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CERTIFICATE OF SECRETARY
of
WATERWAY LOFTS CONDOMINIUM ASSOCIATION, INC.
regarding
ADOPTION OF RULES AND REGULATIONS (Revised January 4, 2007)

STATE OF TEXAS

§
§
§

COUNTY OF HARRIS

I, Debbie R. Loudon, Secretary of WATERWAY LOFTS CONDOMINIUM ASSOCIATION, INC., ("Association"), a Texas non-profit corporation, do hereby certify that at a duly called meeting of the Board of Directors held on the 24 day of January, 2007, with at least a majority of the Directors being present and remaining throughout and being duly authorized to transact business, the following resolutions were duly made and approved:

WHEREAS, Section 82.070(a) of the Texas Uniform Condominium Act provides that:

An Association or a board may not meet to adopt an amendment or other change to the declaration, articles of incorporation, bylaws, or rules of the association unless the association or board has given to each unit owner a document showing the specific amendment or other change that would be made to the declaration, articles of incorporation, bylaws or rules;

and

WHEREAS, the Association complied with the requirements of Section 82.070(a) of the Texas Uniform Condominium Act; and

WHEREAS, Section 8(F)(viii) of the "Declaration of Condominium for The Waterway Lofts," recorded in the Official Public Records of Real Property of Montgomery County, Texas, empowers the Board of Directors to "adopt and amend rules regulating the use, occupancy, leasing or sale, maintenance, repair, modification, and appearance of Units and Common Elements, to the extent the regulated actions affect Common Elements or other Units."

NOW, THEREFORE, BE IT RESOLVED THAT "WATERWAY LOFTS CONDOMINIUM ASSOCIATION INC. RULES AND REGULATIONS (Revised January 4, 2007)," attached hereto as Exhibit A and incorporated fully herein for all purposes, was duly approved and adopted.

I further certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing resolutions were approved as set forth above and now appear in the books and records of the Association.

TO CERTIFY WHICH WITNESS MY HAND on this 31 day of January, 2007.

WATERWAY LOFTS CONDOMINIUM ASSOCIATION, INC.

By: Debbie R. Loudon
Debbie R. Loudon, Secretary

STATE OF TEXAS §
COUNTY OF Montgomery §

Before me, the undersigned authority, on this day personally appeared Debbie R. Loudon, Secretary of WATERWAY LOFTS CONDOMINIUM ASSOCIATION, INC., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration, and in the capacity therein expressed. Given under my hand and seal of office on this 31 day of January, 2007.

Olga A. Lafue
Notary Public - State of Texas

125444/3715/10001



Return To:
BUTLER & HAILEY, P.C.
1616 S. VOSS RD., SUITE 500
HOUSTON, TEXAS 77057

279-11-2324

**WATERWAY LOFTS
CONDOMINIUM ASSOCIATION, INC.**

**RULES AND REGULATIONS
(Revised January 4, 2007)**

Exhibit "A"

**The Waterway Lofts Condominium Association, Inc.
Rules and Regulations
Table of Contents**

1. ALTERATIONS.....	4
2. APPLIANCES	4
3. ASSOCIATION RECORDS.....	5
4. BALCONIES/PATIOS	5
5. BICYCLES.....	6
6. CEILINGS & FLOORS OF INTERIOR UNITS.....	6
7. CHILDREN.....	6
8. CLOSINGS AND TRANSFER OF OWNERSHIP - STATEMENTS OF ACCOUNTS.....	7
9. COMMUNITY ETIQUETTE.....	7
10. DELIVERIES.....	8
11. ELECTRICITY.....	8
12. EMERGENCIES.....	8
13. ENFORCEMENT POLICIES	8
14. FINE SCHEUDLE.....	9
15. GARAGE.....	10
16. HALLS AND EXTERIORS	11
17. LEASES, TENANTS AND NON-RESIDENT OWNERS	11
18. LOBBY.....	12
19. MAINTENANCE.....	12
20. MOVE-INS AND MOVE-OUTS.....	13
21. NOISE AND NUISANCES.....	14
22. MANAGING AGENT.....	14
23. PARKING	14
24. PETS	15
25. PLUMBING.....	16
26. PROPERTY DAMAGE.....	16
27. MAJOR REMODELING AND USE OF CONTRACTORS.....	16
28. NOTIFICATION AND CONTRACTOR RULES	17
29. RIGHT OF ENTRY.....	18
30. SMOKE DETECTORS.....	18
31. SOLICITATIONS & ADVERTISEMENTS.....	18
32. STORAGE ROOMS	18
33. SUGGESTIONS AND COMPLAINTS	19
34. SWIMMING POOL & SPA	19
35. TRASH.....	20
36. USE AND OCCUPANCY RESTRICTIONS	20
37. UTILITIES	21
38. WATERBEDS/HOT TUBS/AQUARIUMS.....	21
39. WATER LEAKS/OVERFLOWS.....	21
40. WATER SHUT-OFF.....	21
41. WINDOWS AND DOORS.....	21
42. ADDENDUM TO THE RULES & REGULATIONS	22

RULES OF WATERWAY LOFTS CONDOMINIUM ASSOCIATION

These Rules have been adopted by the Board of Directors of Waterway Lofts Condominium Association, a Texas nonprofit corporation and condominium association (the "Association"), in accordance with the provisions of Article 6 of the Declaration of Waterway Lofts Condominium (the "Declaration"), and will be filed in the county's Real Property Records.

These Rules apply to the Units and Common Elements of Waterway Lofts Condominium ("Waterway Lofts" or the "Condominium"). By owning or occupying a Unit in Waterway Lofts, all Owners and Residents agrees to abide by these Rules, as well as the obligations of Owners and Residents provided in the Declaration and Bylaws.

