

RULES AND REGULATIONS
OF
OCEAN GROVE CONDOMINIUM OWNERS' ASSOCIATION

These Rules and Regulations (the "Rules") have been adopted by the **Ocean Grove Condominium Owners' Association**, a Texas nonprofit corporation (the "Association"), in accordance with the provisions of the **Bylaws of Ocean Grove Condominium Owners' Association** (the "Bylaws").

These Rules shall apply to all Units, Unit Owners, Common and Limited Common Elements contained within in **Ocean Grove, a Condominium** ("Ocean Grove"), as defined in the **Declaration of Ocean Grove, a Condominium** (the "Declaration"), as recorded in the Real Property Records of Galveston County, Texas. By purchasing a Unit in Ocean Grove, each Unit Owner agrees to abide by these Rules as well as those obligations provided in the Declaration and the Bylaws for Ocean Grove.

Words and phrases defined in the Declaration or Bylaws shall have the same meaning when used in these Rules, unless otherwise noted. In the event of a conflict among the Governing Instruments (as defined in the Declaration), the hierarchy of authority shall be as follows: the Declaration (highest), the Bylaws and these Rules (lowest).

A. COMPLIANCE

A-1 Governing Instruments. Each Unit Owner shall comply with the provisions of these Rules and all Governing Instruments of the Project, in addition to such other rules, policies and regulations as may be adopted, from time to time, by the Association pursuant to the Bylaws. In addition, each Unit Owner shall be responsible for compliance with the Governing Instruments by any family members, guests, invitees, tenants, subtenants, agents, employees or contractors of the Unit Owner (collectively "Occupants"). The term "Unit Owner" shall apply equally to co-owners, who shall be jointly and severally responsible for compliance with the Governing Instruments with respect to such Unit.

A-2 Waiver. Certain circumstances may, from time to time, warrant waiver or variance from these Rules. In such case, the Unit Owner must make written application to the Board of Directors of the Association (the "Board") setting forth the waiver or variance requested, as well as a detailed description of the circumstances necessitating the request for such accommodation.

A-3 Exigent Circumstances. Notwithstanding anything contained herein to the contrary, the Board and the Officers of the Association shall be entitled, in the event of an emergency, to take any such action as is reasonably necessary for the preservation and protection of the Units, the Property, the Project, and the life health and safety of all or any of the Unit Owners or other persons on or near the Project.

A-4 Complaints. Complaints regarding the service of the Project or violations of the Rules or Governing Instruments by other Unit Owners, shall be made in writing, to the Association.

B. OBLIGATIONS OF UNIT OWNERS

B-1 Safety. Each Unit Owner shall be responsible for his or her own safety and for the safety, well-being and supervision of his or her guests or other persons within the Project to whom the Unit Owner owes a duty of care, control or custody.

B-2 Damage. Each Unit Owner shall be responsible for loss or damage to his or her Unit, his or her own personal property contained within the Project, other Units and property contained therein, or to the Common Elements or Limited Common Elements, to the extent that such loss or damage is caused by the Unit Owner or any Occupants for who the Unit Owner is responsible.

B-3 Personal Property. Each Unit Owner is solely responsible for insuring his or her personal property in the Unit and within the Project, including furnishings, automobiles and any items kept in storage areas. **The Association urges Unit Owners to purchase policies of insurance covering these items.**

C. USE AND MAINTENANCE OF UNITS

C-1 Residential Use. Each Unit must be used solely for residential purposes, and may not be used for any commercial or business purpose except for home office or other pursuits

which are non-disruptive to other Unit Owners and which conform to all applicable laws and ordinances.

C-2 Maintenance. Each Unit Owner shall, at his or her own cost and expense, maintain their respective Unit and shall endeavor to keep it in good repair, including the inner finished surfaces of the Unit's perimeter walls, floors and ceilings.

C-3 Balconies. Each Unit Owner and Occupant shall keep his or her balcony in a good state of cleanliness, taking care that any cleaning does not annoy or inconvenience other Unit Owners and Occupants. No part of a balcony may be enclosed or used for storage purposes. No grilling or other outdoor cooking shall be permitted on any balcony.

