BYLAWS

OF

MAYFLOWER SQUARE CONDOMINIUM (SECTION I)

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MAYFLOWER SQUARE CONDOMINIUM (SECTION I)
(City of Alexandria, Virginia)

ARTICLE I.

Plan of Unit Ownership

Section 1. Unit Ownership. The property located in the City of Alexandria, Commonwealth of Virginia (hereinafter called the "Property"), has submitted to the provisions of the Condominium Act of the Commonwealth of Virginia [Title 55, §§55-79.39. et. seq., 1950 Code of Virginia, as amended], (hereinafter the "Act" or "Condominium Act") by a Declaration recorded among the Land Records of the City of Alexandria, Virginia at Deed Book 878, Page 140, et seq., and as amended.

Section 2. Applicability of Bylaws. The provisions of these Bylaws are applicable to the Property of the Condominium and to the use and occupancy thereof. All present and future owners, mortgagees, lessees and occupants of Condominium Units and their employees, and any other person who may use the facilities of the Property in any manner, are subject to these Bylaws, the Declaration, the Deed and Agreement and the Rules and Regulations, as any of the same may be amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the act of occupancy of a Condominium Unit shall conclusively establish the acceptance and ratification of these Bylaws, the Rules and Regulations, the Declaration and the Deed and Agreement, they may be amended from time to time, by the person so acquiring, leasing or occupying a Condominium Unit, and shall constitute and evidence an agreement by such person to comply with the same.

Section 3. Office. The office of the Condominium, the Unit Owners' Association and the Board of Directors shall be located at the Condominium or at such other place as may be designated from time to time by the Board of Directors.

Section 4. Definitions. Terms used herein without definition shall have the meaning specified for such terms in the Declaration, or if not defined therein, the meanings specified for such terms in Section 55-79.41 of the Condominium Act as now enacted and as amended from time to time. The following terms have the following meanings in the condominium instruments:

(a) "Board of Directors" or "Board" means the executive body established pursuant to Article III of these Bylaws.

(b) "Common Element Interest" means the number assigned to each Unit by the Declaration which establishes each Unit's undivided interest in the Common Elements, Common Expenses and common profits and votes in the Unit Owners' Association.

(c) "Common Expenses" means those expenses declared in accordance with Article V, Section 1 hereof.

(d) "Declarant" means the legal entity which applied for registration of the Condominium (Arlen Realty, Inc. and its successors and assigns).

(e) "Limited Common Elements" means a portion of the Common Elements reserved for the exclusive use of those entitled to the use of one or more, but less than all, of the Units.

(f) "Limited Common Expenses" means expenses separately assessed against more than one but less than all of the condominium Units generally in accordance with the use of services, as permitted by Section 55-79.83(b) of the Condominium Act as now enacted and as amended from time to time.

(g) "Majority Vote" means a vote of those Unit Owners owning condominium Units to which more than fifty percent of the aggregate Common Element Interest actually voted in person or by proxy at a duly convened meeting at which a quorum is present. Any specified percentage vote of the Unit Owners means a vote by the Unit Owners owning condominium Units to which such percentage of Common Element Interests appertains with respect to the total Common Element Interest voting at such meeting. Any specified percentage vote of the Mortgagees means a vote by the Mortgagees of condominium Units to which such percentage of the total number of votes appertain.

(h) "Mortgagee" means an institutional lender holding a first mortgage or first deed of trust ("Mortgage") encumbering a condominium Unit in the Condominium which has notified the Unit Owners' Association of its status and has requested all rights under the condominium instruments. For purposes of Article IX only, when any right is to be given to a Mortgagee, the Board of Directors shall also give such right to the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veterans Administration, the Federal Housing Administration, the Farmer's Home Administration, the Government National Mortgage Association and any other public or private secondary mortgage market entity participating in purchasing or guarantying Mortgages if the Board has notice of such participation.

(i) "Officer" means any person holding office pursuant to Article IV of these Bylaws but, contrary to Section 55-79.41(t) of the Condominium Act as now enacted and as amended from time to time, it shall not mean members of the Board of Directors unless such Directors are also Officers pursuant to Article IV.

(j) "Person" shall mean and refer to a human being, corporation, partnership, limited liability company or any other legally recognized entity. For purposes of these Bylaws the phrase "natural person" shall mean and refer exclusively to a human being.

