CRESCENT RIDGE
RULES AND REGULATIONS
(August 25, 2005)

A. INTRODUCTION

In order to live harmoniously in a close community, it is necessary to have a few rules. Please keep in mind that each one of these rules is necessary in order to make your day to day life and the day to day lives of your neighbors more pleasant and enjoyable.

By observing these rules, all residents of the Crescent Ridge community will have the benefit of living in one of the most pleasant and appealing townhome communities in the region. If there are any rules with which we just cannot live, your Board of Directors (the "Board") has the authority to revise them. The following rules were adopted by your Board in accordance with the provisions of Article VIII, Section 1(a) of the Bylaws to adopt and publish rules and regulations governing the use of the Common Areas and facilities and the personal conduct of Owners and their guests thereon and in the community. Your Board unanimously approved the following rules.

These rules and regulations are in addition to those covenants, conditions and restrictions for Crescent Ridge set forth in the Declaration of Covenants, Conditions and Restrictions for Crescent Ridge governing the community, as amended from time to time (the "Declaration"). If there is a conflict between the provisions of the Declaration and these rules and regulations, the provisions of the Declaration shall control. Capitalized but undefined terms set out in these rules and regulations shall have the meanings ascribed to these terms in the Declaration.

B. APPEARANCE

In addition to any restrictions contained in the Declaration:

1. No portion of the Common Areas shall be decorated in any manner by any Owner or occupant without the prior written consent of the Board.

2. No clothing, decorations or other article shall be hung in Common Areas or on porches or balconies.

3. Each Owner shall keep his or her Lot in a good state of preservation and cleanliness and shall not sweep, throw or permit to be swept or thrown therefrom or from the doors, windows, private courtyards, balconies or patios thereof, any dirt or other substance.

4. No exterior shades, awnings, window guards, ventilators, or air conditioning devices shall be used in or about the buildings, Common Areas, balconies or private courtyards, except such as shall have been approved in writing by the ACC.

5. No Owner shall do any painting, decorating, alterations or improvements of or to the exterior of the buildings or any of the Common Areas.

6. No tables with umbrellas or grilles of any kind shall be located on any front porches or balconies associated with Lots. No “smokers” or “party-sized” grilling equipment shall be located on the Property, except such as shall have been approved in writing by the ACC.

7. Owners shall use diligent good faith efforts to keep garage doors closed when garage areas are not in use.

8. **It shall be the responsibility of each Owner to water the grass, plants, trees and landscaping on its Lot.**

C. PARKING AND STORAGE

In addition to any restrictions contained in the Declaration:

1. No bicycles, motorcycles, mini-bikes or similar vehicles or other personal articles shall be stored in the Common Areas or on porches except as approved in writing by the ACC.

2. No vehicles belonging to any Owner or to a member of the family or guest, or tenant of an Owner shall be parked in such manner to impede or prevent ready access to the remaining parking areas within the community. Owners, visitors, licensees and the Owners’ families will obey the posted parking regulations, and any other traffic regulations published in the future for the safety, comfort and convenience of the Owners.

3. No boat, trailer, recreational vehicle, camper, camper truck or commercial vehicle shall be parked, stored or left on any portion of the Property, unless fully inside the Owner’s garage. The term "commercial vehicle" shall generally exclude government-issued vehicles or automobiles of a type commonly used for family transportation notwithstanding that they may have commercial lettering or logos on their exteriors, provided (i) no objects, signs, tools, tool racks, or other forms of commercial advertising are attached or affixed to the vehicle; and (ii) the ACC shall have the authority in its sole discretion to make final determinations as to whether a vehicle is a commercial vehicle on a case by case basis.

4. No inoperable or wrecked vehicles of any type are allowed on the Property, either temporarily or permanently. No repairs to any vehicles or other personal property shall be made in parking spaces or driveways, except in the case of emergency and except for minor repairs undertaken within garages and out of public view.

5. No vehicles of any type shall be parked or stored on any sidewalk in the Property or on any part of a Lot other than in those areas improved for that purpose (i.e., a garage, driveway or parking pad), and all parking and storage shall otherwise comply with all governmental and private rules and regulations, including regulations regarding nuisance and on and off-street parking.

6. No garage sales or similar activities shall be permitted on any Lot or within the Common Areas, except as approved in writing by the ACC.