C-4 Air Conditioning and Heating Equipment. Each Unit Owner, at his or her sole cost and expense, shall maintain, repair and replace the heating and cooling equipment serving his or her Unit, including such periodic maintenance as may be required to keep the systems in good working order and including regular replacement of filters located within the Unit.

C-5 Combustibles. No Unit Owner or Occupant shall at any time bring into or keep in the Unit any flammable, combustible, or explosive fluid, material, chemical, or other substance, except for normal household use.

C-6 Window Treatments. A Unit Owner may install window treatments inside the Unit provided that:

- a. aluminum foil, reflective window treatments, sheets and blankets are expressly prohibited for such purposes;
- b. the exterior of any such window treatments must be neutral in color and not detract from the exterior appearance of the Project; and
- c. all window treatments shall be maintained in good condition.

C-7 Pets. No bird, reptile, or animal shall be permitted, kept, or harbored in the Project, unless the bird, reptile, or animal shall be expressly permitted in writing by the Board. Consent, if given, shall be revocable by the Board, in its sole discretion, at any time. In no event shall any bird, reptile, or animal be permitted in any of the public portions of the Project, including

the Common Elements, unless carried or on a leash, or in any grass or garden plot under any condition.

D. USE AND MAINTENANCE OF COMMON ELEMENTS

D-1 Obstructions. The Common Elements, including but not limited to sidewalks, entrances, passages, courts, public halls, elevators, vestibules, corridors, and stairways of the Project, shall not be obstructed or used for any other purpose than ingress to and egress from the Units in the Project. Fire exits shall not be obstructed in any manner.

D-2 Signs and Exterior Attachments. No awning or radio or television aerial shall be attached to or hung from the exterior of the Project and no sign, notice, advertisement, or illumination shall be inscribed or exposed on or at any window or other part of the Project without the prior written approval of the Board.

D-3 Prohibited Acts. No person may:

- a. Hang, shake or otherwise display linens, clothing, towels, rugs bedding or other similar items, on or from any window, door, balcony or passageway.
- b. Place decorations on the Common Elements.
- c. Plant or place live flowers or plants on the Common Elements.
- d. Take commercial photographs, including motion pictures or videos, of the Project without the prior written consent of the Board.
- e. enter on or attempt to enter on the roof of the Project.

E. SWIMMING POOL

E-1 Use. All persons using the swimming pool do so at their own risk. The Association is not responsible for accidents, injuries or loss. There is no lifeguard on duty. There is always a risk of personal injury when using the swimming pool, the pool deck and/or the surrounding area. Please read and observe all warning and safety signs relating to the use of the swimming pool. All children age sixteen (16) years or younger, must be accompanied by an adult while in the swimming pool area. Guests are not permitted to use the swimming pool unless accompanied by a Unit Owner. Each Unit Owner or Occupant shall be deemed to have indemnified and agreed to hold harmless the Board of Directors, the Association, the Declarant, and other Unit Owners and Occupants, from and

against any loss, claim or liability of any kind or character arising from or related to his or her use of the swimming pool or swimming pool area.

E-2 Disturbance. Use of profanity, horseplay, bicycles, roller skates, skateboards, riding toys and harassment of other users shall not be permitted within the swimming pool area. Only unbreakable container may be brought into the swimming pool area, and glass containers of any kind are expressly prohibited.

E-3 Health. For the protection of the Unit Owners and Occupants, anyone with an infectious disease, sore or inflamed eyes, cold, nasal or ear discharge, open sores or bandages of any kind, may not use the swimming pool. Pets are expressly prohibited from being in the swimming pool area.

F. PARKING FACILITIES

F-1 Assigned Spaces. Each Unit Owner will be assigned no less than one (1) parking space which shall be considered a Limited Common Element, as described more fully in the Declaration. These spaces are to be used only for operational vehicles, and no storage of other personal property is permitted. For purposes of these Rules, the term "Vehicle" shall include automobiles, motorcycles, motorized bicycles, passenger trucks, small vans and other similar passenger vehicles. The following shall not be permitted without the prior written consent of the Board: trailers, boats, recreational vehicles, commercial trucks or industrial vehicles.

F-2 Repairs. Washing, repairs, restoration or maintenance of vehicles is prohibited in the parking areas, except for emergency repairs, but only to the extent necessary to enable movement of the vehicle to a repair facility.