COMPLIANCE

For the convenience of Owners and Residents of Waterway Lofts, these Rules restate some of the rules and covenants contained in the Declaration. Most of these Rules, however, are in addition to the restrictions found in the Declaration. Words and phrases defined in the Declaration shall have the same meaning when used in these Rules. In the event of a conflict between Governing Documents (as defined herein), the hierarchy of authority shall be as follows: Declaration (highest) Articles of Incorporation, Bylaws, these Rules (lowest).

Owners shall comply with the provisions of these Rules, the Declaration, the Bylaws, and community policies promulgated by the Board of Directors to supplement these Rules, as any of these may be revised from time to time (collectively, the "Governing documents"). Additionally, owners shall be responsible for compliance with the Governing Documents by the occupants of their units, and their respective families, invitees, tenants, agents, employees, or contractors. Use of "Owner" or "Resident" in these Rules shall be deemed to include and apply to the owner of a unit in Waterway Lofts and to all persons for whom the owner is responsible. Owners should contact the Board of Directors or the Managing Agent if they have any questions about these Rules.

Each Resident shall comply with all rules and signs posted from time to time on the Condominium by the Association, including those regulating the use of recreational facilities. Such posted rules are incorporated in these Rules by reference. Each Resident shall comply with notices communicated by the Association, from time to time, in the nature of seasonal or temporary rules, or notice of a change affecting use of the Condominium. Such temporary rules are incorporated in these Rules by reference.

Certain circumstances may warrant waiver or variance of these Rules. Owners must make written application to the Board of Directors for such waiver or variance. If the Board of Directors deems the waiver or variance warranted, the Board of Directors may condition its approval, which must be in writing to be effective.

1. ALTERATIONS

- A. No alterations of any kind may be made to any Common Element or Limited Common Element of the building without the written consent of the Board in accordance with the By-Laws and Declaration.
- B. No alterations of any kind may be made to a unit's structural elements, walls, electric circuitry, conduit, heating and ventilating systems, windows, doors, cable system, or plumbing without prior written approval from the Board unless deemed an emergency by the Managing Agent.
- C. All alterations must be scheduled with the managing agent at least 7 days before work commences. Requests for alterations along with drawings of existing and proposed changes must be submitted to the Board and reviewed before any work is undertaken.
- D. No person may:
 1. Post signs, notices, or advertisements on the common elements or in a Unit if visible from the outside of the Unit.
 2. Place or hang an object in, on, from, or above any window, interior window sill, balcony, or patio that, in the Managements' and/or the Board of Director's opinion, detracts from the uniform appearance of the Condominium. This includes colorful and/or patterned window treatments including visible pictures, motifs, or any other pattern that when viewed from the outside of the building does not appear solid in color. (Window treatments include: drapes or any kind of fabric window treatments, shutters, blinds, or any treatments designed to cover, partially or entirely, the windows that are visible from the outside of the building.)
 3. Hang, shake, or otherwise display linens, clothing, towels, rugs, shoes, mops, bedding or other similar items from windows, doors, balconies, patios, or passageways.
 4. Erect or install exterior horns, speakers, lights, satellite dishes, aerials, antennas, or other transmitting or receiving equipment, or cause anything to protrude through an exterior wall or roof, that is not allowed by FCC regulations.

2. APPLIANCES

Washer and dryer hook-ups are provided in each Unit and Owners shall be responsible for the installation and maintenance of such. The Board of Directors must first approve conversion of appliances to 220 volts.

Under no circumstances whatsoever, may any Resident, directly or indirectly, vent or cut into any chute, duct, conduit or vertical chase or any plumbing that serves a Unit for the purpose of venting any appliances.

3. ASSOCIATION RECORDS

Owners are entitled to review the books and records of the Association with a proper purpose. The following policies apply:

- A. A notice of intent to inspect must be submitted in writing to the Board of Directors or its duly authorized managing agent.
- B. The notice must specify which records are to be inspected.
- C. All records shall be inspected at an agreed upon location by the Managing Agent and the party requesting the inspection between the hours of 9:00 a.m. and 5:00 p.m. Monday through Friday.
- D. At the discretion of the Board of Directors, or its agent, records may be inspected in the presence of a Board Member or employee of the managing agent.
- E. The person(s) requesting access shall not disrupt the ordinary business activities of the registered office or its employees during the course of inspection.
- F. No records may be removed from the office without the express written consent of the Board of Directors.
- G. When applicable, all costs of inspection shall be borne by the person(s) requesting access. In the event the person reviewing the records is desirous of making photocopies, all costs of copying will be incurred by the person requesting at the same rate charged to the Association.
- H. Limitations of Access:

Consistent with an individual's right to privacy and applicable law, the following records will not be made available without the express written consent of the Board of Directors.

- 1. Minutes of Executive Sessions;
- 2. Records and files protected by Attorney Client privilege.
- I. The Association is under no obligation for any additional information other than that which is required by law, or the Declaration.

4. BALCONIES/PATIOS

Balconies/patios are a Limited Common Element and are enforced by common element rules. Prior written approval from the Board must be obtained for any electrical wiring or lighting in any balconies or any construction of any permanent structures.

Balcony walls, ceiling, floor and railings may not be painted or altered in any way except for the

addition of tile to the balcony floor. Check with the management for instructions and obligations of the tile company in regards to containing any materials, water and/or debris that may fall onto your neighbor's balconies. All exterior portions of each Unit (including draperies, window frames, sliding doors, etc.) must conform to the building standard. Balconies are to remain clean and well kept at all times. This would include keeping hoses hidden and out of sight, empty pots put away, dead plants disposed of, unsightly patio furniture that is in obvious disrepair and an overabundance of plants, miscellaneous pots and planters. All plants must be in a container other than the original nursery container. All plants, when watered must not drain onto patios and down the side of the building or on to your neighbors' patios or balconies.

