

*Rules and Regulations
of
The Reserve at Sugar Mountain
Condominium Owners Association*

May 18, 2010

1. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed on any part of the outside or inside of any Unit or upon the Common Area or Limited Common Area by any person other than Declarant, its successors and assigns, without the prior written consent of the Association. Any such sign, advertisement, notice or other lettering exhibited, inscribed, painted or affixed without the prior written consent of the Association is subject to removal without notice.

2. The Association may retain a passkey to all Units. No Unit Owner shall alter any lock or install a new lock without the written consent of the Association or the Association's agent. In the event that such consent is given, the Unit Owner shall provide the Association with a key for the use of the Association pursuant to its rights of access.

3. A Unit Owner shall be liable for any damage he, his guests, his agents or renters may cause to the common area.

4. No more than two (2) persons per bedroom shall reside in any Unit at any time, whether on a long or short-term basis, rental occupancy included.

5. No Unit Owner shall make or permit any loud and/or disturbing noises by himself, his family, servants, employees, agents, visitors and licensees, nor do or permit anything by such persons that will interfere with the rights, comforts, or convenience of other Unit Owners.

6. No animals shall be allowed on the premises other than household pets, and such household pets shall not be allowed to run at large in Common Areas of the Condominium. Such household pets shall be on a leash at all times when in the Common Areas. The Association expressly reserves the right to make further rules and regulations with respect to the keeping of pets. Owners, their guests and renters shall pick up after their pets. Pet stations containing "poop" bags have been installed throughout the property.

7. All garbage, trash and refuse shall be deposited only in such place or places provided for same.

8. The Association or Association's agent shall have the power to control and direct the use of parking spaces.

9. Each and every Unit Owner shall maintain heat in his unit, whether such Unit is occupied or not, so that the water pipes in his unit and/or those pipes in the Unit above or below, will not freeze, but in any event not less than a temperature of 50 degrees, and the fireplace thermostat set at a temperature of not less than 45 degrees. Notwithstanding the foregoing, the Board of Directors of The Reserve at Sugar Mountain Condominium Owners' association shall have the right to determine the minimum setting of thermostats in all Units. The failure of any Unit Owner, his guest, renters or agents to abide by this Rule and Regulation shall be prima facie evidence of negligence on behalf of said Unit Owner, and he shall be liable for damages caused thereby.

10. In the event any Upper Level Unit Owner desires to replace the carpet or tile in his Unit with hardwood or some similar floor covering, the Unit Owner shall first obtain the approval of the Association and complete the same in accord with specifications provided the Association which are as follows: must be a floating floor due to the use of Homosote 440 Sound Barrier or equivalent sound deadening underlayment as well as QuietWalk underlayment or equivalent that has had prior approval from Declarant.

11. No outdoor fires of any kind, including, but not limited to wood, charcoal or gas, shall be permitted on the decks of the Units or anywhere within the common elements of the Condominium EXCEPT that LP gas burners having an LP gas capacity of not more than 0.454 kg (nominal 1 pound) capacity shall be used no closer than 10 feet from any combustible construction and shall not be located on decks or balconies.

12. Hot tubs are permitted on lower unit decks only that were reinforced during the construction phase. Maximum weight will be 3500 pounds which includes the tub, water and occupants. No hot tubs will be permitted on any upper unit deck. Any unit owner who fails to comply with these rules will be liable for any damage sustained to the buildings.