D. DISTURBANCES

In addition to the restrictions contained in the Declaration:

1. No Owner shall make or permit any noises that will disturb or annoy the occupants of the buildings or permit anything to be done therein which will interfere with the rights, comfort, or convenience of other Owners. NOISE CAN BE A PROBLEM IN A TOWNHOME COMMUNITY SUCH AS CRESCENT RIDGE. PLEASE BE CONSIDERATE OF YOUR NEIGHBORS. EXCESSIVE NOISE FROM PARTIES, STEREOS, TV's, ETC. CAN FRUSTRATE NEIGHBORS. SPECIAL CARE SHOULD BE GIVEN TO NOISE AND DISTURBANCES EMANATING FROM PRIVATE COURTYARD AREAS, PORCHES AND BALCONIES.

2. No discharge of firearms or fireworks shall be permitted.

3. No excessive idling of vehicles shall be permitted.

4. Owners shall ensure that alarm systems associated with their homes and automobiles are in good working order and repair in order to avoid unwarranted disturbances to neighbors.

E. GARBAGE AND UTILITIES

1. All garbage and refuse from homes shall be deposited with care in containers provided for such purposes, shall be transported by each Owner for collection to such location as is required by the garbage service, and shall be retrieved by each Owner and placed inside his or her garage or appropriately screened from the view of any private rights-of-way or adjoining Lots within twelve (12) hours after garbage collection. All waste should be bagged and tied before depositing in receptacles.

2. No Owner shall interfere in any manner with any portion of the common lighting apparatus in or about the buildings. No Owner shall install exterior lighting on the Property.

3. Owners must insure that a temperature of at least 55 degrees is maintained in such Owner's home throughout the cold season in order to prevent freezing of pipes.

4. No Owner shall dispose of any paint, oil or other similar materials in storm drains or other portions of the Common Areas.

F. SAFETY

1. Each Owner shall maintain in a prominent place within his or her home a general purpose fire extinguisher.

2. No outdoor fires, whether within enclosed outdoor fireplaces or other similar devices, shall be permitted other than grilles located within any portions of the Common Areas specifically designated for such use by the Board or private courtyard areas.

3. Owners shall exercise reasonable care in the enjoyment of fireplaces located within their homes.

4. Each Owner shall secure access to their home, his or her garage and each private courtyard area.

G. PETS

In addition to any restrictions contained in the Declaration:

1. No animals, livestock or poultry of any kind shall be kept or maintained on any portion of the Property or in any home except that dogs, cats or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes, that they do not create a nuisance (in the judgment of the Board), such as, but without limitation, by number, noise, odor, damage or destruction of property or refuse, and further provided that they are kept and maintained in compliance with all laws and ordinances of applicable governmental authorities relating thereto. In no event shall more than a total of three (3) dogs and/or cats be regularly kept on any Lot except for newborn offspring of such household pets which are under nine (9) months in age. Pit bulls and Rottweilers are expressly prohibited. The Board may prohibit or require removal of any dog or animal, which after consideration of factors such as size, breed and disposition of the animal, interference with the peaceful enjoyment by other Owners of their Lots, and the security measures taken by the Owner with respect to such animal, the Board, after affording the Owner of such animal Notice and Opportunity for Hearing, deems to be undesirable, a nuisance or a safety hazard.

2. Owners shall clean-up after their pets, including without limitation within the Common Areas. Pets shall not roam free within the Common Areas and otherwise shall be kept on an overnight basis within homes or garages.

H. USE OF COMMON AREAS

In addition to any restrictions contained in the Declaration:

1. No sunbathing, picnics or lounging activities shall take place on the Common Areas, except in areas specifically designated for any such uses by the ACC.

2. No climbing or horseplay on or near retaining walls located within the Common Areas shall be permitted.

3. No disturbance of any creeks, storm water detention areas or landscaping areas located within the Common Areas (except by the Declarant or the Association) shall be permitted.

4. No decorations of any kind shall be installed in the Common Areas except for any decorations approved in writing by the ACC.

5. No garage sales or similar activities shall be permitted, except with the prior written consent of the ACC for each occasion that any such activity takes place.