Radios, televisions and audio equipment must only be played at levels, which do not disturb neighbors or create a nuisance. None of these devices may be used after 10:00 p.m. on the balconies.

The Board of Directors reserves the right to prohibit or restrict the use of all or certain outdoor cooking grills if, in the Board of Director's discretion, such grills constitute a fire hazard. If the use of outside grills is permitted, (i) open fires must be supervised at all times, (ii) gas tanks must be properly used and maintained, (iii) no flames may be higher than the cooking surfaces and (iv) a grill may not be used near combustible materials.

NOTHING IS TO BE THROWN FROM ANY BALCONY. Any object dropped from a balcony becomes a deadly missile in its free fall. Do not leave small or lightweight objects unattended. Each Resident shall keep his or her Unit and patio or balcony in a good state of cleanliness, taking care that the cleaning of his or her patio or balcony does not annoy or inconvenience other Residents. A patio or balcony may not be enclosed or used for storage purposes. If the Board of Directors determines that a patio/balcony is unsightly, the Owner shall be given notice by the Board of Directors to correct the problem within 5 days, after which the Board of Directors may take corrective action at the Owner's expense in accordance with Section 5.C of the Declaration.

Any use of balconies that creates a nuisance (such as feeding pigeons) is forbidden.

Nothing is to be hung from any balcony railing or on the outside of the building. Exceptions may be made for holiday lighting.

5. BICYCLES

Bicycles shall be brought into and taken out of the building only through the garage.

6. CEILINGS & FLOORS OF INTERIOR UNITS

Because of possible damages to structural elements in the building, drilling of any kind into the ceiling or floor of any Unit is prohibited without the prior approval of the Board. If damage occurs, repairs will be billed to the Owner. Owners must sign a waiver prior to drilling in floors or ceilings. There can be NO penetration into any demising walls.

7. CHILDREN

No one will be permitted to play on the stairways, in the halls, vestibules, elevators, building lobby or garage. Minors are allowed to play at the pool and patio deck under the close supervision of an adult.

8. CLOSINGS AND TRANSFER OF OWNERSHIP - STATEMENTS OF ACCOUNTS

In the event of the resale of a Unit, the Owner or the Agent of Owners must accompany any prospective buyers to the unit. No signs are to be placed on any areas within the structure, common elements, windows or any area on the exterior of the property. The managing agent shall prepare and provide resale certificate information for a fee as may be determined by the management company from time to time. In the event of a refinance, the managing agent charges a fee, as may be determined by the management company from time to time. In the event of a transfer of ownership, the managing agent charges a fee, as may be determined by the management company from time to time. The Association's managing agent shall provide any owner, upon ten (10) days notice, a statement of his or her account, setting forth the amount of any unpaid assessments and other charges due and owing from such owner.

9. COMMUNITY ETIQUETTE

Residents should endeavor to use their Units and the common elements in a manner calculated to respect the rights and privileges of other Residents.

Guest Parking is for guest only. With limited Guest Parking in the front of the building, homeowners must refrain from parking their personal vehicles in these spaces or allowing long-term guests to park there. Use the spaces on the west side of the building.

When using the pool area, owners must straighten the pool furniture back to its original position and remove any trash or debris when you leave the area, as it will be appreciated by those using the area next or those who look at the view and the pool from their balconies.

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

Residents must exercise reasonable care to avoid making or permitting to be made loud, disturbing, or objectionable noises or obnoxious odors that are likely to disturb Residents of other Units.

Residents must avoid doing or permitting anything to be done that may unreasonably interfere with the television, radio, telephonic, or electronic reception of the Condominium.

The Association's employees and agents are not permitted or authorized to render personal services to Residents. Each Resident agrees that the Association is not responsible for any item or article left with or delivered to the Association's employees or agents on behalf of such Resident.

Residents may not use the Condominium for unlawful activities. Residents shall comply with applicable laws and regulations of the United States and of the State of Texas, and with

ordinances, rules, and regulations of The Woodlands, Texas.

10. DELIVERIES

BULK MAIL OR SMALL PACKAGE ITEMS

The Managing Agent is not permitted to accept cash, or to utilize unit keys for personal deliveries. Residents must be present or arrange for someone to be present in their Unit at the time of a delivery to a Unit

LARGE OR BULK ITEMS

Delivery hours are Monday - Friday from 8:00 A.M. to 4:00 P.M.

The Managing Agent is not permitted to accept cash, or to utilize unit keys for personal deliveries. Residents must be present or arrange for someone to be present in their Unit at the time of a delivery to a Unit. The Managing Agent must be notified 24 hours prior to deliveries, so they can schedule installation of the following: elevator pads and floor protection to the elevators and any floors used for adding or removing any items to and from said unit. Owners are responsible for any damages to common area caused during deliveries. If the common area is damaged, the Association will make the necessary repair and charge the responsible owner accordingly. Disregard of these rules will result in a fine from the Board.

11. ELECTRICITY

No one may change the electric circuitry in a Unit without prior approval of the Board. If damage occurs, repair costs will be billed to the owner

12. EMERGENCIES

Building emergencies include but are not limited to: Fire or smoke; activated smoke detector; water leak or sewer back up; medical emergency; window breakage; loss of heat or electric service; strong odor of gas, etc.

In case of emergency call 911 and be prepared to give the following information:

- The address - 1 Waterway Court, The Woodlands, TX 77380
- The name of the person needing assistance
- The person's location
- The nature of the injury
- The name and phone number of the person's doctor
- The name of anyone to be notified

13. ENFORCEMENT POLICIES

Any complaint, which alleges a violation of the Association's Declaration, By-Laws or Rules and Regulations, shall be made in writing and addressed to Managing Agent.

