

1. Statement of Purpose:

1.1 - The role of a Condominium Association, of which every owner is a member, is not only to own and manage the open space¹ but also to conserve and enhance the resources of the entire community. The Association accomplishes these functions in a variety of ways; one of which is establishing reasonable Rules and Regulations as stated in Article VI of the Bylaws. The Association, through the Board of Directors, also has the power to establish committees, like the Architectural Review Board, and the responsibility of enforcing all of the Association's Documents as stated in the Bylaws, Article VIII.

1.2 - The following Rules and Regulations have been established to assure pleasant and harmonious living for all residents and their guests. They are based on and are supplementary to the Declaration and the Bylaws of the Association. It is the responsibility of each resident within the community to become familiar with the Rules and to abide by same. The cooperation of each resident is needed to maintain property values and provide peaceful enjoyment for each resident.

1.3 - All underlined sentences are contained in the Use Restrictions beginning on Page 13 of the Declaration and may not be changed without 67% of votes of the entire Association. All additional sentences were adopted by the Association's Board of Directors as a part of the Rules and Regulations. These additional Rules and Regulations may be changed at any time by the Board of Directors.

1.4 – Order of Precedence – In the event of a conflict between the text of this document, By-Laws, and Declaration the text of the By-Laws and Declaration takes precedence.

2. ENFORCEMENT PROCEDURES

2.1 - REPORTING VIOLATIONS - Complaints concerning violations of the Rules and Regulations or any provisions of the Association's Declaration and Bylaws by an owner or occupant must be submitted, in writing, to the Executive Board or Management Company, signed by the unit owner or occupant. The complaint must be in sufficient detail to determine whether a violation has occurred.

2.2 - INVESTIGATION - A member of the Executive Board, committee member or representative of the Management Company shall investigate the complaint to determine whether there is reasonable cause to believe that a violation has occurred.

2.3 - VIOLATION NOTICE - The Association will send a written notice describing the violation to the owner and/or tenant and instruct them to correct the violation within a maximum of ten (10) days. The written notice shall also contain a provision of a hearing. If a violation is not corrected within ten (10) days, a second notice will again inform the owner and/or tenant of the violation, the action required to correct, the date of the proposed hearing, if requested by an owner and/or tenant and the fine or other penalties which the Executive Board assessed.

2.4 - HEARING - All Association owners and tenants shall have the right to a hearing, which could either be conducted by a committee, responsible for Rules and Regulations enforcement, or by the Executive Board. The date, time, and place of the hearing will be established by the committee or Board. If a hearing is conducted by a committee, the owner or tenant may appeal the committee's decision to the Executive Board. Any decision made by the Executive Board

is final.

2.5 - FINES & PENALTIES - If an owner or tenant does not comply with the initial ten (10) days' notice, the Executive Board may, commencing the eleventh day, impose penalties and/or fines. The penalties could include loss of Association privileges. Depending upon the seriousness of the violation, the fine could either be enacted for each incident or a fine charged each day the violation remains uncorrected. The Executive Board has full authority in establishing the amount of fines and loss of privilege penalties. The amount assessed is due upon receipt of the notice.

2.6 - NON-COMPLIANCE - In the event that an owner or tenant does not comply with the violation notice, and/or does not pay the amount assessed by the Association, the Executive Board may file legal action against the owner for collection of the fines and compliance with the Association's Declaration, Bylaws and Rules and Regulations. Any expense associated with legal action and collection of fines assessed, including court costs, attorney fees, etc., which may be incurred by the Association, shall be added to the complaint and become the responsibility of the owner to pay. If a judgement awarded by the Court remains unpaid, the Executive Board may place a lien for the amount of the judgement, plus costs, against the owner's property

3. Fining System

3.1 - The Executive Board of the Walnut Bank Farm Condominium Association has adopted the following "Fining System":

3.1.1 - Any person(s) reported violating the Declaration, Bylaws or any Rules and Regulations established for the Walnut Bank Farm Condominium Association will be subject to the following fining procedure:

3.2 - The Executive Board or Managing Agent will notify the unit owner(s) of the violation or violations in writing.

3.3 - The unit owner will be given a maximum of ten (10) days to correct or abate the situation. Copy will be sent to tenant, if applicable.

3.4 - If the violation is not corrected within said number of days, the Executive Board will impose the following fines:

3.4.1 - First Offense - \$25.00 Initial, \$5.00 per day until corrected

3.4.2 - Second Offense - \$50.00

3.4.3 - This will be sent in writing by Certified Mail, return receipt requested, to the unit owner.

3.5 - The Association reserves the right to amend the above fines at any time, without notice. Such amendments shall immediately become binding upon all owners and occupants.