I. RESTRICTIONS ON THE LEASING OR RENTAL OF LOTS

In accordance with the restrictions contained in the Declaration, no Owner shall lease or rent its Lot except as may be permitted by these Rules and Regulations. The Owners and prospective owners of Lots in owner-occupied communities are able to obtain more varied and flexible financing from federally regulated lenders, and, for this reason and others, the Board deems it in the best interest of the Owners and prospective owners of Lots in this community to restrict the leasing or rental of Lots in Crescent Ridge. Except in cases of emergency or undue hardship, no Owner shall be permitted to lease or rent its Lot. The Board shall determine instances of emergency and undue hardship on a case by case basis, and such determinations shall be made in the Board's sole and absolute discretion. An Owner who desires to lease or rent its Lot shall submit a written request to the Board, which request shall set forth, among other things, the extraordinary circumstances applicable such Owner's request to lease or rent its Lot. Written requests shall be deemed to be disapproved in the event the Board has not expressly and in writing approved such request within thirty (30) business days of the submission of such request. No member of the Board shall be liable to any Owner for any claims, causes of action, or damages arising out of the grant or denial of a request for lease to any Owner. Each request for lease submitted hereunder shall be reviewed separately and apart from other such requests and the grant of any such request to any Owner shall not constitute a waiver of the Board's right to strictly enforce the Declaration or these Rules and Regulations against any other Owner. In the event the Board grants a request for lease, the Board may impose such conditions or restrictions on the leasing arrangement as it deems appropriate. In all events, if the Board grants a request for lease, the following restrictions shall apply:

1. Any Owner who rents or leases his or her Lot to a tenant shall not be entitled to use and enjoy any common facilities on the Common Area during the period the Lot is occupied by such tenant.

2. No Owner shall lease or rent less than an entire Lot and no more than one family shall live on any one Lot. The Lots shall not be leased or rented for hotel or transient purposes and no rental agreement or lease shall be made for a period of less than twelve (12) months (unless a lease is executed for a shorter term in connection with the sale of a Lot by an Owner who is to temporarily occupy such Lot following the closing of the sale thereof). Any lease or rental agreement between an Owner and a tenant shall be in writing and shall provide that it is in all respects subject to the provisions of the Declaration, the Bylaws, and these Rules and Regulations and that any failure by the tenant to comply with such provisions shall be a default under the rental agreement or lease. However, the failure of any lease or rental agreement to so provide shall not excuse any person from complying with the provisions of the Declaration, the Bylaws, and these Rules and Regulations.

3. Owner must provide to the Board in writing such documentation evidencing the leasing arrangement as may be requested by the Board, including, without limitation, the following :

(a) the name of the tenant and the Lot rented or leased;

(b) the current address of such Owner;

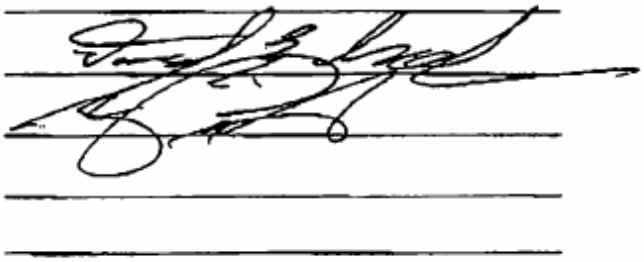
(c) a true and complete copy of the leases or rental agreement; and

(d) the certification of the Owner that the tenant has been given a copy of the Declaration, any applicable amendments, the Bylaws and these Rules and Regulations and that such tenant has been advised of any obligations he may have thereunder as a tenant.

4. In no event shall any lease or rental agreement release or relieve an Owner from the obligation to pay annual and special assessments to the Association, regardless of whether the obligation to pay assessments has been assumed by the tenant in such lease or rental agreement.

Addendum to the Rules and Regulations
(March 29, 2006)

The Board of Directors have revised the existing rules and regulations and added the following to Section B: Appearance:

9. Small flowers, such as annuals and perennials, may be planted in existing beds without approval from the Board of Directors. These plantings should be short term, season length of six months or less, in nature and must be maintained and remain in good condition. Shrubs, trees, creeping plants, and mulch or other ground cover besides the existing pinestraw must be approved by the Architectural Review Board prior to installation. Replacement pinestraw for the bed does not need approval.

Directors: