

RULES AND REGULATIONS

CITY HOUSE CHARLESTON HORIZONTAL PROPERTY REGIME

1. Residential Unit Usage.

Residential Units shall be utilized for a single-family residential purposes only. No business or business activity shall be carried on in any Residential Unit at any time; provided, however, that to the extent allowed by applicable zoning laws private business activities may be conducted in a Unit as long as such use is incidental to the primary residential use of the Unit, does not violate any applicable law, involve any exterior signage or advertising of the Unit as a place of business, require frequent visits by clients or business associates to the Property, or unduly contribute to parking, traffic, telecommunications or security problems for the Property, all in the sole opinion of the Board of Directors.

2. Commercial Unit Usage. [To be developed based on information as to proposed uses]

3. Timesharing and Leases.

In order to alleviate problems of security and disruption associated with frequent changes in occupancy, Units shall not (a) be divided into or operated as “timeshares” or interval ownership segments or (b) be leased or rented for a period of more than an aggregate of 180 days during a calendar year and all leases shall be for a term of not less than 90 days. No Unit shall be leased to a tenant who is less than 25 years of age. If rented or leased, the Unit Owner shall ensure that Occupants of the Units understand and fully comply with the provisions of the Master Deed and these Rules and Regulations. The Units shall be leased through a leasing agent approved by the Association and shall not be leased through companies such as Airbnb. If rented or leased, the Unit Owner shall notify the Management Agent or such other entity as the Board of Directors shall determine, in writing, in advance of occupancy, of the name(s), home address(es), and home telephone number of the renter(s) or lessee(s). If requested by the Management Agent or the Board of Directors, the renting or leasing Owner shall provide evidence reasonably satisfactory to the requesting entity to confirm the term of rental or lease. At the time of commencement of a lease, the Unit Owner or Occupant shall pay the Association a non-refundable move-in fee of \$1,000.00. At the time of the expiration of the lease, the Unit Owner or Occupant shall pay the Association a non-refundable move-out fee in the amount of \$1,000.00.

4. Prohibited Uses.

The Owner and Occupants of a Unit shall not permit or suffer anything to be done on the Property that will, in the sole reasonable opinion of the Board of Directors (i) increase the insurance rates on the Unit or the Common Elements over those rates that would reasonably be anticipated from use of the Unit for its normal purposes, (ii) obstruct or interfere with the rights of other Unit Owners or the Association, (iii) violate any law, permit or regulation of a governmental body.

5. Owner Responsible for Conduct of Others in Unit.

Each Unit Owner shall be deemed responsible to the Association for the results of the actions or omissions of Occupants of the Unit and their agents, invitees, guests, and pets while on the Property, but the responsibility of the Unit Owner shall not relieve any Occupant of the Unit or their agents, invitees, or guests from any liability to the Association or any other Person for their acts.

6. Pets.

No animals, livestock, reptiles, fowl or poultry shall be raised, bred or kept on the Property, except that no more than a total of two (2) dogs, cats or other non-exotic household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes and are housed within the Unit. No birds shall be allowed unless approved by the Association. The weight of each individual pet shall not exceed 75 pounds. Such household pets must not constitute a nuisance or cause unsanitary conditions. Frequent or continuing barking or howling of a dog or any other frequent or continuing noise cause by a pet that is clearly audible in another Unit shall be a nuisance. Pets shall not be allowed on Common Elements (other than Limited Common Elements serving only the Unit in which the pet is kept) unless the pet acts in a non-threatening way to other persons and is under leash or is carried by a responsible person. No pet shall be permitted to leave its excrement on Common Elements and the owner of such pet shall cause such excrement to be immediately removed. The Board of Directors shall have the right to determine, in its sole discretion, whether a particular pet meets the criteria set forth above, and if not, it may require the owner or keeper of the pet to remove such pet from the Property.