G. MISCELLANEOUS

G-1 Revisions and Amendments. These Rules are subject to being revised, replaced or amended pursuant to the terms and conditions of the Declaration and Bylaws of the Association. The Rules shall remain in full force and effect until the Association delivers notice of any revocation or amendment to each Owner.

G-2 Violations. Any Owner or occupant may report violations of the Rules and Governing Instruments to the Association, setting forth in writing the date, time, location, name(s)

of violating party and description of the violation. Failure of an Owner or occupant to abide by these Rules and the provisions of the Governing Instruments shall be grounds for action which may include, without limitation, actions to recover damages, injunctive relief, or any combination thereof as provided under the laws of the State of Texas. In addition to all other remedies provided under these Rules and the Governing Instruments and in the sole discretion of the Board. A fine or fines may be imposed upon Owners or occupants who fail to abide by any covenant, restriction or rule set forth herein of in the Governing Instruments, subject to the following:

(a) *Notice.*

(i) An Owner who fails to abide by the Rules and Governing Instruments of the Association must be given written notice of the purported violation or property damage, stating the amount of any proposed fine or damage charge and that the Owner may request a written hearing before the Board within thirty (30) days of the notice.

(ii) The accused Owner must be given a reasonable time, by a date specified in the notice, to cure the violation and avoid the fine, unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding twelve (12) months.

(iii) The accused Owner must be given written notice of a levied fine or damage charge within thirty (30) days after the date of levy.

(iv) Any suspension of privileges or imposition of monetary penalties shall be reasonably related to the Owner's violation.

(b) *Fine Amounts.* The Board may impose fines against the violating party up to the maximum amount permitted under the law, and only to the extent such fines and amounts are provided on a written schedule adopted by the Board and distributed to the Owners prior to the date of the alleged violation. Any fines imposed by the Board shall be paid by the violating party within thirty (30) days of receipt of written notice of the decision of the Board.

(c) *Non-Exclusive Remedy.* Any fine imposed under this section or under any other provision of the Governing Instruments shall not be construed as being the exclusive remedy available to the Association, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled.

(d) *Declarant.* Anything to the contrary notwithstanding, these Rules shall not apply to Declarant, Declarant's agents, employees or contractors, nor to any Units owned by Developer.

G-3 *Mailing Address.* Any Owner who receives mail at an address other than the address of his or her Unit shall be responsible for notifying the Association, in writing, of any changes in address or contact information. All notices or information required to be sent to Owners under these Rules or under the Governing Instruments, shall be sent to the most recent address as shown on the records of the Association. If an Owner fails to provide the Association with notice of change of address, all correspondence sent to such Owner in accordance with the information contained in the records of the Association, shall be deemed effective for purposes of delivery.

G-4 *Effective Date.* These Rules are the initial Rules of the Ocean Grove Condominium Owners' Association, and shall become effective _____, 2005.

CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the initial Rules and Regulations of OCEAN GROVE CONDOMINIUM OWNERS' ASSOCIATION, a Texas nonprofit corporation, as adopted by the initial Board of Directors at its organizational meeting held the ___ day of _____, 2005.

IN WITNESS WHEREOF, I hereunto set my hand on this the ___ day of _____, 2005.

OCEAN GROVE CONDOMINIUM OWNERS' ASSOCIATION
a Texas nonprofit corporation

By: _____
Its: Secretary

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

Before me, the undersigned authority, on this the ___ day of _____, 2005, personally appeared _____ Secretary of OCEAN GROVE CONDOMINIUM OWNERS' ASSOCIATION, a Texas nonprofit corporation, known to me to be the person whose name is subscribed to the foregoing, and acknowledged to me that he executed the same on behalf of the Association.

Notary Public in and for the State of Texas

My commission expires _____

**FIRST AMENDMENT AND SUPPLEMENT TO
THE RULES AND REGULATIONS
OF
OCEAN GROVE CONDOMINIUM OWNERS' ASSOCIATION**

This First Amendment and Supplement to the Rules and Regulations (the "Amended Rules") have been adopted by the **Ocean Grove Condominium Owners' Association**, a Texas nonprofit corporation (the "Association"), in accordance with the provisions of the **Bylaws of Ocean Grove Condominium Owners' Association** (the "Bylaws").