If a Resident violates or is otherwise liable for a violation of any of the provisions of the

Declaration, By-Laws, and/or Rules and Regulations of the Association, the following shall occur:

1. The Association shall give an owner in violation of the Governing Documents a written notice: (1) describing the violation, (2) stating the amount of the proposed fine, (3) advising the Owner that, not later than the 30th day after the date of the notice, a hearing before the Board of Directors may be requested in writing to contest the fine, and (4) allowing the Owner a reasonable time, by a specified date, to cure the violation and avoid the fine unless the Owner has previously been given notice and a reasonable opportunity to cure a similar violation within the preceding twelve months. If a request for a hearing to contest a fine is received within the specified time frame, a hearing shall be scheduled on a date and time set by the Board of Directors. The hearing shall occur within thirty days from the date of the Owner's request for a hearing. After the hearing or if the Owner fails to timely request a hearing, the Association, acting through its Board of Directors, is hereby authorized to levy fines as follows.

14. FINE SCHEDULE FOR DEED RESTRICTION VIOLATIONS:

First Violation:	Violation Notice
Per occurrence or per day as appropriate	\$100.00

This is a common condominium/loft procedure and it ensures owner compliance.

The Association shall give notice of the levied fine to an Owner as outlined in the Declaration after the Owner fails to request a hearing, or the Board of Directors reaches affirmative decision to levy a fine after the hearing. The Association, acting through its Board of Directors, is authorized at its sole discretion to impose a lesser fine or no fine at all for a violation of the Governing Documents. Any adjustment to the Fine Schedule should not be construed as a waiver of the Fine Schedule or the Governing Documents.

ILLEGAL PARKING FINE SCHEDULE

Per occurrence or per day as appropriate	\$100.00
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The Association will have any vehicle towed at the Owners expense after the second violation. The Managing Agent shall give notice of a levied fine to an Owner as outlined in the Declaration after the Owner fails to timely request a hearing, or the Board of Directors reaches an affirmative decision to levy a fine after the hearing. The Association, acting through its Board of Directors, is authorized at its sole discretion to impose a lesser fine or no fine at all for a violation of the Governing Documents. Any adjustment to the Fine Schedule should not be construed as a waiver of the Fine Schedule or the Governing Documents.

Notice is deemed to be made when deposited in the United States mail, to the owner at the Unit address, by email or to such other address, as the Owner shall have previously provided to the Board.

15. GARAGE

All parking is at Owner's risk. The Association assumes no responsibility for any damage to vehicles or property stored in vehicles.

All parking spaces are individually assigned to Owners. No Resident, guest or contractor may use another Resident's parking space without written permission of that Resident and submitted to the Management. Residents may allow temporary use of their own spaces for guests, contractors, visitors, etc.

No parking spaces may be rented to any individual who does not reside at 1 Waterway Court, The Woodlands, and TX 77380. Any leases of parking spaces to Residents of the building must be in writing and submitted to Managing Agent.

All vehicles must be parked within the lines or within an Owners deeded space. No cars may be parked in unlined areas, in driveways or in front of emergency exits.

All unauthorized or improperly parked vehicles should be reported to the Managing Agent and will be subject to towing at the Owner's expense.

Replacement and extra door opening devices will be issued at the Owner's expense.

The Association assumes no liability for personal items left in vehicles.

The speed limit in the garage is five (5) miles per hour.

No repairs, engine running or maintenance work will be allowed in the garage except the changing of a flat tire, and in case of emergencies.

Garbage and ashtrays must be emptied in the trashcans provided.

No items shall be stored in the parking space, common areas, suspended from the ceiling or pipes, or hung on the walls. No bicycles may be stored in parking spaces. No flammable or combustible items may be kept anywhere in the parking space. Common area cannot be used for personal storage of any kind.

Residents should report any door malfunctions or improper door closings and latching to the Managing Agent.

Any suspected illegal activities or suspicious persons should immediately be reported to 911.

16. HALLS AND EXTERIORS

In accordance with Fire Department Regulations, DO NOT PLACE boots, strollers or items in the hall outside your door. Under no circumstances are items to be placed in front of stairway exit doors.

Doormats in hallways distract from the appearance of the halls. Doormats are intended for outdoor use and therefore not permitted. Montgomery County Fire Marshall has notified the Board that the uses of doormats in residential hallways are not permitted as they are deemed an additional fire hazard.

The sidewalks, entrances, passages, courts, elevators, vestibules, stairways, corridors, halls, lobbies and storage area hallways must not be obstructed or encumbered or used for any purpose other than ingress or egress to and from the premises. Storage of any kind is expressly prohibited in common areas.

The roof and other areas outside of the building may not be used in any way except as designated for use.

Signs, advertisements, signals or illuminations shall not be inscribed or exposed on any window or other part of the building. Exceptions may be made for holiday lighting.

Rollerblading, bicycling and any games or other activity, which creates a nuisance, damages the common property, or disrupts the peace are prohibited in the halls, common areas, lobby, driveways and exterior common areas of the building.

17. LEASES, TENANTS AND NON-RESIDENT OWNERS

All Owners who do not reside in a Unit owned by them shall provide the Association or the Managing Agent with their permanent address and home and work telephone numbers where they may be reached in an emergency. Any expenses incurred by the Association to locate an Owner who fails to provide such information shall be assessed to that Owner's account.

Unless otherwise provided by law, Owners who fail to provide such information shall be deemed to have waived the right to receive notices at any address other than the address of their Unit. The Association shall not be liable for any loss, damage, injury or prejudice to the rights of said Owner caused by any delays in receiving notice resulting therefrom.