7. Offensive Activities.

Noxious, offensive or illegal activities shall not be carried out on the Property, nor shall anything be done thereon that reasonably is an annoyance or nuisance to the Occupants of other Units or persons properly using the Common Elements. Without limiting the generality of this provision, the following shall not be permitted on the Property: (a) speakers, horns, whistles, bells or other devices that emit sounds that are clearly audible in other Units or the Common Elements (other than Limited Common Elements serving only the Unit in which they are located), except security and fire alarm devices or other devices expressly approved in writing by the Board of Directors, or (b) unusually bright, flashing or pulsating lights that are visible from another Unit or the Common Elements (other than Limited Common Elements serving only the Unit in which they are located).

8. Signs and Mail Receptacles.

Unless otherwise expressly permitted in writing by the Board of Directors, an Owner shall place no sign, advertisement or notice on the Property other than inside such Owner's Unit (in which case the sign, advertisement or notice shall not be visible outside the Unit), or within Common Elements reserved by the Board of Directors for such purposes, in which case the sign, advertisement or notice shall comply with any procedures or criteria approved by the Board of Directors. This provision shall not apply to any signage systems that are part of the original construction of the Property or any replacement therefor that is substantially the same as the original signage. The Board of Directors shall have the right to issue specifications for and/or approve as to location, color, size, design, lettering and all other particulars of receptacles for the receipt of mail, newspapers or similar delivered materials; property identification markers; and name signs.

9. Antennas and Telecommunications Equipment.

Unless otherwise expressly permitted in writing by the Board of Directors, no television, radio or other telecommunications antenna, aerial, component or dish shall be erected on a Unit or the Common Elements in a manner that causes it to be visible under normal use conditions from another Unit or the Common Elements (other than Limited Common Elements serving only the Unit in which it is located). No telecommunication equipment installed on the Property after completion of construction shall unreasonably interfere with the operation of normal telephone, television or other telecommunications systems for other Units, as determined by the Board of Directors.

10. Approval of Modifications.

Unless otherwise expressly permitted in writing by the Board of Directors, no painting, decoration, attachment to, or modification of a Unit or Common Element that would be visible from any other Unit or any portion of the Common Elements (other than Limited Common Elements serving only the Unit), and

no modification of the structural, mechanical, electrical or plumbing systems of a Unit shall be permitted until two (2) sets of plans showing the nature, shape, dimensions, materials, color and location thereof have been submitted to and approved by the Board of Directors . Approval by the Board of Directors shall not be required for (a) replacement or repair of a mechanical, electrical or plumbing component within a Unit or a Limited Common Element serving only the Unit by a component of equal or better quality that is compatible with other systems in the Unit and the Building and complies with applicable codes, or (b) remodeling, painting or redecorating a Unit in a manner which was previously approved by the Board of Directors existed at the time of recordation of the Master Deed.

11. Trash.

Trash, garbage or other waste shall be placed in areas designated by the Board of Directors. Except when moving household garbage or waste to designated disposal or pickup areas, it shall be kept in closed, sanitary containers inside the Unit. Household garbage or waste deposited at designated disposal or pickup areas shall be stored in sealed plastic bags. No trash, garbage or other waste shall be left on desks or porches or in Common Elements not expressly intended for such storage), such as corridors, steps, and driveways or pathways.

12. Obstruction and Use of Common Elements.

Unless otherwise expressly approved in writing by the Board of Directors, (a) corridors, steps, and driveways or pathways for ingress and egress shall be used for no other purpose other than normal transit through them and (b) nothing shall be stored or kept on any part of the Common Elements (including Limited Common Elements). Corridors, steps, and driveways or pathways shall not be used as play areas.

13. Parking. [To be developed based on parking provisions]

14. Use of Patios and other Outdoor Areas.

No property shall be maintained on patios and in other outdoor areas unless it is secured to the floor such that it will not be moved by high winds. The color of umbrellas and porch furniture shall be subject to approval by the Association. No flags, clothes lines, drying racks or any similar items are allowed. Customary holiday decorations may be located in said areas subject to approval by the Association. No articles of clothing, towels, or other items shall be draped on railings, or kept in any outside areas.

15. Storage and Protection of Elevators.

The Association shall not be responsible for any loss of or damage to articles stored by Owners or Occupants in any Common Element approved by the Board of Directors for such purpose. Owners or Occupants and their agents shall use appropriate pads to protect elevators when moving furniture or equipment.