4. General

4.1 - All units shall be for residential purposes only.

4.2 - A resident of any unit shall not carry on, or permit to be carried on, any practice which unreasonably interferes with the quiet enjoyment of another unit or the common elements.

4.3 - All sidewalks and walkways throughout the property shall be used for pedestrian traffic only.

4.4 - Nothing shall be done or kept in or on the common elements or limited common elements which will cause the cancellation of or increase the premium rate of insurance of any unit or building or the contents thereof beyond the rate applicable for condominium units.

4.5 - Unit owners or occupants shall not use or permit to be brought into or onto the common elements or limited common elements any flammable material, such as but not limited to gasoline, kerosene, explosives, fireworks, or any other article deemed hazardous to life, limb or property.

4.6 - Nothing shall be done in the unit or on the common elements or limited common elements so as to permit or create any noises that will unreasonably disturb or annoy the occupants of other units or unreasonably interfere with the rights, comfort or convenience of any unit owner/occupant (i.e., including, but not limited to, running on the stairs, slamming front doors, playing loud music, etc.). All cooking equipment shall be used in such a way as to prevent noxious odors from permeating other units.

4.7 - Unit owners/occupants shall not plant, place, prune, or remove trees or shrubs in or on the common elements. Unit owners are permitted to plant and maintain annual flowers in the existing beds. At full growth, the flowers may not be more than two feet high. Each resident is responsible for maintaining the flowers they plant. This includes weeding and removal of the dead flowers in the fall. More extensive landscaping requires the written permission of the Executive Board. No vegetable gardens are allowed on any part of the common ground.

4.8 - Unit owners/occupants are responsible for the actions of themselves and their tenants, guests, invitees, or licensees, and are subject to penalties resulting from Non-compliance of the Rules and Regulations. Parents or guardians shall be held responsible for the actions of their minor children and their children's guests. Any damage caused to any portion of the common elements shall be repaired by the Condominium Association at the expense of such unit owner.

4.9 - Holiday lights and decorations must be removed within thirty (30) days of the end of the holiday.

5. VEHICLES AND PARKING

5.1 - Parking areas on the property shall be used for currently licensed, registered, and insured, state-inspected and operational four (4) wheel passenger vehicles only.

5.2 - Recreational vehicles such as, but not limited to, mobile homes, trailers, and boats are not permitted on the property.

5.3 - Vehicles must be parked perpendicular to the curb in the designated parking areas. Parking parallel to the curbs or islands is prohibited.

5.4 - Motorcycles which are licensed and registered may be parked upon the property, but only on the paved parking area. No dirt bikes are allowed.

5.5 - Parking is not permitted on the streets except in such parking areas established for the property.

5.6 - Major repairs shall not be performed on any vehicles on the property. Vehicles are not to be in disrepair or positioned on blocks, lifts or jacks overnight.

5.7 - Parking in undesignated areas or driving or parking on the lawn areas is prohibited.

5.8 - Any vehicle in violation will be towed at the expense of the unit owner. Local police will be requested to enforce all motor vehicle laws, rules and regulations, speed limits and stop signs.

5.9 – Assigned Parking Space Amendment 25 March 2009

5.9.1 – Each unit has one (1) assigned parking space, which is indicated by the corresponding unit number on the space.

5.9.2 – All non-numbered spots are for additional vehicles and guests.

5.9.3 – Any owner or guest who is parked in a numbered space that does not belong to them is subject to towing.

5.9.4 – All towing will be at the owner's expense

6. PETS

6.1 - No animal of any kind shall be kept or bred in any unit except one (1) domesticated dog or two (2) domesticated house cats.

6.2 - When outside, pets must be leashed and attended by a responsible person at all times. Pets are not permitted to run loose or uncontrolled on the common elements.

6.3 - Pet owners are responsible for the immediate clean-up of any waste left by pets on the common elements or any other part of the property. Immediate means prompt removal. Daily or weekly clean ups are not acceptable.

6.5 - Pets are not to be tethered to any part of a unit, tree or any other part of the common or limited common elements or to a stake placed in the common area.

6.6 - Pets are not permitted to disturb other residents or guests at any time.

6.7 - Pet owners are responsible for any property damage, injury, or disturbance caused by their pets.

6.8 - The Executive Board reserves the right to direct the removal of any pet if it proves to be a danger or nuisance to the community.

6.9 - Nothing in the aforesaid rules shall be read to prohibit the use of licensed Seeing Eye dogs.

6.10 – Fine Policy for Pet Violation Amendment 5 August 2015

6.10.1 - Any owner or resident in violation of the pet policy, specifically housing more than one (1) dog and two (2) cats, will have thirty days to come into compliance.