No Owner may lease less than the entire Unit, nor may any Unit be leased for transient or hotel purposes. No Unit may be leased for less than twelve (12) months. If the Lessee terminates the lease prior to the 12-month term, the Owner may not re-lease that unit until the original term of the lease has expired.

Every lease must be in writing and shall be subject to the provisions of the Declaration, By-Laws and Rules and Regulations of the Association.

Owners who lease their Units must provide a signed copy of the original lease to the Managing

Agent along with Resident information sheet provided by the Managing Agent, prior to the occupancy date of the Unit.

Prior to move-in, the Owners shall be responsible for providing tenants with copies of the governing documents: Declaration, Bylaws, and Rules & Regulations. You may request this packet from the Managing Agent for a fee, as may be determined by the management company from time to time.

In the event of any violation of the Declaration, Bylaws or Rules and Regulations of the Association by a tenant, the Board, in its discretion, shall determine what action(s) are necessary. When the Board, in its discretion, determines that a violation or series of violations warrant termination of the lease, the Board may take the action(s) that are necessary to terminate the lease.

Any expenses incurred by the Association related to any violations under these Rules, shall be assessed to the account of the Owner responsible.

Provisions herein that relate to the execution of new leases shall become effective upon the expiration of any lease, which is currently in effect. Owners shall provide the Association or Managing Agent with a photocopy of any existing lease prior to move-in.

When moving out of the building, Owners and tenants must return all building and garage access devices and provide the Managing Agent and Post Office with a forwarding address.

18. LOBBY

No large deliveries or residential move-in and move-outs are permitted through the lobby. Arrangements must be made with the Managing Agent for any large deliveries or move-ins.

The Board of Directors prohibits any addition to, removal from, or change of lobby furniture without prior approval.

Eating or drinking in the lobby area is prohibited, except for activities approved in advance by the Board of Directors.

The bulletin board in the first floor mailroom can be used to post information for residents. Unless authorized by the Board, no common element, lobby or elevators may be used to post:

- Advertising
- Notices
- Signs

19. MAINTENANCE

Owners, at their expense, shall maintain their Units and keep them in good repair, including the inner, finished surfaces of the Unit's perimeter walls, floors, and ceilings.

Owners are responsible for all portions of their Units including, but not limited to, fixtures,

appliances, interior doors and windows, carpeting, wall coverings, painting and all systems serving only individual Units.

Owners, at their expense, shall maintain, repair, and replace the heating and cooling equipment serving their Units and replace filters and clean drains on a regular basis.

Refrigerator water filters need to be replaced every six months or in accordance with the manufacturer's specifications and recommendations listed in the appliance manual.

For emergency service after office hours, please contact Managing Agent.

Owners will be billed for materials and services supplied for repairs that are not the Association's responsibility, as defined in the Governing Documents.

No items or objects of any type shall be stored, placed, or maintained anywhere on the general common elements, including windowsills, passageways, garage and courtyards, without the prior written consent of the Board of Directors. Items of personal property found on general common elements are deemed abandoned and will be discarded immediately.

Residents shall immediately report to the Managing Agent their discovery of any leak, break, or malfunction in any portion of their Unit or the adjacent common elements for which the Association has responsibility. The failure to report promptly a problem may be deemed negligence by Residents, who may be liable for any additional damage caused by the delay.

20. MOVE-INS AND MOVE-OUTS

Moving hours are Monday - Friday from 8:00 A.M. to 4:00 P.M. All evidence of moving, including but not limited to, moving vehicle, moving personnel, and attendant shall be gone by 4:00 P.M.

To limit the inconvenience to other Residents in the building, only one move-in or one move-out is permitted per day.

When moving furniture, either in or out of a Unit, the elevator must be reserved in advance through the Managing Agent. Elevator pads and protective floor, carpet coverings must be placed in the elevators and floors to insure no damage is done to said elevators and flooring.

A \$1,000.00 deposit for move-ins and move-outs is required, of which \$ 150.00 per day is non-refundable. This fee will provide an attendant who will monitor the Move-In/ Move Out process and the integrity of the building. If the elevator or other common areas are undamaged after the move is completed the deposit minus the daily rate will be returned.

Repairs for any damage to walls, hallways or elevators caused by a Resident's move will be charged to the Owner and may be taken out of the deposit. If the damage cost exceeds the amount of the deposit, the owner will be billed accordingly.

Moving/Storage vehicles may not block driveways. During a scheduled move, the Managing Agent must be provided with the Unit number and telephone number where the moving/storage vehicle's operator may be reached in case the moving vehicle must be moved. At no time should moving vehicles be parked on the side of the garage exit doors with parking spaces. Moving/Storage vehicles must park on the public street.

21. NOISE AND NUISANCES

No musical instrument shall be played, no audio equipment shall be operated and no vocal or instrumental practice shall be permitted at any time on the property that will disturb or annoy Residents.

No noises, including those made by pets, shall be made on the property that will disturb or annoy Residents.

Drunken, disorderly, or offensive behavior and physical or verbal abuse of any Owner, Resident guest, or staff member shall be deemed to be a nuisance and a violation of these Rules and Regulations.

Please minimize noise after 10:00 p.m. on the weekdays and 12:00 midnight on the weekends.

Floor coverings for the living room, dining room and bedrooms within Units must provide sufficient soundproofing to avoid creating any noise that will disturb adjacent Residents. A disturbing noise is defined as any noise that would yield a Field Impact Insulation Class (FIIC) value of less than 65.

22. MANAGING AGENT

The Managing Agent is on duty five (5) days a week. The Managing Agent is responsible for the management of the building.

The Managing Agent may be required to admit to the building, law enforcement officers who are duly empowered by warrant, subpoena, or court order, to have access to a Unit. In such event, the Board, Association, and Managing Agent shall not be liable for compliance with such warrant or subpoena.