(k) "Reserved Common Element" means a Common Element in which the Board of Directors has granted a revocable license for exclusive use by less than all the Unit Owners.

(l) "Unit Owner" or "Owner" means one or more persons who own a condominium Unit. This term shall not include any person or persons holding an interest in a condominium Unit solely as security for a debt.

(m) "Unit Owners' Association" or "Association" means the unincorporated, non-profit association of all the Unit Owners owning condominium Units in the Condominium.

ARTICLE II.

Unit Owners' Association

Section 1. Composition. All of the Owners of Units in the condominium, acting as a group in accordance with the Condominium Act, the Declaration and these Bylaws, shall constitute the "Unit Owner' Association," which shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the assessments for Common Expenses, arranging for the management of the condominium, and performing all of other acts that may be required to be performed by the Unit Owners' Association by the Condominium Act and the Declaration. Except as to those matters which the Condominium Act specifically requires to be performed by the vote of Owners of the Units, the administration of the foregoing responsibilities shall be performed by the Board of Directors or Managing Agent as more particularly set forth in Article III hereof.

Section 2. Annual Meetings. Annual meetings of the Unit Owners' Association shall be held between ten (10) and fourteen (14) months from the Annual Meeting for the year preceding, at such date, time, and place as designated by the Board of Directors in the notice thereof. At all annual meetings, the Unit Owners' Association shall elect members of the Board of Directors and may transact such other business as may properly come before it.

Section 3. Place of Meetings. Meetings of the Unit Owners' Association shall be held at the principal office of the condominium or at such other suitable place convenient to the Owners as may be designated by the Board of Directors.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners' Association as required pursuant to Section 2 of this Article II, or if so directed by resolution of the Board of Directors or, after the first annual meeting of the Unit Owners' Association, upon a petition signed and presented to the Secretary by Owners having not less than twenty-five percent (25%) of the aggregate Common Element Interest. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 5. Notice of Meetings. It shall be the duty of the Secretary to personally deliver to or mail, by United States mail, first class postage prepaid, a notice of (a) each annual meeting of the Association, at least twenty-one (21) days in advance of such meeting and (b) each special meeting of the Association at least seven (7) days in advance of such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the address of their respective Units or at such other address as each Owner may have designated by notice in writing to the Secretary. The mailing of a notice of a meeting in the manner provided in this Section shall be deemed service of notice.

Section 6. Adjournment of Meetings. If any meetings of the Unit Owners' Association cannot be held because a quorum is not present, Owners holding a majority of the votes present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called, and notice of the new meeting date shall be given in form pursuant to Section 5 above, although the date for the next meeting may be set as little as 48 hours from the original meeting.

Section 7. Order of Business. The order of business at all annual meetings of the Unit Owners' Association shall be as follows:

(a) Roll call (Proof of quorum).
(b) Proof of notice of meeting.
(c) Reading (or waiver of reading of) minutes of preceding meeting.
(d) Reports of Officers.
(e) Reports of Board of Directors.
(f) Reports of committees.
(g) Election of inspectors of election (when so required).
(h) Election of members of the Board of Directors (when so required).
(i) Unfinished business.
(j) New Business.

Any of these items may be summarily dispensed with if unnecessary for a meeting except (a), (b), and (i).

Section 8. Title to Units. Title to Condominium Units may be taken in the name of a natural person or in the names of two or more natural persons, or in the name of a corporation, partnership, association, trust, or other entity capable of holding title to real property, or any combination thereof.

Section 9. Voting.

(a) The vote to which each Unit Owner shall be entitled at all meetings of the Unit Owners' Association shall be the Common Element Interest assigned to such Owner's Unit by the Declaration. Since a Unit Owner may be more than one person, or may be an entity, the person who shall be entitled to cast the vote of such Unit shall be the person named in a certificate executed by all of the owners of such Unit and filed with the Secretary or, in the absence of such named person from the meeting (or the failure to name such a person), the person who shall be entitled to cast the vote of the Unit shall be the co-owner (or entity officer, director, partner or designee) who is present at any meeting, if only one such person is present. If more than one of such persons are present and no certificate has been filed with the Secretary (or if the person named in the certificate for such Unit is not present), the vote appertaining to that Unit shall be cast only in accordance with the agreement of a majority of the persons so present, and the consent of such persons shall be conclusively presumed if any one of them purports to cast the vote appertaining to that Unit with out protest being made to the person presiding over the meeting. If protest is made, the Unit shall be counted solely for the purpose of determining whether a quorum is present. Since a "person" need not be a natural person, the word "person" shall be deemed for the purposes of this Section to include, without limitation, any natural person having authority to execute deeds on behalf of any person, excluding natural persons, which is, either alone or in conjunction with another person or persons, a Unit Owner.

