B. Provide the following deposit one week in advance of the project start date: \$200 for projects under \$2,500; 10% of the total cost of the remodeling or construction proposal for projects over \$2,500.

Deposit: \$ _____

Date: _____

Check # _____

Signed: _____

NOTE: Deposit will be returned thirty (30) days after the work has been completed and no damages have occurred as determined by the Manager, or in part after a settlement has been made for any damages that might have been caused during the remodeling or construction.

- C. The Owner is responsible for making sure that the Contractor shall provide certificate of insurance for required coverages including general liability and workers compensation in amounts to be determined by the Board.
 - D. Owner/Tenant shall provide a fully executed copy of this agreement to the Manager.
2. All work will be performed in accordance with the requirements of applicable city and county codes, and Contractor shall secure applicable building permits as required, and shall provide copies of all building permits to the Association.
 3. All contractors, sub-contractors, and workers must check in daily at the designated area to receive a badge. Badges will not be issued for admittance to the building unless all

appropriate individuals have signed this Contractors Agreement. Badges lost or not returned will result in an additional charge of at least \$20 each.

4. Work may be performed only during the hours from 8:30 a.m. to 5:00 p.m. on weekdays. No work shall be performed on Saturday, Sunday or Holidays without approval of the Board or the Manager.
5. The Owner/Tenant will be responsible for keeping hallways, elevators, and other Common Elements clean. Drop cloths or plywood shall be used to prevent soiling or damaging of the Common Elements. If Property employees are required to clean Common Elements as a result of work performed by an Owner/Tenant or their Contractor, the Owner will be charged at a minimum of \$30 per hour.
6. Contractors shall check-in daily with the Manager to report anticipated unusual or noisy work that will be going on that day; for example, any work that may set the smoke alarm off (e.g., such as sanding or welding).
7. Smoke detectors, battery or otherwise, shall not be disconnected except by building personnel. Detectors shall be masked off by Contractor for painting and sanding.
8. There is no Common Area space anywhere on the Property available for use by any Contractors or subcontractors. The exterior receiving area may be used for carpet cutting, etc., with the prior approval of the Manager.
9. Spray painting with oil base or lacquer paint is prohibited. Masking off all doors, HVAC venting, and plumbing is required.
10. Litter, lunch refuse, and all waste shall be removed by the Contractor from the Unit daily.
11. All trash shall be removed through the basement by the Contractor. Trash chutes are not to be used for any contractor material, trash, or refuse.
12. Contractors and workers are to use freight elevator only (or other elevator specifically designated by the Manager).
13. Contractors, workers and servicemen are not to bring materials and tools through the Lobby level, unless the items can be hand-carried (i.e., tool box, tool belt, pest control sprays, etc.).
14. Contractors and the Manager shall inspect Common Elements before and after project to determine damage. It will be the Owner's responsibility and obligation to notify Manager when project is complete. If the work involves any plumbing, wiring (including telephone and TV cable), outlets, or movements of walls, upon completion of the work and before return of any deposit, there shall be delivered to the Manager three copies of accurate as-built drawings.
15. If utilities are to be interrupted, it will be necessary to provide forty-eight (48) hours advance notice to the Manager.

16. No loud playing of radios or loud or vulgar talk shall occur at any time inside or outside of the Property.
17. Parking at the front of Property is prohibited at all times.
18. Contractors and workers shall observe the no smoking rule at all times.
19. Contractors and workers are not to ask any neighboring Owner/Tenant for favors (for example, telephone, bathroom facilities, etc.). Lobby level bathrooms are not available for Contractor use.
20. Air conditioning vents and equipment shall be thoroughly cleaned after completion as part of project.
21. Contractors and workmen shall dress in appropriate clothing for entering and leaving the Property; for example, no tank tops or sleeveless undershirts when in the Lobby area. Owner/Tenant and Contractor fully understand that the Manager and the Board are not in a position to ensure the quality, design, or workmanship of the project. All work and materials must comply with the approved plans and specifications and with the Condominium documents of the Association, and any damage to Common Elements or adjacent Units shall be the responsibility of the Owner/Tenant and Contractor.

UNIT #: _____ DATE: _____

AUTHORIZED SIGNATURES:

CONTRACTOR

DATE

MANAGER

DATE

Sub-Contractors: _____

Date: _____

Workmen:

Date:

ATTACHMENT E

**EIBANDS LUXURY CONDOMINIUMS, A CONDOMINIUM
SATELLITE AND ANTENNA AGREEMENT**

This Satellite and Antenna Agreement ("Agreement") is executed as of _____, 20__ by and between _____ ("Manager") and _____ ("Owner").

RECITALS:

A. Owner is the owner of Unit ____ within Eiband Luxury Condominiums, a Condominium.

B. Pursuant to 47 C.F.R. 1.400 (the "Order") established by the Federal Communications Commission ("FCC"), Owner has the right to install a transmitting or receiving satellite dish or antenna (a "Reception Device") in its Unit or subject to certain limitations imposed by the FCC (collectively, such Owner's Unit shall constitute the "Designated Areas" for the purposes of this Agreement).*

C. Owner desires to install a Reception Device within the Designated Areas and Manager is willing to permit Owner to install and operate a Reception Device within the Designated Areas, provided Owner acknowledges and agrees that its use of all Reception Devices shall be subject to the terms of this Agreement.