Interference with the duties of a person directly or indirectly employed by the Association shall be deemed a violation of these Rules and Regulations.

23. PARKING

The Association is not responsible for parked vehicles.

The front circular drive is for guest parking, drop off or pick up, and small package delivery (Dry cleaners, UPS, FedEx) only. No commercial vehicles and or service vehicles of any kind will be allowed to park in areas deemed "Guest Parking". They may only park in permitted areas of the street or on the side of the building as such parking is only for the period of time necessary to

provide the commercial services requested by a Resident. This would include painters, carpet cleaners, electricians, cable installers, window treatment installers, domestic housekeeping, tillers or any other kind of service-oriented vehicles.

No vehicle may be parked, maintained or stored in a manner that interferes with ingress to and egress from a driveway or other portion of the property.

No vehicle may be maintained or stored on Association property so as to obstruct passage of other permitted vehicles, pedestrians, or emergency vehicles.

When an unauthorized vehicle is parked in the driveways or loading zones, the vehicle may be towed without notice to the owner.

When a vehicle is towed pursuant to these Rules and Regulations, all costs and expense incurred shall be the responsibility of the vehicle owner.

In order to tow an unauthorized car from an individually assigned parking space, the owner or authorized party must complete and sign a form directing the Managing Agent to tow the unauthorized car.

All towing shall be authorized on an individual basis only; there shall be no general authorization given to a towing company to tow unauthorized vehicles, or vehicles which are parked in violation of these Rules.

24. PETS

Residents may not keep or permit in the Condominium a pet or animal of any kind, at any time, except as permitted by these Rules and the Governing Documents.

Subject to these Rules, Residents may keep in their Unit not more than two house pets (two cats, or two dogs, or one cat and one dog). Permitted house pets include domesticated dogs, cats, caged birds, and aquarium fish. Permitted house pets also include specially trained animals that serve as physical aids to handicapped Residents, regardless of the animal's size or type.

No Resident may keep a dangerous or exotic animal, pit bull terrier, trained attack dog, or any other animal deemed by the Board of Directors to be a potential threat to the well being of people or other animals. No animal or house pet may be kept, bred, or maintained for a commercial purpose.

A permitted pet must be maintained inside the Unit, and may not be kept on patios or balconies. No pet is allowed on general common elements unless carried or leashed. No pet may be leashed to any stationary object on the common elements.

Pets shall be kept in a manner that does not disturb Residents rest or peaceful enjoyment of their Unit or the common elements. No pet shall be permitted to bark, howl, whine, screech, or make other loud noises for extended or repeated periods of time.

Residents are responsible for any property damage, injury, or disturbance their pet(s) may cause or inflict. Residents who keep a pet on the property shall be deemed to have indemnified and agreed to hold harmless the Board of Directors, the Association, and other Owners and Residents, from any loss, claim, or liability of any kind or character whatever resulting from any action of his or her pet or arising by reason of keeping or maintaining such pet on the property.

Residents are prohibited from allowing their pets to urinate or defecate anywhere on the property except in areas designated (if any) by the Board of Directors for this purpose. Residents are responsible for the removal of their pets' waste from the common elements. The Board of Directors may levy a fine against an Owner if pet waste is discovered on the common elements and attributed to an animal in the custody of that Unit's Resident.

Any Residents having control of a pet that violate these Rules shall be given written notice by the Board of Directors to correct the problem. If the problem is not corrected within the time specified in the notice (not less than 10 days), the Resident, upon written notice from the Board of Directors, may be required to remove the pet. Residents agree to permanently remove violating pets from the property within 10 days after receipt of notice from the Board of Directors.

25. PLUMBING

Residents and Owners are responsible for damage to Units beneath or adjacent to their own, caused by the overflow or leaking of drains or plumbing, which is the result of improper maintenance or use of fixtures by Owner, tenant, or guests.

Plumbing fixtures shall be used only for the purpose for which they are designed, and no sweepings, rubbish, rags, paper, ashes or other substances shall be thrown therein.

Water must not be run for any unreasonable or unnecessary length of time in the premises, nor may the water be run to humidify a Unit.

26. PROPERTY DAMAGE

An Owner, family member, guest, agent, employee, invitee, tenant or other authorized occupant or visitor of such Owner, is responsible for damages to any portion of the common elements or limited common elements or any Unit due to the act or neglect of it. Such Owner shall, upon notice and demand pursuant to enforcement procedures contained in these Rules reimburse the Association for amounts paid to repair such damage.

27. MAJOR REMODELING AND USE OF CONTRACTORS

When hiring contractors (e.g., plumbers, carpenters, painters, carpet layers,) all Owners must pay a refundable deposit delivered to the Managing Agent prior to any work commencing. The deposit check will be cashed immediately and is to ensure that all clean up has been completed and there is no damage to any of the common areas including but not limited to the, entry and exit doors through the building, elevators, garage doors, halls and or stairs.

Project Expense	Required Deposit
Up to \$24,999.99	\$1,000.00
Over \$25,000.00	\$2,500.00

An inspection of the area of the building adjacent, leading up to and along the path used by the contractors, including areas outside the building used to cut material, etc., must be completed by the managing agent prior to the deposit being refunded. It will be the owner's responsibility to schedule the inspection with the managing agent. The owner will receive a refund, less any fees needed to pay for repairs or other required services related to the alteration, within fifteen (15) days of the inspection.

28. NOTIFICATION AND CONTRACTOR RULES

The Managing Agent must be notified no less than seven (7) days in advance of contractors/workers arrival so that ground floor access and elevator use can be scheduled. All contractors must register with the Managing Agent and provide proper identification. The Managing Agent will provide specific instructions of where to set up, garage and building access times of day when work is permitted and clean up instructions.