(b) Directors shall be elected by plurality vote. All other decisions at any meeting of the Unit Owners' Association shall be decided by a majority of the Unit Owners present in person or by proxy, except where a greater number is required by the Condominium Act, the Declaration or these Bylaws.

(c) No Unit Owner may vote at any meeting of the Unit Owners' Association or be elected to or serve on the Board of Directors if such person is more than thirty (30) days delinquent in meeting financial obligations to the Unit Owners' Association and the amount necessary to bring his account current has not been paid at the time of such meeting or election or if the Owner of the Unit has been found to be in violation of the condominium instruments or Rules and Regulations and such violation has not been corrected at the time of such meeting or election.

Section 10. Proxies. The votes appertaining to any Unit may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Unit Owner, or, in cases where the Unit Owner is more than one person or is an entity, by or on behalf of all such persons or by an authorized officer or agent of the entity. The Board of Directors may specify the form of proxy to be used. No such proxy shall be revocable except by actual notice by the Unit Owner or by any of the persons who are owners of the Unit to the person presiding over the meeting, that it is revoked. Any proxy shall be void if it is not dated, if it purports to be revocable without notice as aforesaid, or if the signatures of those executing the same have been duly acknowledged. The proxy of any person shall be void if not signed by a person having authority, at the time of the execution thereof, to execute deeds on behalf of that person. Any proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy, and all proxies must be filed with the Secretary-Treasurer before the appointed time of the meeting for which they are given. Except with respect to proxies in favor of a Mortgagee, no proxy shall in any event be valid for a period in excess of one hundred and eighty (180) days after execution thereof.

Section 11. Quorum. Except as otherwise provided in these Bylaws or as required by law, the presence in person or by proxy of the Unit Owners of Units to which twenty-five percent (25%) or more of the aggregate Common Element Interests appertain shall constitute a quorum at all meetings of the Unit Owners' Association.

Section 12. Conduct of Meeting. The President shall preside over all meetings of the Unit Owners' Association and the Secretary shall keep the minutes of the meeting and record in a Minute Book all resolutions adopted by the meeting as well as a record of all transactions occurring thereat. The then current Robert's Rules of Order or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting in person or by proxy shall govern the conduct of all meetings of the Unit Owners' Association when not in conflict with the Declaration, these Bylaws or the Condominium Act. All votes shall be tallied by persons appointed by the President or other Officer presiding over the meeting.

ARTICLE III.

Board of Directors

Section 1. Number and Qualification. The affairs of the Condominium shall be governed by a Board of Directors. The Board of Directors shall be composed of five (5) persons. Each Director shall be a Unit Owner, or officer, partner, agent, employee or trustee of a Unit Owner who is not a natural person.

Section 2. Powers and Duties. The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things as are not by the Condominium Act, the Declaration or these Bylaws directed to be exercised and done by the Unit Owners' Association. The Board of Directors shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the enjoyment of the Condominium provided such Rules and Regulations shall not be in conflict with the Condominium Act, the Declaration or these Bylaws. The Board of Directors shall delegate to one of its members, or to a person employed for such purpose, the authority to act on behalf of the Board of Directors on all matters relating to the duties of the Managing Agent, if any, which might arise between meetings of the Board of Directors. In addition to the duties imposed by these Bylaws or by any resolution of the Unit Owners' Association that may hereafter be adopted, the Board of Directors shall have the power to, and shall be responsible for, the following:

(a) Preparation of an annual budget, in which there shall be established the required contribution of each Unit Owner to the Common Expenses.

(b) Making assessments against Unit Owners to defray the Common Expenses of the Condominium, establishing the means and methods of collecting such assessments from the Unit Owners, and establishing the period of the installment payment of the annual and any special assessments. Unless otherwise determined by the Board of Directors, the annual assessment against each Owner for his or her proportionate share of the Common Expenses shall be payable in equal monthly installments, with each such installment to be due and payable in advance on the first day of each month for such month.

