

PROPOSED
RULES AND REGULATIONS
OF
RALEIGH SQUARE CONDOMINIUM

GENERAL

1. The Board of Directors of the Unit Owners' Association ("Association") of Raleigh Square Condominium hereby adopts the following Rules and Regulations ("Regulations").

2. Wherever in these Regulations reference is made to "residents," that term includes non-resident Unit Owners as well as all persons residing in the Condominium, and whenever reference is made to "invitees," whether or not in conjunction with the term "residents," the term "invitees" includes all persons for whose violations, acts or omissions a Unit Owner is vacariously liable under Section 9.1(a) of the Bylaws. Wherever reference is made to the Association, such reference shall include the Association and the managing agent when the managing agent is acting on behalf of the Association.

3. The residents and invitees shall comply with all the Regulations hereinafter set forth as the same may be amended from time to time. The Board of Directors reserves the right under the Bylaws to amend or repeal these Regulations, and any consent or approval given hereunder, at any time by resolution of the Board. Except as may be otherwise expressly provided herein, things presently permitted by these Regulations may hereafter be prohibited by such amendments.

RESTRICTIONS ON USE

4. Subject to the provisions of Section 3.1 of the Declaration, each Unit and each Common Element shall be used for residential purposes only, except that the Board of Directors may permit reasonable, temporary, non-residential uses in designated Units and/or Common Elements from time to time.

5. There shall be no obstruction of the Common Elements. Nothing shall be stored on the Common Elements without the prior consent of the Board of Directors except as herein or in the Bylaws expressly provided. No portion of the Common Elements shall be decorated or furnished by any resident or invitee in any

manner except as expressly permitted herein. The Common Elements shall be used only for the furnishing of the services and facilities for which the same are reasonably suited and which are incident to the use and occupancy of the Units. The sidewalks, building entrances, and common stairwells shall be used for no purpose other than for normal transit.

6. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Condominium except pursuant to a prior resolution of the Board of Directors. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which could result in the cancellation of insurance on the Condominium or any part thereof, or which would be in violation of any applicable law, ordinance, or other governmental regulation. No waste shall be committed in any Unit or in the Common Elements.

7. All garbage and trash must be placed in the proper receptacles designated for refuse collection, and no garbage or trash shall be placed elsewhere on any Common Element.

8. Baby carriages, tricycles, bicycles, mopeds, nopedes, playpens, wagons, toys, benches, chairs or other articles of personal property shall not be stored or left unattended anywhere on the Common Elements.

9. The toilets and other water and sewer apparatus shall be used only for the purposes for which designed, and no sweepings, rags, smoking materials or other improper articles shall be thrown therein. The cost of repairing any damage resulting from misuse of any of such apparatus shall be borne by the Unit Owner responsible for such damage.

10. Each resident shall keep the Unit he occupies in a good state of preservation, repair and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom any dirt or other substance.

11. Nothing shall be done in any Unit or on the Common Elements which may impair the structural integrity of the building or structurally change the building, nor shall anything be altered or constructed on or removed from the Common Elements, except as expressly permitted herein or upon the prior written consent of the Board of Directors.

12. No improper, offensive or unlawful activity shall be carried on in any Unit or on the Common Elements, nor shall anything be done therein which may be or become an annoyance or nuisance to other residents. No resident or invitee shall make or permit any disturbing noises in or near any building in the

Condominium or do or permit anything which will interfere with the rights, comforts or convenience of other residents. All residents and invitees shall keep the volume of any radio, television, musical instrument or other sound producing device in their Units sufficiently reduced at all times so as not to disturb other residents. Despite such reduced volume, no resident or invitee shall operate or permit to be operated any such sound producing devices in a Unit between the hours of eleven o'clock p.m. and the following eight o'clock a.m. if such operation shall disturb or annoy other residents.

13. No industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism or otherwise, shall be conducted, maintained or permitted on any part of the Condominium; nor shall any "For Sale," "For Rent" or other signs, window displays or advertising be maintained or permitted on any part of the Condominium; nor shall any Unit be used or rented for transient, hotel or motel purposes. The right is reserved by the Declarant and the Board of Directors or the managing agent to place or permit to be placed "For Sale" and "For Rent" or similar signs on any unsold or unoccupied Units or on the Common Elements adjacent thereto, and the right is hereby given to any Mortgagee who may become the owner of any Unit to place such signs on any Unit owned by such Mortgagee, but in no event will any such sign be larger than one foot by two feet.