Contractor Rules:

- No contractor vehicles are permitted in garage for any purpose.
- Contractor parking is street parking only.
- Loading and off loading is street parking only.
- The south doors of the garage elevator entrance are designated for contractor use.
- Contractors may not dispose of debris in the trash room nor pour any kind of liquids into the drains anywhere on the property. The expense for cleaning these drains or large/and or heavy debris removal will result in a fine to the homeowner in order to cover the cost to the Association.
- Building equipment or carts may NOT be used by any contractors. This equipment and carts are for the personal use of our residents, not the convenience of the contractor.
- At no time during remodeling work to a unit will liquids, powdered substances or debris be allowed to spill over on to the neighboring balconies or terraces below. Responsible parties will be held liable for the clean up of any affected property.
- Owners or their designated representative must personally admit contractors to their Units.
- Homeowners will be held responsible for any damages to the common areas caused by any person or company hired, scheduled, and or allowed onto the property by that homeowner.
- Any work, whether performed by contractors or Residents, is only permitted Monday through Friday between 8:00 a.m. and 4:00 p.m. No construction activity is allowed on Saturdays, Sundays or legal holidays except for emergency repairs. All construction debris must be removed by the Owner or contractor each day and any pads placed in the elevators and floor protection must be removed by 4:30 P.M. the same day. If work is to proceed they must re-hang the elevator pads each day work is to be performed.
- Paints, chemicals, or solvents that are a nuisance to other residents shall not be used. Remodeling or renovation of units which involves sanding, cutting, moving or removing walls or ceilings, replacement of windows or balcony doors, or any changes which could

affect the structure or common systems of the buildings (e.g., electrical, plumbing, air conditioning), must have the prior written approval of the Board of Directors.

- Plans or drawings must be submitted through the Managing Agent for approval by the Board of Directors before any work commences.
- All requirements set by law or government regulations regarding permits to be obtained and notice to be given must be met before any work commences.
- All violations of these rules are immediately assessed a fine for each violation per day.

29. RIGHT OF ENTRY

The Association may enter a Residence in case of an emergency originating in or threatening the Residence, other Residences, Common Elements or Limited Common Elements, whether or not the Owner is present at the time. This right of entry may be exercised by the Association's Manager, directors, officers, agents, and employees, and by all police officers, firefighters, and other emergency personnel in the performance of their respective duties. Also, the Association may enter a Residence to perform installations, alterations, or repairs to the mechanical, electrical, or utility services which, if not performed, would affect the use of other Residences or the Common Elements; provided that, if possible, requests for any entry shall be made in advance and at a time convenient to the Owner. In case of an emergency, the right of entry is immediate and the Association will hire a locksmith to pick the lock when necessary or possible. The owner is liable for the cost of repairs to the Residence or Common Elements caused by the Association's chosen method of access under such circumstances

30. SMOKE DETECTORS

Owners must install operating smoke detectors outside every sleeping area and kitchen. Basic requirements are:

1. Test smoke detectors monthly and replace batteries as required
2. Vacuum the vents in the detector at least once a year
3. Do not install smoke detectors in front of an air conditioner vent that could blow away the smoke before the detector can sound the alarm.
4. **Do not disconnect** your smoke alarm if it is sounding. It is directly connected to the panels, elevators and emergency systems for the entire building.

31. SOLICITATIONS & ADVERTISEMENTS

Soliciting, advertising and peddling on Association property are prohibited. The distribution of advertising materials within the building is prohibited. Distribution of printed material to Units is permitted only with the prior written permission of the Board or Managing Agent.

32. STORAGE ROOMS

Vacant storage rooms may not be used without the permission of the Owner to whom the room is assigned.

The Association is not liable or responsible for the contents of any storage room.

All items must be stored within the room. Items not within the room will be removed.

No flammable or combustible liquids may be stored in any room.

No food, pets, or live plants are allowed.

Residents must provide and maintain their own lock.

33. SUGGESTIONS AND COMPLAINTS

Suggestions and complaints on building operations should be submitted in writing to the Managing Agent. Please include your name and unit number.

34. SWIMMING POOL & SPA

The swimming pool and spa hours are 7:00 a.m. to 10:00 p.m. Monday through Thursday, and midnight on Fridays and weekends.

There is no lifeguard at the Waterway Lofts swimming pool and all swimmers SWIM AT THEIR OWN RISK. The Association is not liable for any injury, theft, or damage to persons or property in the pool area. For your own safety, do not swim alone.

In order to maintain a safe and healthy environment in which to swim, owners should observe the Swimming Pool Safety Rules and Regulations, and the following guidelines:

- A Resident must accompany guests.
- Appropriate swimming attire should be worn when using the pool and when going to and from the pool area.
- Beverages and food may be consumed in the pool area, but no glass of any kind should be brought into the pool area.
- No furniture is to be removed from the pool area Owners and guests are responsible to clean up and restore the pool furniture to its original placement.
- A responsible adult should accompany children under 16 years of age.
- Infants in diapers and those not toilet trained must wear rubber pants or a swim diaper in the pool.
- Radios, tape players, and similar devices should be kept at an acceptable noise level so as not to disturb others.
- Special use of the pool and patio requires written approval from the Board.

35. TRASH

Residents' cooperation is necessary in keeping all public areas clean, particularly the stairwells, and the trash room located in the garage. Garbage must be carefully wrapped and deposited in the refuse containers provided in the garage. If spills occur, please clean them up. For carpet spills, please contact the Managing Agent immediately. No disposal of any construction materials may be left in the trash room by homeowners or contractors.