(c) Providing for the operation, care, upkeep, replacement, and maintenance of all the Common Elements and services of the Condominium. The Board of Directors is expressly authorized to enter into cooperative, cost sharing agreements with the owners of either or both of the other two sections of the Mayflower Square project, whether either or both of such sections are condominiums or rental facilities, if, in the judgment of the Board, such arrangements will reduce Condominium costs without adversely affecting the scope, level and quality of services necessary for proper care, upkeep and operation of the Condominium.

(d) Designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements, and providing services for the Property, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which equipment, supplies and materials shall be deemed Common Elements.

(e) Collecting the assessments against the Unit Owners, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to carry out the administration of the Condominium.

(f) Making and amending Rules and Regulations.

(g) Opening bank accounts on behalf of the Unit Owners' Association and designating the signatories required therefor. In addition to establishing and maintaining an operating account for the Unit Owners' Association, the Board may establish and maintain accounts for all reserve funds, said accounts to be under the exclusive control of the Association through the Board of Directors, requiring countersignature of two Board members who may be the President and Treasurer or such other Board members as determined by the Board of Directors. Signature cards must be updated at least annually after the election of officers.

(h) Making, or contracting for the making of repairs, additions, and improvements to, or alterations or restoration of, the Condominium in accordance with the other provisions of these Bylaws after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(i) Enforcing the legal means the provisions of the Declaration, these Bylaws and the Rules and Regulations and bringing or defending against any proceedings which may be instituted on behalf of or against the Unit Owners' Association.

(j) Obtaining and carrying insurance as provided in Article VI of these Bylaws, and paying the premium costs thereof, and adjusting and settling claims thereunder.

(k) Paying the costs of all service rendered to the Unit Owners' Association and not billed to Unit Owners of individual Units or otherwise provide for in these Bylaws.

(l) Keeping books with detailed accounts in chronological order of the receipts and expenditures affecting the Condominium, and the administration of the Condominium, specifying the maintenance and repair expenses of the Common Elements and any other expenses incurred. Books and vouchers accrediting the entries thereupon shall be available for examination by the Unit Owners, contract purchasers and Mortgagees of Units or their duly authorized agents or attorneys, during general business hours on working days, by appointment, upon not less than three (3) days notice. All books and records shall be kept in accordance with good and accepted accounting practices, and the same shall be audited at least once a year by an outside auditor employed by the Board of Directors who shall not be a resident of the Condominium, or a Unit Owner. The cost of such audit shall be a Common Expense.

(m) Notifying the Mortgagee of any Condominium Unit of any default by the Unit Owner of such Unit which continues uncured for more than thirty (30) days, if such Mortgagee notified the Unit Owners' Association in writing of its desire to receive such notice.

(n) Borrowing money on behalf of the Unit Owners' Association when required in connection with any instance relating to the operation, care, upkeep and maintenance of the Common Elements, <u>provided</u>, <u>however</u>, that the consent of Unit Owners of at least two-thirds (2/3) in ownership of the aggregate Common Element Interests obtained either in writing or at a meeting duly called and held for such purpose shall be required to borrow any sum in excess of Fifty Thousand Dollars ($50,000.00). The Board of Directors shall notify the owners within thirty (30) days following approval of any such lien. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this paragraph is not repaid by the Unit Owners' Association, a Unit Owner who pays to the creditor such proportion thereof as such Owner's Common Element Interest bears to the aggregate Common Element Interests in the Condominium shall be entitled to obtain from the creditor a release of any judgment or other lien which such creditor shall have filed or shall have the right to file against such Unit Owner's Condominium Unit and the Association shall not be entitled to assess his Unit for part of the remaining amount due such creditor.

(o) Exercise such rights as the Unit Owners' Association may have as a member of any recreation or other association.

(p) Acquire, hold and dispose of Condominium Units and mortgage the same if such expenditures are included in the annual budget.

(q) In its sole discretion, from time to time to designate certain Common Elements as Reserved Common Elements and impose restrictions and conditions on the use thereof as the Board of Directors deems appropriate.

(r) Furnish the statement required by Section 55-79.97 of the Condominium Act as now enacted and as hereinafter amended following receipt of a written request therefor from any Unit Owner.