14. Draperies, curtains or venetian blinds must be installed by each resident on all windows of the Unit he occupies and must be maintained thereon at all times.

15. No resident or invitee shall cause or permit anything to be hung, displayed or exposed on the exterior of a Unit or on any Common Element, whether through or upon the windows, doors, walls or otherwise, except with the prior written consent of the Board of Directors. This prohibition includes without limitation laundry, clothing, rugs, signs, flags, awnings, canopies, shutters, exhaust fans, air conditioners, radio or television antennas or any other items. No clothesline, clothes rack or any other device may be used anywhere within the Condominium except in such areas as may be specifically designated for such use by the Board of Directors.

PET RULES

16. (ALTERNATIVE A) No animals of any kind shall be raised, bred or kept in any Unit, except that dogs, cats or other household pets, not to exceed one per unit without the prior written approval of the Board of Directors, may be kept in a Unit, subject to compliance with the Bylaws and these Regulations. A pet

may be maintained in a Unit so long as it is not a nuisance. Actions which constitute a nuisance include but are not limited to persistent or loud crying, barking or scratching, or unhygienic offensiveness. All dogs and cats must be registered and innoculated as required by law and registered with the Association. Pet owners are fully responsible for personal injuries and/or property damage caused by their pets. Pets must be leashed whenever present on the Common Elements; leashes may not exceed six feet in length. Owners of pets walked upon the Common Elements must promptly clean up their pet's droppings.

PARKING AND STORAGE

17. All personal property placed in any portion of the Condominium, including without limitation any storage areas, shall be at the sole risk of the person so placing such property, and the Association shall in no event be liable for the loss, destruction, theft or damage to such property.

18. Should an employee of the Association at the request of a resident or invitee move, handle or store any articles in storage facilities or remove any articles therefrom or handle, move, park or drive any automobile placed in the parking areas, then, and in every such case, such employee shall be deemed the agent of such resident or invitee. The Association shall not be liable for any loss, damage or expense that may be suffered or sustained in connection therewith.

19. Unless otherwise authorized by the Association, the parking areas may not be used for any purpose other than parking automobiles or motorcycles. No buses, trucks, trailers, boats, recreational or commercial vehicles shall be parked in the parking areas or in driveways except in such areas, if any, specifically designated for such parking by the Board of Directors. All vehicles must have current license plates and be in operating condition. No vehicles shall be parked on the Condominium with "For Sale" signs attached. Vehicle repairs, other than ordinary light maintenance, shall not be permitted on the Condominium.

20. All residents and invitees shall observe and abide by all parking and traffic regulations posted by the Association or by municipal authorities. Vehicles parked in violation of any such regulations may be towed away at the sole risk and expense of the owner of the vehicle.

21. Parking so as to block sidewalks or driveways shall not be permitted. If any vehicle owned or operated by a resident or invitee shall be parked or abandoned on the Condominium contrary to these Regulations or applicable law, the Association shall be

held harmless by the Unit Owner responsible for the acts of the offending resident or invitee for any and all damages or losses that may ensue as a result of action taken to remove such vehicle.

ENTRY INTO UNITS

22. The Association or managing agent shall not cause a master key system to be used for Units in the Condominium; however, each resident shall provide to the Association or the managing agent, and the Association or managing agent shall have the right to keep, a working copy of all keys required to gain entry by every door to every Unit. These keys ("emergency keys") shall be coded in such a way as to prevent identification by unauthorized persons and secured by the Association or managing agent in a locked box for use only if entry to a Unit is necessitated by the fact or threat of fire, flood, or any other condition which may adversely affect the Common Elements or other Units. The Association or managing agent shall establish and implement, subject to prior approval of the Board of Directors, procedures and controls to ensure the proper use of emergency keys. In no event shall such keys be removed from the locked box and used to facilitate entry to a Unit for purposes other than those noted above. Residents may provide to the Association or managing agent an additional working copy of any key(s) to a Unit for non-emergency entry ("convenience keys"). Such keys shall be similarly coded and secured and released only upon written authorization of the resident. No resident or invitee shall alter any lock or install additional locks, or a knocker, or a bell or any other fixture, on any doors of a Unit without the prior written consent of the Board of Directors.