Combustible materials, grease, and liquid materials should never be put in the trashcans. Never leave trash/debris on the floor outside of the trash room. This is a fire hazard. All boxes must be broken down and placed in the trash receptacles (including pizza boxes).

All garbage, trash, refuse and disassembled paper cartons from Units shall be wrapped in a plastic or plastic-lined bag and placed in the trash receptacles located in the garage. Food waste and wet garbage shall be deposited in the Unit garbage disposal appliance rather than in the trash containers whenever possible. Owners and Residents with cartons or other items not suitable for the trash receptacles should call the Managing Agent for assistance. No debris or supplies are to be left in the lobby or common hallways or outside the front entrance.

Never place trash that blocks the exits to stairwells.

36. USE AND OCCUPANCY RESTRICTIONS

All Owners and Residents are required to complete an Owner/Resident information form and return it to the Managing Agent within 30 days of occupancy.

Residents shall maintain their Units in a safe, clean and sanitary condition, and shall not permit such Unit or the limited common elements appurtenant thereto to become a public or private nuisance.

Each Unit must be used solely for Residential use, and may not be used for commercial or business purposes except for home professional pursuits. This restriction shall not prohibit Residents from using their Unit for personal business or professional pursuits, provided that: (i) such use is incidental to the Unit's Residential use; (ii) such use conforms to all applicable laws and ordinances; (iii) external evidence of such use does not become recurring or extensive; and (iv) except as otherwise provided herein, such use does not involve visits to the Unit by the public, employees, suppliers, or clients.

In accordance with familial status under fair housing law, no Unit may be occupied by more than two persons per bedroom.

Residents may not keep or do anything within any Unit, common element or limited common element of the property that may be calculated to reduce the desirability of the Condominium as a residential community.

No person 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. Owners must provide satisfactory proof of the ages and relationships among the occupants of such Owner's Unit upon request of the Association.

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 may not occupy units.

37. UTILITIES

Residents are responsible for arranging telephone, electricity and premium bulk cable services. Units are separately metered for electricity. Water is provided by the Association and is included in the monthly assessment.

38. WATERBEDS/HOT TUBS/AQUARIUMS

Waterbeds, hot tubs, or aquariums have the potential for extensive damage to Units and common areas from leaks, breakage, and/or excessive weight. Waterbeds, hot tubs, or aquariums that contain above 25 gallons are not permitted. This rule applies to floors two (2) through six (6).

39. WATER LEAKS/OVERFLOWS

Owners are responsible for water damage to common elements and adjoining Units which originates from their Unit, including leaks or overflows of sinks, tubs, showers, shower pans, toilets, dishwashers, and clothes washers. In case of continuous water overflow, Residents should immediately turn off water in the unit and turn the shut-off valves, e.g. behind the toilet or under the sink, to the "off" position.

40. WATER SHUT-OFF

Except in case of an emergency, Residents may not interfere with or interrupt the building's water lines, including water lines to an individual Unit, without the prior knowledge and consent of the Association. Residents requiring a water cut-off for remodeling must request in advance through the Association's Managing Agent. The Association's plumbing contractor will perform all work relating to shutting off the building's water supply and Residents requesting the shut-off will be responsible for reimbursing the Association.

41. WINDOWS AND DOORS

The front doors of Units must conform to the building standard unless otherwise approved in advance by the Board of Directors. No awnings, shades or shutters shall be erected over and/or outside any windows, patios and/or balconies appurtenant to any Unit, and no exterior doors shall be removed, replaced or changed in any way, without the prior written consent of the Board of Directors. All window treatments visible from the exterior of the Unit shall be neutral in color. Under no circumstance shall a homeowner attach, install or place any window coverings, drapes, blinds, shutters or any other structure visible from the outside of the building that is in the Managements' and or the Board of Directors' opinion detracts from the uniform appearance of the Condominium. This includes colorful and or patterned window treatments including any visible pictures, motifs or any other pattern that, when viewed from outside of the building, does

not appear solid in color. (Window treatments include: drapes or any kind of fabric window treatments, shutters, blinds or any treatments designed to cover, partially or entirely, the windows that are visible from the outside of the building.) Nothing shall be placed on the outside of windowsills or projections, or upon any patio railings, without the prior written consent of the Board of Directors. Nothing shall be thrown or swept out of any windows or doors, and no mops, brooms, dusters, rugs or bedding shall be shaken or beaten from any windows or doors, or any portion of the common elements. No screen or storm doors or windows shall be installed within any existing door or window openings that form part of the common elements. If applicable, window mullions -- the strips that divide a glass into smaller panes -- may not be removed. Owners may not alter the color or appearance of the glass surfaces in Unit windows from the building standard.

Residents may install window treatments inside their Units, at their sole expense, provided:

1. Any window treatment, including drapes, blinds, shades, or shutters, must be neutral when viewed outside the Unit;
2. Aluminum foil and reflective window treatments are expressly prohibited; and
3. Window treatments must be maintained in good condition, and must be removed or replaced if they become stained, torn, damaged, or otherwise unsightly in the opinion of the Board of Directors.

Owners, at their sole cost and expense, shall promptly repair and replace any broken or cracked glass in their Unit's windows and doors.

42. ADENDUM TO THE RULES AND REGUALTIONS

This is an addendum to the Governing Documents, Bylaws and Rules and is effective upon receipt of said Addendum of the Rules and Regulations with the County Clerk recordation.

RECORDING MEMORANDUM:
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All black-outs, additions and changes were present at the time the instrument was filed and recorded.

FILED FOR RECORD

07 FEB 12 AM 11:03

Mark Turnbull
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in File Number Sequence on the date and at the time stamped herein by me and was duly RECORDED in the Official Public Records of Real Property at Montgomery County, Texas.

FEB 12 2007



Mark Turnbull
County Clerk
Montgomery County, Texas