(s) To do such other things and acts not inconsistent with the Condominium Act and with the Declaration which it may be authorized to do by a resolution of the Unit Owners' Association.

Section 3. Managing Agent. The Board of Directors must employ for the Condominium a professional Managing Agent at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including but not limited to the duties listed in paragraphs (a), (c), (d), (e), (g), (h), (i), (j), (k), (l), (m), (r) and (s) of Section 2 of this Article III. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by these Bylaws other than the powers set forth in paragraphs (b), (f), (n), (o), (p) and (q) of Section 2 of this Article III. The Unit Owners' Association or Board of Directors may employ a Managing Agent for such term as is deemed advisable, subject to the provisions of this Section. The Unit Owners' Association and the Board of Directors shall not undertake "self-management" or fail to employ a Managing Agent. Any contract with a Managing Agent must provide that it may be terminated for cause on no more than thirty (30) days written notice and without cause or imposition of any termination fee on no more than sixty (60) days written notice. The term of any such contract may not exceed two (2) years. The Managing Agent shall not serve as a member of the Board of Directors.

(a) Standards. The Board of Directors shall impose appropriate standards of performance upon the Managing Agent. Unless the Managing Agent is instructed otherwise by the Board of Directors:

(1) the accrual method of accounting shall be employed and expenses required by the Bylaws to be charged to more than one but less than all Unit Owners shall be accounted for separately;

(2) two (2) or more persons shall be responsible for handling cash to maintain adequate financial control procedures;

(3) cash accounts of the Unit Owners' Association shall not be commingled with any other accounts;

(4) no remunerations shall be accepted by the Managing Agent from vendors, independent contractors or others providing goods or services to the Unit Owners' Association whether in the form of commissions, finders fees, service fees or otherwise; any discounts received shall benefit the Association;

(5) any financial or other interest which the Managing Agent may have in any firm providing goods or services to the Unit Owners' Association shall be disclosed promptly to the Board of Directors; and

(6) a monthly financial report shall be prepared for the Unit Owners' Association and distributed to the Board of Directors containing:

(a) an "income statement" reflecting all income and expense activity for the preceding month on an accrual basis;

(b) an "account activity statement" reflecting all receipt and disbursement activity for the preceding month on a cash basis;

(c) an "account status report" reflecting the status of all accounts in the "actual" versus "projected" (budget) format;

(d) a "balance sheet" reflecting the financial condition of the Unit Owners' Association on an unaudited basis;

(e) a "budget report" reflecting any actual or pending obligations which are in excess of budgeted amounts by an amount exceeding the operating reserves or ten percent of a major budget category (as distinct from a specific line item in an expanded chart of accounts); and

(f) a "delinquency report" listing all Unit Owners who are delinquent in paying condominium assessments and describing the status of any action to collect such assessments.

(7) a graphic chart/presentation at least biannually comparing year to date expenditures (in major categories chosen

by the Board) against at least four previous years audited expenditures.

Section 4. Election and Term of Office.

(a) Term of Office. At the first annual meeting following the adoption and recordation of these Bylaws, two (2) Directors shall be elected for a term of three (3) years each, two (2) Directors shall be elected for a term of two (2) years each and one (1) Director shall be elected for a term of one (1) year. The purpose of the election pattern for this first annual meeting shall be to establish staggered terms to preserve the continuity of the Board. At the expiration of the initial term of office of each Director elected at the first annual meeting following adoption of these Bylaws, a successor shall be elected to serve for a term of three (3) years. Thereafter, all successors shall serve for staggered terms of three (3) years each unless they die, are removed, resign, or become ineligible to continue serving on the Board of Directors.

(b) Elections Committee. At least ninety (90) days prior to each annual meeting of the Unit Owners' Association, the Board of Directors may appoint an Elections Committee consisting of a member of the Board whose term is not expiring and at least three (3) other Unit Owners. The Elections Committee shall develop election procedures and administer such procedures as are approved by the Board.

(c) Qualifications. No person shall be eligible for election as a member of the Board of Directors unless such person is (alone or together with one or more other persons) a Unit Owner. No person shall be elected as a Director or continue to serve as a Director if such person is more than thirty (30) days delinquent in meeting financial obligations to the Unit Owners' Association or if the Unit Owner has been found to be in violation of the condominium instruments or Rules and Regulations and such violation remains uncured.