6.10.2 - If compliance is not reached, a \$75 weekly fine per additional pet will be assessed to the owner's account until additional pets are removed from the home.

7. ADDITIONS AND ALTERATIONS

7.1 - Interior Alterations - No unit owner may make or permit any addition, alteration, or improvement in or to their unit which would adversely affect the structural integrity of the unit/building without the prior written approval of the Executive Board. A contractor's certificate of insurance is required for any work performed.

7.2 - Exterior Alterations - Nothing shall be built, caused to be built or done in or to any dwelling unit which would alter or cause any alteration to the common elements of the condominium or the exterior appearance of the dwelling unit, including and without limitation to, exterior antennae, clotheslines, and attic fans.

7.3 - Storm Doors - Allowed, provided they are 100% "White" in color and have a kick-plate no higher than 12” from the ground surface. Doors can also be bought with a mullion. No designs are permitted on either the doors or the kick plates. No other storm/screen door or color will be permitted. You can also use any supplier, as long as their product conforms to the Associations guidelines. See Illustration 301.

7.4 – Step Railings – Allowed on Prairie Court.

7.4.1 - Please note it is the homeowner’s responsibility to hire a contractor and to have the railing installed safely and to association specifications. All of this is at your own risk. If you need the railing installed it is up to you to decide who you want to do the work. It needs to be a licensed and insured contractor. The contractor needs to submit a sketch to Continental Property Management for approval prior to work being done. Please contact the property manager, Leslie Payne at 215-443-1550 for information on where to send the sketch and to get final approval

7.4.2 - The step hand railing must be the same railing material as the rest of the porch and proportional in dimension It can be purchased at Shelly's in Souderton. You or your contractor can call Kent Kraus at 215-723-4304 to order. The railing is made by Endurance Rails, and the design is the square baluster in white.

7.4.3 - The step hand railing must extend from the existing pillar to form an "L" shape, and then proceed down the steps. The railing is only allowed to be installed on the inner side of the steps. See Illustration 304 Step Railing Specifications

8. TRASH

8.1 - Trash collection is provided for by the Association. Trash shall not be placed at the curb no earlier than dusk the evening before a scheduled pick up day. Any empty containers shall be removed promptly after collection.

8.2 - No portion of the property shall be used or maintained as a dumping ground for rubbish, trash, new or used lumber or wood, metal scrap, garbage or other waste.

8.3 - All trash must be bagged and securely tied or in containers with closed lids.

8.4 - If trash is disturbed by animals, pets, or wind, it is the unit owner's responsibility to clean up the area.

8.5 - Construction dumpsters are to be used for construction trash deposited by members of the developer. No residents may use these dumpsters for their personal use.

8.6 - Trash Earlier Than Dusk Penalty Amendment 20 July 2011

8.6.1 - Trash shall not be placed at the curb for pick-up any earlier than dusk the evening before a scheduled pick-up day.

8.6.2 - Any resident identified as placing their trash out early, will be fined \$100.

9. COMMON AREAS

9.1 - Only exterior patio or deck furniture and flower planters shall be stored on a patio, deck, or balcony. Patios, decks, and balconies shall not be used for storage except as permitted by a rule or regulation adopted by the Executive Board.

9.1.1 - The following two containers have been approved by the Board of Directors to store such items as trash, gardening tools, etc., on your deck, patio or front porch. 1. "SunCast Storage Seat" 22"W x 24" L x 17 ½" D in Taupe. 2. "SunCast Deck Box" 22"H x 41"W x 21"D in Taupe. See Illustration 302 Deck, Porch, and Patio Storage Container Specifications.

9.1.2 - Residents must purchase the proper color and only one per unit will be permitted.

9.1.3 - Lid must be properly secured and in a closed position at all times.

9.1.4 - Enough space between the siding and the storage unit must be maintained for air-flow to reduce mold on siding.

9.1.5 - The container can be purchased at Home Depot, Lowe's, Sears or a similar type of store. You may also purchase the container at www.sunCast.com

9.2 - Unit owners or occupants may not obstruct the common elements in any way. Unit owners may not store anything in or on the common elements without the prior consent of the Executive Board.

9.3 - Children's toys, bicycles, and other belongings shall not obstruct walkways and entranceways and shall be put away when not in use. Portable children's swimming pools are allowed, as long as they are taken in at night.

9.4 - Unit owners or occupants are not permitted to repair damage to the exteriors of the buildings or common elements. If there is a need for repair or maintenance to these items, it should be reported promptly to the Executive Board or Management Company.