These Amended Rules shall apply to all Units, Unit Owners, Common and Limited Common Elements subject to the **Declaration of Ocean Grove, a Condominium** (the "Declaration"), as recorded in the Real Property Records of Galveston County, Texas.

Words and phrases defined in the Declaration or Bylaws shall have the same meaning when used in these Rules, unless otherwise noted. In the event of a conflict among the Governing Instruments (as defined in the Declaration), the hierarchy of authority shall be as follows: the Declaration (highest), the Bylaws and these Rules (lowest).

C. USE AND MAINTENANCE OF UNITS

C-3 Balconies. Each Unit Owner and Occupant shall keep his or her balcony in a good state of cleanliness, taking care that any cleaning does not annoy or inconvenience other Unit Owners and Occupants. No part of a balcony may be enclosed or used for storage purposes, including hanging or displaying any items from the railings or exterior walls of the Unit. No grilling or other outdoor cooking shall be permitted on any balcony.

C-6 Window Treatments. A Unit Owner may install window treatments inside the Unit provided that:

- a. aluminum foil, reflective window treatments, sheets and blankets are expressly prohibited for such purposes;
- b. the exterior of any window treatments shall be white in color and shall not detract from the exterior appearance of the Project;
- c. all window treatments shall be maintained in good condition; and
- d. no exterior shutters of any kind may be placed on the Project, including roll-up or removable systems.

C-7 *Pets.* Subject to all other rules and requirements set forth herein, Unit Owners shall be permitted to keep no more than two (2) animals, limited to birds, reptiles, dogs or cats (but specifically excluding pit bulls or any other breeds known as 'aggressive' or 'vicious') within their respective Units. In no event shall any animal be permitted in any of the public portions of the Project, including the Common Elements, unless carried or on a leash, or in any grass or garden plot set aside for pet owners, under any condition. The permission to keep pets granted in this paragraph shall not extend to renters or lessees, but shall only apply to actual Unit Owners and their pets.

D. USE AND MAINTENANCE OF COMMON ELEMENTS

D-2 *Signs and Exterior Attachments.* No awnings or radio/television aerial antennae (including satellite dishes) shall be attached to or hung from the exterior of the Project or placed on the roof of the Project, and no sign, notice, advertisement, or illumination shall be inscribed or exposed on, or at any window, or other part of the Project without the prior written approval of the Board. Further, in the interest of maintaining and preserving the exterior appearance of the Project, Unit Owners are expressly prohibited from attaching, either permanently or temporarily (including by drilling, bolting, nailing, puncturing or by otherwise disturbing the structural surface and integrity of the building), any items to the exterior concrete walls of the Project.

CONDOMINIUM INFORMATION STATEMENT

EXHIBIT "D"

RULES AND REGULATIONS

OF

OCEAN GROVE CONDOMINIUM OWNERS' ASSOCIATION

Ocean Grove Condominium Owners' Association Rule and Regulations

Following are the condensed Rules and Regulations of the Ocean Grove Condominium Owners' Association, a Texas nonprofit corporation (the "Association"), in accordance with the provisions of the Bylaws of Ocean Grove Condominium Owners' Association (the "Bylaws"). The rules are applicable to the Common and Limited Common Elements subject to the Declaration of Ocean Grove, a condominium (the "Declaration"), as recorded in the Real Property Records of the Galveston County, Texas. The rules shall apply to all Units, Unit Owners, relatives, guests, invitees, employees, tenants, or lessees. Rental units must have these rules posted inside the unit.