(d) Nominations. Nominations may be made from the floor at the meeting at which the election is held for each vacancy on the Board of Directors. The nominee must either be present and consent to the nomination or have indicated in writing his or her willingness to serve.

Section 5. Removal or Resignation of Members of the Board of Directors. Any one or more of the members of the Board of Directors may be removed with or without cause by a majority of all Unit Owners eligible to vote at any regular or special meeting duly called, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Unit Owners shall be given at least seven (7) days' notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. A member of the Board of Directors may resign at any time and shall be deemed to have resigned if not in attendance at three (3) regular meetings of the Board, unless the minutes reflect consent of the Board to such absence and any Director who is a Unit Owner shall be deemed to have resigned upon divestiture of title to his or her Unit in fee.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Unit Owners' Association shall be filled by a sole remaining Director or by a vote of a majority of the remaining Directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Directors until the next annual meeting at which time a successor shall be elected by the membership for the remainder of the term of the member whose seat has been vacated.

Section 7. Organization Meeting. The first meeting of the members of the Board of Directors following any meeting of the Unit Owners' Association at which Directors are elected shall be held within ten (10) days after such meeting, and no notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present thereat.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally, by mail, telephone, or telegraph, at least three (3) business days prior to the date named for such meeting.

Section 9. Special Meetings. Special Meetings of the Board of Directors may be called by the President on three (3) business days' notice to each Director, given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) Directors.

Section 10. Waiver of Notice. Any Director may, at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall constitute a waiver of notice by such Director of the time and place of such meeting. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If there shall be less than a quorum present, a majority of those present or a sole present Director may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present any business which might have been transacted at the meeting originally called may be transacted without further notice. Once quorum is established at a meeting it shall be constituted for the duration of the meeting even if a Director leaves the meeting. A Director who participates in a meeting by means of telephone communications shall be deemed present at the meeting for all purposes during the time the Director is connected by such telephone communication.

Section 12. Compensation. No Director shall receive any compensation from the Unit Owners' Association for acting as such, but may be reimbursed for actual and necessary expenses incurred while acting as a Director and approved in advance by a majority vote of the Board of Directors.

Section 13. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a Minute Book recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at all meetings of the Unit Owners' Association and at all meetings of the Board of Directors. The then current Robert's Rules of Order or any other rules of procedure at any time or from time to time acceptable to a majority of the Board shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration, these Bylaws or the Condominium Act.

Section 14. Action Without Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

Section 15. Board of Directors as Attorney-in-Fact. The Board of Directors is hereby irrevocably appointed as agent and attorney-in-fact for the Unit Owners of all of the Units and for each of them, to manage, control, and deal with the interest of such Unit Owners in the Common Elements of the Condominium to permit the Board of Directors to fulfill all of its powers, rights, functions and duties. The Board of Directors is hereby irrevocably appointed as agent and attorney-in-fact for each Unit Owner, each Mortgagee, other named insureds and their beneficiaries and any other holder of a lien or other interest in the Condominium or the Property to: (i) adjust and settle all claims arising under insurance policies purchased by the Board of Directors, (ii) execute and deliver releases upon the payment of claims and (iii) act on their behalf in any condemnation proceeding or action of eminent domain pursuant to the Condominium Act; provided, however, that the consent of a Mortgagee shall be required if such Mortgagee notifies the Board of Directors within thirty (30) days after receipt of notice of damage pursuant to the Bylaws or notice of the taking in condemnation or by eminent domain pursuant to the Bylaws. The powers hereby granted shall be in addition to any rights granted by the Condominium Act. The Board of Directors may also grant and accept easements and licenses pursuant to the Condominium Act.

Section 16. Liability of the Board of Directors, Officers, Unit Owners, and Unit Owners' Association.

