

EXHIBIT H
INITIAL RULES AND REGULATIONS
FOR
PHASE TWO CORNERSTONE CONDOMINIUMS
OWNERS' ASSOCIATION

1. Automobiles may be parked only in the areas provided for that purpose, which shall be the garage spaces and the pads leading to the garage and shall not be parked in such a manner to impede or prevent ready access to any entrance to or exit from the buildings by another vehicle. Furthermore, no boats, snowmobiles, trailers, recreational vehicles, motor homes or semi trailer trucks shall be parked or stored anywhere in the garages, parking spaces or on the premises of Phase Two Cornerstone Condominiums.
2. Parking spaces within the regime are limited for the use and benefit of unit Owners, their tenants, guests and invitees. The Association may promulgate and enforce rules and regulations regarding parking within the regime.
3. No unit Owner shall be permitted to erect a radio or TV antenna or any other fixture, item, wiring or appurtenance to the exterior or roof of any building. A unit Owner may attach a TV satellite dish no larger than eighteen inches (18") in diameter to the unit, but the location of the unit where the dish is to be attached must be approved in writing by the Board of Directors of the Association prior to installation.
4. Unit Owners are reminded that alteration and repair of the buildings is the responsibility of the Association, except for the interior of the units. No work of any kind is to be done upon the exterior building walls or upon the interior boundary wall without first obtaining the approval of the Association.
5. No unit Owner shall make or permit any disturbing noises in the building, or do or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of other unit Owners. No unit Owner shall play upon, or suffer to be played upon, any musical instrument or operate or permit to be operated the phonograph, CD play, or radio, or television, or other loud speaker in such Owner's unit between the hours of 12:00 Midnight and 6:00 A.M., if the same shall disturb or annoy other occupants of the building.
6. Each unit Owner shall keep his or her unit in a good state of presentation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance. Each unit Owner will keep the area immediately in front of and in back of his or her unit free and clear of all trash, papers, and debris.
7. Unit Owners shall not cause or permit any unusual or objectionable noises or odors to be produced upon or to emanate from their prospective units.

8. No animals or reptiles of any kind shall be raised, bred or kept in any unit or in the common elements, except that a dog, cat, or other household pet approved in writing by the Board of Directors of the Association, may be kept in a unit, provided that it is not kept, bred or maintained for any commercial purpose, and provided further that any such pet which in the opinion of the Board of Directors of the Association is causing or creating a nuisance shall be permanently removed from the property upon three (3) days written notice from the Board of Directors of the Association. No unit shall house more than one (1) pet, except as approved by the Board of Directors. Any person within the project keeping a pet shall immediately clean and remove any messes created or caused by said pet. Further, no unleashed pets whatsoever shall be allowed upon the limited or general common elements.

9. Until the first organizational meeting of the members is held and a formal budget is adopted, assessments for each unit, once occupied, shall be \$75.00 per month, the first such payment shall be due on the first day following the first full month of occupancy of a particular unit, and shall be paid then by all occupant Owners thereafter. All payments will be made to the Phase Two Condominiums Owners' Association.

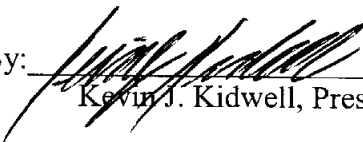
10. Any consent or approval given under these rules and regulations may be added to or amended or repealed at any time by resolution of the Board of Directors of the Association.

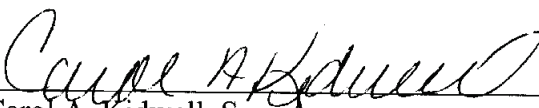
11. These rules and regulations may be amended, modified or altered as in the same manner as the Bylaws of the Association.

12. Snow removal for the driveways, steps and sidewalks are to be done by the owner of each unit.

These rules and regulation have been approved by the initial Board of Directors of Phase Two Cornerstone Condominium Owners' Association on the 3rd day of March, 2005.

Phase Two Cornerstone Condominium Owners' Association

By: _____
Kevin J. Kidwell, President

By: _____
Carol A. Kidwell, Secretary