D. Owner and Manager now desire to enter into this Agreement for establishing rules and regulations governing Owner's installation, use and maintenance of any Reception Device within the Designated Areas.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Manager and Owner hereby agree as follows:

Number and Size of Reception Devices. Owner may install ____ Reception Devices within the Designated Areas. A satellite dish may not exceed one meter (3.3 feet) in diameter. Antennas that only transmit signals or that are not covered by the Order are prohibited.

Location. Owner's Reception Device can only be located: (a) inside Owner's Unit; or (b) on Installation of any Reception Device is not permitted on any parking area, roof, exterior wall, window, window sill, fence or common area, or in an area of the Condominium that other Owners are allowed to use or occupy. A Reception Device may not protrude beyond the vertical and horizontal space of Owner's Unit.

Non-interference. The installation of Owner's Reception Devices: (a) must comply with all rules and orders issued by the FCC, including the Order, all Governing Documents and all reasonable safety standards; (b) may not interfere with any Systems of the Condominium or of neighboring properties; (c) may not be connected to any System, unless connecting into a 110 volt duplex receptacle.

Signal transmission. As described in the Order, Owner may not damage or alter the interior or exterior structure of its Unit and may not drill holes through outside walls, door jams or window sills of the Building. If a Reception Device is installed on the roof, the signals received by it may be transmitted to the interior of Owner's Unit only by the following methods: (a) running a "flat" cable under a door jam or window sill in a manner that does not physically alter the premises and does not interfere with proper operation of the door or window; (b) running a traditional or flat cable through a pre-existing hole in the wall (that will not need to be enlarged to accommodate the cable); (c) connecting cables "through a window pane," similar to how an external car antenna for a cellular phone can be connected to inside wiring by a device glued to either side of the window-without drilling a hole through the window; (d) wireless transmission of the signal from the Reception Device to a device inside the dwelling; or (e) any other method approved by the Manager or Association in writing.

The signal transmission may not work from the roof and would need to consider alternative.

Safety in installation. In order to assure safety, the strength and type of materials used for installation must be approved by the Manager or the Association. Installation must be done by a qualified person or company approved by the Manager or the Association in its reasonable discretion which may not be unreasonably withheld. Any installer provided or employed by the seller of a Reception Device shall be presumed to be qualified.

Maintenance and Insurance. Owner shall have the sole responsibility for maintaining and insuring its Reception Devices and all related equipment within its Unit in accordance with the Maintenance Standard. If a Reception Device is installed at a height or in some other way that could result in injury to another Person if it becomes unattached and falls, the Manager or the Association may require Owner to obtain liability insurance, naming the Declarant, the Manager and the Association as additional insured, against claims of personal injury and property damage to others related to the Reception Device. The insurance coverage must be in an amount to be reasonably determined by the Manager or the Association. Factors affecting the amount of insurance include height of installation above ground level, potential wind velocities, risk of the Reception Device causing injury to another person. **OWNER HEREBY INDEMNIFIES AND AGREES TO DEFEND AND HOLD HARMLESS THE DECLARANT, THE MANAGER AND THE ASSOCIATION, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, PARTNERS, MEMBERS, COMMITTEE MEMBERS, AGENTS, ATTORNEYS AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS, ACTIONS, SUITS, JUDGMENTS, DAMAGES, COSTS AND EXPENSES (INCLUDING ATTORNEY FEES AND COURT COSTS) ARISING FROM BODILY INJURY (INCLUDING, WITHOUT LIMITATION, MENTAL ANGUISH, EMOTIONAL DISTRESS AND DEATH) AND/OR LOSS OR DAMAGE TO PROPERTY SUFFERED OR INCURRED BY ANY SUCH TENANT OF SUCH CONDOMINIUM UNIT, OR ANY FAMILY MEMBER, GUEST OR INVITEE OF OWNER OR THE TENANT OF SUCH CONDOMINIUM UNIT, CAUSED BY THE INSTALLATION OR USE OF ANY RECEPTION DEVICE BY OWNER OR ITS TENANT WHETHER CAUSED OR ALLEGEDLY CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OF THE DECLARANT, THE MANAGER, THE ASSOCIATION OR THEIR RESPECTIVE OFFICERS, DIRECTORS, PARTNERS, MEMBERS, COMMITTEE MEMBERS, AGENTS, ATTORNEYS, CONTRACTORS OR EMPLOYEES.**

Removal and damages. Owner shall be liable for any and all damages to Owner's Unit or the roof in connection with the removal of Owner's Reception Devices therein.

Commencement of Installation. Owner may not commence installation of a Reception Device within a Designated Area until Owner has executed this Agreement, received the written approval of the Manager or the Association with respect to the installation of the Reception Devices as described in Section 6 of this Agreement, and has provided the Manager with written evidence of the liability insurance referred to in Section 7 of this Agreement, if required.

Governing Documents. This Agreement shall be subject in all respects to the provisions of the Governing Documents. Any failure by Owner to comply with the terms and provisions of this Agreement shall be and constitute a violation of the Governing Documents.

Definitions. Those capitalized terms not expressly defined herein have the same meaning as defined in the Condominium Declaration for Eibands Luxury Condominiums, a Condominium and all recorded amendments thereto.

EXECUTED as of the date first above written.

MANAGER:

By: _____

Name: _____

Title: _____

OWNER:

By: _____

Name: _____

Title: _____