(a) The Officers and members of the Board of Directors and its committees shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith. The Unit Owners and the Unit Owners' Association hereby indemnify and hold harmless each of the Officers and members of the Board of Directors and its Committees from and against all liability to others arising out of contracts made, or other action taken, by the Officers or the Board of Directors and its Committee members on behalf of the Unit Owners or the Unit Owners' Association, unless any such contract or action shall been made in bad faith or contrary to the provisions of the Declaration, these Bylaws or the Condominium Act except to the extent that such liability is satisfied by Directors & Officers Insurance. Officers and members of the Board of Directors and its Committees shall have no personal liability (except as Unit Owners) with respect to any contract made or other action taken by them on behalf of the Unit Owners' Association. The liability of any Unit Owner (other than liability arising from acts or omissions of the Unit Owner) arising out of any contract made, or other action taken by the Officers or the Board of Directors and its Committee members or out of the aforesaid indemnity in favor of the members of the Board of Directors and its Committees or Officers, or for damages as a result of injuries arising in connection with the Common Elements, or for liabilities incurred by the Unit Owners' Association shall be limited to an amount determined by multiplying the total liability or amount by the Common Element Interest of the given Unit Owner's Unit. Every agreement made by the Officers, Board of Directors or the Managing Agent on behalf of the Unit Owners' Association shall provide, if obtainable, that the Officers, members of the Board of Directors, its Committees, or the Managing Agent, as the case may be, are acting only as agents for the Unit Owners' Association and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to the total liability thereunder multiplied by such Unit Owner's Common Element Interest. The Unit Owners' Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he is or was an Officer or Director of the Association or a member of the Board's Committees against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Unit Owners' Association.

(b) The Unit Owners' Association shall not be liable for any failure of utility services or other services to be obtained by the Unit Owners' Association or paid for as a Common Expense, or for injury or damage to any person or property caused by the elements or by the Unit Owner of any Condominium Unit, or by any other person, or resulting from electricity, water, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment. The Unit Owners' Association shall not be liable to any Unit Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements. No diminution or abatement of any assessments, as herein elsewhere provided, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Elements or from any action taken by the Unit Owners' Association to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

Section 17. Common or Interested Directors. Each member of the Board of Directors shall exercise his or her powers and duties in good faith and with a view to the interest of the Unit Owners' Association. No contract or other transaction between the Unit Owners' Association and any of its Directors, or between the Unit Owners' Association and any corporation, firm or association in which any of the Directors of the Unit Owners' Association are Directors or Officers or are pecuniarily or otherwise interested, is or shall be either void or voidable because any such Director is present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his or her vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

(a) The fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or is noted in the minutes, and the Board of Directors authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; <u>or</u>

(b) The fact of the common directorate or interest is disclosed or known to at lease a majority of the Unit Owners, and the Unit Owners approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; <u>or</u>

(c) The contract or transaction is commercially reasonable to the Unit Owners' Association at the time it is authorized, ratified, approved or executed.

Any common or interested Directors may be counted in determining the presence of a quorum at any meeting of the Board of Directors or Committee thereof which authorized, approves or ratifies any contract or transaction, and may not vote thereat to authorize any such contract or transaction. The approval required in such cases under paragraph (a) above shall be made by a majority of the whole Board less the number of common or interested Directors.

Section 18. <u>Covenants Committee</u>.

(a) <u>Purpose</u>. The Board of Directors may establish a Covenants Committee, consisting of an uneven number of at least three (3) but not more than seven (7) members appointed by the Board, each to serve a term of one (1) year, in order to ensure that the Condominium shall always be maintained in a manner: (1) providing for visual harmony and soundness of repair; (2) avoiding activities deleterious to the aesthetic or property values of the Condominium; (3) furthering the comfort of the Unit Owners, their guests and tenants; and (4) promoting the general welfare and safety of the Condominium community.

(b) <u>Powers</u>. The Covenants Committee shall regulate the external design, appearance, use and maintenance of the common elements. The Covenants Committee shall from time to time, as required, provide interpretations of the condominium instruments, Rules and Regulations and resolutions pursuant to the intents, provisions and qualifications thereof when requested to do so by a Unit Owner or the Board of Directors. Any action, ruling or decision of the Covenants Committee may be appealed to the Board of Directors by any party deemed by the Board to have standing as an aggrieved party and the Board may modify or reverse any such action, ruling or decision.

(c) Authority. The Covenants Committee shall have such additional duties, powers and authority as the Board of Directors may from time to time provide by resolution. The Board of Directors may relieve the Covenants Committee of any of its duties, powers and authority either generally or on a case-by-case basis. The Covenants Committee shall carry out its duties and exercise its powers and authority in the manner provided for in the Rules and Regulations or by resolution of the Board of Directors and shall, where requested by the Board of Directors, conduct hearings on alleged violations of the condominium instruments, Rules and Regulations, etc. in accordance with Section 55-79.80(c) of the Condominium Act as now enacted and as hereinafter amended, and make recommendations to the Board of Directors for imposition of charges pursuant to the Act.