16. Responsibility for Damage to Common Elements.

If any maintenance, repair, or replacement of any portion of another Unit or the Common Elements is required because of the negligent or willful act or omission of an Owner or Occupant of a Unit, then such Owner or Occupant shall be responsible for such maintenance, repair, or replacement.

17. Keys, Locks and Emergency Access.

In order to respond to emergency situations or deal with problems in adjacent areas, the Management Agent shall retain a passkey for each Unit, which key shall be kept in a locked space under the control of the Management Agent. Except in situations reasonably believed to be emergencies or situations in which access is reasonably believed to be needed to prevent damage to the Unit or adjacent areas, access to a Unit shall occur only during normal business hours and then, whenever practicable, only upon advance notice to the Owner of the Unit. Keys for Units shall not be altered or installed without prior consent of the

Management Agent, which shall not be unreasonably denied. If consent is given, the Owner shall provide a copy of the replacement key to the Management Agent.

18. Solicitations.

Persons soliciting contributions or the purchase of goods or services, and persons seeking to distribute materials, brochures or information may be denied access to the Property unless (a) expressly required by law or (b) expressly invited, by name, as a guest of a specific Unit Owner or tenant, in which event the person invited shall limit the solicitation to the person(s) expressly inviting them.

19. Grills.

Grills shall only be used by Owner of Units on the fourth floor. In addition, the permanent grill installed in the Club room may be used by authorized parties. Except for the grill in the Club Room, grills shall only be used on patios which are part of the Units. Because of safety and insurance concerns, only natural or propane gas or electric grills are permitted to be used. Grills burning charcoal, wood, paper, or other flammable materials are prohibited. Use of permitted grills include proper and reasonable procedures for fire prevention, cleanup and smoke and odor control.

20. Collection of Past Due Assessment.

Should any member become 60 days or more in arrears in their assessments the Association will be to notify the Owner of the delinquency. If the assessment is not paid within 30 days of notification, the Association may a lien with the Charleston County ROD for the unpaid amount plus attorney fees and other costs incurred pursuant to filing said lien. In addition, the Association may take legal action to enforce the lien and may obtain a judgment against the Owner for any amounts that are due plus attorney fees and costs incurred in connection with said actions.

21. Remedies for Violations.

In the event of failure to comply with these Rules and Regulations, the Board of Directors shall take such action as it determines is appropriate to enforce the Rules and Directors shall take such action determines is appropriate to enforce the Rules and Regulations or to remedy the problem caused by the failure to comply. Without waiver of any other enforcement right that the Board of Directors, the Association or any Owner may have under the Master Deed or applicable law, the Board of Directors may also impose a Special Assessment on the applicable Unit of up to \$____ for each violation of these Rules and Regulations. For an initial violation, the Board of Directors shall give the non-comply Owner or tenant of the applicable Unit written notice of the violation and if desired, the action that is required in order to cure the violation. Unless otherwise provided in the Master Deed or these Rules and Regulations, or unless the Board of Directors determines that the violation constitutes a safety hazard, violation of law or an emergency situation, the Owner or tenant shall have 24 hours from receipt of notice, or such additional time as may be authorized, in writing by the Board of Directors, to cure the violation or to provide reasonable evidence that no violation exists. No further notice shall be required prior to enforce after notice of the initial violation is given.

22. Waivers of Rules and Regulations.

The Board of Directors or the Management Agent may, for good cause, as determined in its sole discretion, waive violations of these Rules and Regulations. Such waiver shall be in writing and a copy of such waive violations of these Rules and Regulations. Such waiver shall be in writing and a copy of such waiver shall be either maintained for a reasonable period in the offices of the Association or recorded in the Register of Deeds for Charleston County, South Carolina.

23. Amendment of Rules and Regulations.

The foregoing Rules and Regulations are subject to amendment and may be supplemented by other rules and regulations promulgated by the Board of Directors.

24. Delegation of Authority

The Association and Board of Directors may delegate all rights reserved hereunder to a Management Agent or other entity selected to Manage the Property.