23. The agents of the Board of Directors or the managing agent, and any contractor or workman authorized by the Board of Directors or the managing agent, may enter any Unit in the Condominium upon advance notice to a resident thereof at any reasonable hour of the day (except in case of emergency in which case entry may be immediate and without such permission) for the purpose of exercising and discharging their respective powers and responsibilities, including without limitation inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such pests.

24. Employees and agents of the Association and of the managing agent are not authorized to accept packages, keys (other than emergency keys), money or articles of any description from or for the benefit of any resident or invitee. Deliveries requiring entrance to a Unit will not be accepted by such agent. If packages, keys (other than emergency keys), money or articles

of any description are left with any such employee or agent, the resident or invitee assumes the sole risk therefor and the resident or invitee, or the Unit Owner responsible for such person's acts, not the Association, shall be liable for injury, loss or damage of any nature whatsoever directly or indirectly resulting therefrom or connected therewith. The Association does not assume any responsibility for loss or damage in such cases.

RECREATIONAL AND COMMON FACILITIES

25. All residents and invitees using any of the common facilities do so at their own risk and sole responsibility. The Association does not assume responsibility for any occurrence, accident or injury in connection with such use. No resident or invitee shall make any claim against the Association, its agents, or employees, for or on account of any loss, injury or damage to life, limb or property sustained as a result of or in connection with any such use of any such facilities. Each Unit Owner shall hold the Association harmless from any and all liabilities arising from the use of such facilities by residents or invitees for whose acts such Unit Owner is responsible, except where such loss, injury or damage can be clearly proved to have resulted from and been proximately caused by the direct negligence of the Association or its agents or employees in the operation, care or maintenance of such facilities.

26. Any damage to any building or other Common Elements or equipment caused by a resident, invitee or animal shall be repaired at the expense of the Unit Owner responsible for the acts of such person or animal.

MOVING

27. Move-ins and move-outs are restricted to the hours between 9:00 a.m. and 5:00 p.m., Monday through Saturday, excluding holidays. Each Unit Owner is responsible for the proper removal of trash, debris, crating or boxes relating to moves into or out of his Unit.

ASSOCIATION

28. All assessments and other charges imposed by the Association are due and payable on the first day of each month, unless otherwise specified. Payment shall be made at the managing agent's office by check or money order (not cash), payable to the Association.

29. Complaints regarding the management of the Condominium or regarding actions of invitees or other residents shall be made in writing to the managing agent or the Board of Directors. No resident or invitee shall direct, supervise or in any manner attempt to assert control over or request favors of any employee or agent of the managing agent or the Association.

CONSIDERATION IN USE OF UNITS

30. All residents and invitees shall be properly attired when appearing in any common area of the Condominium.

31. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the Board of Fire Underwriters and the public authority liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit.

32. Unit doors opening into the corridors and stairwells shall be kept closed and secured at all times except when in use. Windows must be kept closed during air-conditioning season while the air conditioning system is in use in order to prevent condensation from forming and causing damage to carpets and floors.

GENERAL

33. The planting of plants, flowers, trees, shrubbery and crops of any type is prohibited anywhere on the Common Elements, except within Limited Common Element yards, without the prior written consent of the Board of Directors. No fences may be erected by any resident or invitee around or on the Common Elements.

34. Non-resident peddlers, solicitors and evangelists are not permitted to enter the Condominium. If any resident is contacted by such a person in the Condominium, the Association or the managing agent should be notified immediately.

35. The installation of additional major appliances in any Unit is prohibited. Such prohibited appliances include, but are not limited to, additional washing machines, dryers, refrigerators, freezers and dishwashers. Replacement of existing major appliances with comparable equipment is permitted.

36. Sufficient carpeting or rugs and padding shall be maintained on a minimum of eighty percent of the floor surfaces (excluding kitchens, closets and bathrooms) in Units located over other Units to adequately reduce transmission of sound between Units.