1. Each unit owner shall be responsible for his or her own safety as well as the safety of their guests, tenants, and invitees.
2. Each unit owner shall be responsible for loss or damage to his or her own unit and personal property. The unit owner is also responsible for any loss or damage suffered by other unit owners or the common and limited common elements to the extent the loss or damage is caused by the unit owner or any occupants for who the unit owner is responsible.
3. Balconies must be maintained in a good state of cleanliness and shall not be used for storage purposes. No grilling or other outdoor cooking shall be permitted. Hanging, shaking, or displaying any items are strictly prohibited.
4. Each unit owner is solely responsible for insuring his or her personal property in the unit and within the project, including furnishings, automobiles and any items kept in storage areas. The association urges unit owners to purchase policies of insurance covering these items.
5. Each unit must be used solely for residential purposes and may not be used for any commercial or business purpose except for home office or other pursuits which are non-disruptive to other unit owners and which conform to all applicable laws and ordinances.
6. Unit owners may rent their unit for a minimum of one rental per week. A security deposit of \$500 must be paid to the association to be held for any fines imposed as a result of violations of the rules by any tenants or renters. The security deposit will be held in a non-interest bearing escrow account.
7. Each unit owner shall at his or her own cost and expense maintain their respective unit to keep it in good repair including inner finished surfaces of perimeter walls, floors, and ceilings.
8. Each unit owner shall keep their respective heating and cooling systems in good repair with periodic maintenance (filter changes), servicing, repair and replacement of such systems at their own cost and expense.
9. No unit owner shall at any time bring or keep flammable, combustible, explosive, material, chemical, or other substance, except for normal household items.
10. A unit owner may install window treatments provided that it is not aluminum foil, reflective window treatments, sheets and blankets (prohibited). The exterior of such window treatments shall be white in color, and not distract from exterior appearance of the Project, and shall be maintained in good condition. Exterior shutters are not permitted.
11. No more than 2 pets (birds, reptiles, dogs or cats) are permitted. Pit Bulls and other breeds known as "aggressive" or "vicious" are not permitted. The animal must then be carried, or leashed when in all public portions. The pet relief station is the grassy area North of the ground level parking in front of the bulkhead. Owners must clean up after their pets.

Owners may not permit their pets to bark or make noise which can be heard by others. Guests and tenants are not permitted to keep pets on the property.

12. The common elements including but not limited to sidewalks, entrances, passages, courts, public halls, elevators, vestibules, corridors, and stairways shall not be obstructed or used for any other purpose except to ingress to and egress from the Units in the project. Fire exits shall not be obstructed in any manner. No decorations, live flowers, or plants may be placed in or on common elements.
13. No awning, radio, or television aerial shall be attached to or hung from the exterior of the project. No signs, notices, advertisements, or illumination shall be inscribed or exposed on or at any window or other part of Project.
14. No one may use swimming pool unless accompanied by unit owner. All persons 16 or younger must be accompanied by an adult while in pool area. No breakable items are allowed on pool area. While using the pool facility there shall be no profanity, horseplay, bicycles, roller skates, skateboards, riding toys, or harassment of other pool users. No person with an infectious disease, sore or inflamed eyes, nasal or ear discharge, open sores, or bandages may be used. No pets are allowed in pool area.
15. Each assigned parking space will only be used for parking of vehicles. Vehicle is defined as automobile, motorcycle, motorized bicycle, passenger truck, small vans, and other similar passenger vehicles. No storage is permitted in this area. No repairs, washing, restoration, or maintenance of vehicles is prohibited in parking areas. Trash shoots are for bagged garbage only.
16. Violations may be reported to the Association in writing with the date, time, location, name(s) of party involved, and description of violation.
17. Failure to abide by these rules is grounds for action which may include actions to recover damages, injunctive relief, or any combination thereof provided by the state of Texas. Fine or fines may be imposed for those who fail to follow any covenant, restriction, or rule set forth in the Governing Instruments.
18. Any owner who fails to abide by the rules or Governing Instruments must be given a written notice of the purported violation or property damage within 30 days. This notice will contain any fines or damages owed to the Property. The owner may request a written hearing within 30 days of such notice.
19. The owner will have a time limit specified in the written notice to remedy the situation and avoid the fine unless the owner received a similar violation notice within the preceding 12 months.
20. Each owner must provide the Association in writing of any change to contact information and address. All correspondence shall be sent to the last given address. If an owner fails to provide updated contact information any correspondence sent to such owner shall be deemed effective for purposes of delivery.

Fines and Fees

First offense	warning
Second offense	\$25.00
Third offense	\$100.00
Fourth offense	To be determined by the board

Maintenance fees received after the 15th of the month will be assessed a \$35 late fee.