9.5 - Firewood may be neatly stacked on decks and patios. Stacks should be no larger than three feet high by three feet wide. Storage devices are allowed. Outside storage of wood and storage devices are not allowed between Memorial Day and Labor Day.

9.6 – Satellite dishes not exceeding one meter in diameter may be erected or maintained in accordance with the regulations of the Federal Communications Commission. Satellite dishes may not be erected or maintained on the common areas, but may be erected or maintained on a limited common area associated with a unit.

9.7 – Common Area Water Use Guidelines 15 Nov 2010. The Association installed water spigots in the meter room of each building for Association use, as well as homeowner use for certain maintenance items.

9.7.1 - Residents may use the water for the following needs:

9.7.1.1 - Power washing decks and/or patios

9.7.1.2 - Cleaning dirt and debris from exterior heat pumps

9.7.2 Any other maintenance items will be reviewed on a case by case basis by the Board of Directors.

9.7.3 - If you require access to the water spigots, please contact the management company. You must give at least one week's notice, so that we can schedule someone to unlock the meter room door.

10. UNIT MAINTENANCE

10.1 - Each unit shall be maintained by its owner and occupied in a safe, clean and sanitary manner and condition, in good order and repair, in accordance with all applicable restrictions, conditions, ordinances, codes and any rules or regulations as may be applicable hereunder or under the Law.

10.2 - Each unit owner shall provide for the periodic cleaning of any chimney and flue of such owner's fireplace in order to prevent the possibility of fire or smoke damage.

10.3 - Carpeting shall be maintained on and shall cover all floor areas of a second floor or upper unit except, (I) entrance foyers; (II) kitchens; (III) utility rooms; and (IV) bathrooms. This provision is intended to prohibit any hard surface flooring, whether or not covered by carpeting, in any area which, by the terms of this paragraph, must be and remain carpeted.

10.4 - Draperies, blinds, curtains or other window coverings must be installed by each unit owner/occupant on all windows of the unit and must be maintained in said windows at all times.

10.5 - Waterbeds shall not be maintained or placed in any second floor unit.

10.6 – Dryer Vent and Fireplace Cleaning Amendment 28 April 2010

10.6.1 – Each unit must have their dryer vent cleaned by a licensed professional every three (3) years and submit proof to the Association

10.6.2 – Each unit, where applicable, must have their fireplace cleaned by a licensed professional every three (3) years.

10.7 – Wood Deck Repair, Staining, and Replacement

10.7.1 – Approved Wood Deck Stain Colors: LOWE'S: Cabot - Semi-solid decking stain; Color: New Cedar, CS563 Olympic - Semi-transparent: Color: Caramel; HOME DEPOT: Behr's - Semi-transparent, Color: Cedar, DP-39; TREX Composite Decking Approved Color: Saddle with Wood Grain Showing.

10.7.1.1 – White Decking is not approved.

11. SIGNS

11.1 - Except for a single non-illuminated unit number sign at the entrance to a dwelling unit, no sign may be created on or in a dwelling unit or any limited common element assigned or appurtenant thereto, which is visible from the outside of the dwelling unit or in the common elements, without the prior written approval of the Executive Board.

11.2 - No sign of any kind shall be erected or placed by any unit owner or occupant on the common elements.

12. PERMITTED USES

12.1 - In accordance with the present zoning of the property, the only permitted use of a dwelling unit is as a residence. No commercial, industrial, recreational or professional activity not permitted by the present zoning, other applicable laws and ordinances and any rules or regulations shall be carried on in any unit at any time. The unit may not be occupied by more persons than the maximum permitted by law for such dwelling units.

12.2 – Pre-Settlement Unit Inspection Amendment 1 December 2010

12.2.1 - A visual inspection must be completed for every unit prior to settlement to ensure that there are no obvious rule infractions. The inspection will look at, but not be limited to, the following:

12.2.1.1 - The flooring in the unit is in compliance with the Association's Declaration, Article VIII, Section 8.2(n), page 15.

12.2.1.2 - No access to the common area above the units in Buildings A through K has been made, i.e. access panel or pull-down stairs. These areas were not designed to be load bearing and therefore not to be used for an owner's personal use. Accessing this space could cause structural damage. In Buildings L-Z, the access panel that was installed by the developer has not been modified in any way. The panel is for emergency access to the common space above the second floor and not for storage of any kind.

12.2.1.3 - Visual inspection of deck and patio for obvious needed repairs.

12.2.1.4 - The Association must be allowed a minimum of one week's notice to perform an inspection of the property. Inspections will not be conducted on Saturday or Sunday. Do not wait

until the day before settlement to contact the Association, as this may delay the actual settlement.

12.2.1.5 - The inspection will be conducted by a member of management and, if available, a Board member.

12.2.1.6 - This notice is now included with every resale package required of the Association in an effort to notify the potential buyers to be aware of this concern. Should a settlement proceed without notifying the Association and therefore without an inspection, the new buyer will be held accountable for any restorations needs and all costs, including the re-inspection.

12.2.1.7 - The purpose of this procedure is to promote the safety of all residents in the Association and compliance with the Association's documents.

12.3 - Fine Policy for Investor Ratio Limit Violation Amendment 11 Nov 2015

12.3.1 - Any new owner in violation of Article XVIII, Section 18.1 regarding the leasing of units and the owner-occupant ratio cap of 35%, will be assessed a \$1,000 monthly fine, until that unit is resold or the owner comes into compliance by making the unit their primary residence.

13. GRILL USE AND REGULATIONS

13.1 - Gas and Charcoal Grills only, no wood burning devices or smokers allowed

13.2 - Quantity - One grilling device per residence may be stored on porch, patio or deck.

13.3 - Grill Dimensions: Grill must be less than 50 inches tall from floor to highest point
Reminder: Grill must be able to be stored safely on your porch, patio or deck, and moved to and from your porch, patio, or deck by you to the approved cooking areas. Do not purchase something you cannot transport

13.4 - Storage and Covers: Grills must be stored and covered on owner's porch, patio, or deck, when safely cooled and not in use. Grill covers must be black in color and be an actual grill cover, (tarps, sheets etc. are not approved grill covers). The board reserves the right to deny any cover if it is deemed unsuitable by a majority of the board. Grills under 30 inches tall are exempt from having to be covered when not in use but it is highly recommended, optional grill cover must be black in color.

13.5 - Acceptable Storage Areas: Building A through K is Patio and Deck only.
Building L through Z is Porches

13.6 - Grills may only be operated by an adult and must be supervised by an adult at all times when in use.

13.7 - Grills must have the owner's house number somewhere on the grill, either permanent marker, paint or a weather resistant tag of some kind. The address must be easily readable without having to move or open the grill. The lettering for the address must be somewhat permanent and not wash away easily in normal weather conditions.

13.8 - Grills must be moved to an approved area when in use, and returned to porch, patio or deck in no more than 6 hours' time after grilling. Please ensure your grill is safely cooled off prior to moving it

13.9 - All use must adhere to local Fire Code for Grill and Open Flame use. Please ensure that you comply.

13.10 - Grills must be turned off and knob to gas tank set to "CLOSED or OFF position" when not in use.

13.11 - Grills that are equipped to hold an oil drip can or catch must have one properly attached at all times when in use to prevent oil drippings.

13.12 - Charcoal ash or other grill debris must be disposed of by the owner in a safe manner, in such a way not to cause a hazard or a potential hazard

13.13 - It is recommended a fire extinguisher of some kind is close at hand when grill is in use.

13.14 - Approved Grilling Areas

13.14.1 - Any Grass area that is no less than 10 feet away from all combustible siding and materials and in accordance with local fire laws. A grill may not be placed in such a way that it blocks or impedes any resident's reasonable path to and from their residence or vehicle. The WBFCFA board holds the right to later restrict areas for grilling as time progresses if reasonable complaints are received by others or a safety hazard or public nuisance is discovered.

13.14.2 - Grilling is NOT permitted on Common Cement areas (i.e. walkways and steps) due to possible staining from oil drips also any other area in violation of local fire codes is strictly prohibited.

13.15 - Violations and Responsibility

13.15.1 - Fines will be assessed as normal if credible violations are reported. If there are 3 or more credible violations or 1 or more violations that a majority of the board of directors deems a serious violation and/or a potential hazard in the time span of one calendar year (1 January to 31 December) The Association Board reserves the right to review the situation and possibly take away grill use and storage privileges from the violator and their entire residence.

13.15.2 - Walnut Bank Farm Condominium Association (WBFCFA) and its board members will not be responsible for lost, stolen or damaged property, including but not limited to the actual grill, in conjunction with the use, storage, or transportation of said grill. Use and store Grills at your own risk. Ensure that when moving, storing or using grills you do so in a safe manner. Above all else use common sense and show courtesy to your neighbors when using your grill. Local fire laws will take precedence over any and all rules that are placed herein by the association as far as use of said grills and disposal of grilling debris.

13.15.3 - Above all else use common sense and show courtesy to your neighbors when using your grill. Local fire laws will take precedence over any and all rules that are placed herein by the association as far as use of said grills and disposal of grilling debris.