ARTICLE IV.

Officers

Section 1. Designation. The principal officers of the Condominium shall be a President, a Vice President, a Secretary, and a Treasurer (or a Secretary-Treasurer) all of whom shall be Unit Owners or partners, officers, Directors, employees or trustees of Unit Owners who are not natural persons, and shall be selected by the Board of Directors. The Board of Directors may appoint an assistant treasurer, an assistant secretary, and such other Officers as in its judgment may be necessary or desirable. The President and Vice President shall be members of the Board of Directors. Any Officers other than the principal Officers so designated above may be, but shall not be required to be, Unit Owners or members of the Board of Directors.

Section 2. Election of Officers. The Officers of the Unit Owners' Association shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal or Resignation of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any Officer may be removed, either with or without cause, and a successor shall be elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose. Any Officer may resign at any time. Any Officer who is a Unit Owner shall be deemed to have resigned upon divestiture of title to his or her Unit in fee.

Section 4. President. The President shall be the chief executive of the Unit Owners' Association, shall preside at all meetings of the Unit Owners' Association and of the Board of Directors, and shall have general and active management of the business of the Association subject to the control of the Board, see that all orders and resolutions of the Board are carried into effect, and appoint committees from time to time from among the Unit Owners as the President, in his or her discretion, deems appropriate to assist in the conduct of the affairs of the Condominium or the Unit Owners' Association.

Section 5. Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis. The Vice President also shall perform such other duties as shall from time to time be imposed by the Board of Directors or by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners' Association and of the Board of Directors, shall have charge of such books and papers as the Board of Directors may direct, give or cause to be given all notices required to be given by the Association, maintain a register setting forth the place to which all notices to Unit Owners and Mortgagees shall be delivered and perform all other duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall (together with the Managing Agent) have the responsibility for Association funds and securities, for keeping full and accurate financial records and books of account showing all receipts and disbursements, for the preparation of all required financial data and for the deposit of all monies and other valuable effects in the name of the Unit Owners' Association, in such depositories as may from time to time be designated by the Board of Directors, and shall, in general, perform all the duties incident to the office of Treasurer. The Treasurer shall review financial statements from the Managing Agent in conjunction with the bank statements for all bank accounts maintained by or on behalf of the Association.

Section 8. Agreements, Contracts, Deeds, Checks, etc.

a) All agreements, contracts, deeds, leases, checks and other instruments of the Condominium or the Unit Owners' Association for expenditures or obligations in excess of Ten

Thousand Dollars ($10,000.00) shall be executed by any two (2) Officers or Directors of the Association as may be designated by the Board of Directors.

b) All agreements, contracts, deeds, leases, checks and other instruments for expenditures or obligations of Ten Thousand Dollars ($10,000.00) or less may be executed by any one Officer of the Association or by such other person as may be designated by the Board of Directors.

Section 9. <u>Compensation of Officers</u>. No Officer shall receive any compensation of acting as such, but may be reimbursed for actual and necessary expenses incurred while acting as an Officer and approved in advance by a majority of the Board of Directors.

<u>ARTICLE V.</u>

<u>Operation of the Property</u>

Section 1. <u>Determination of Common Expenses and Assessments Against Owners</u>.

(a) <u>Fiscal Year</u>. The fiscal year of the Unit Owners' Association shall consist of the twelve (12) month period commencing on March 1 of each year and terminating on February 28 (or 29), of the following year, unless otherwise determined by the Board of Directors.

(b) <u>Preparation and Approval of Budget</u>.

(i) Each year at least sixty (60) days before the beginning of the fiscal year, the Board of Directors shall adopt a budget for the Unit Owners' Association containing an estimate of the total amount which it considers necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Unit Owners' Association to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, the Declaration, these Bylaws or a resolution of the Board of Directors or by the Unit Owners' Association, and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Condominium and the rendering to the Unit Owners of all related services.

(ii) Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital for the Unit Owners' Association, a general operating reserve, and reserves for contingencies and replacements. At least thirty (30) days before the beginning of the fiscal year the Board of the Directors shall send to each Unit Owner a copy of the budget in a reasonably itemized form which sets forth the amount of the Common Expenses payable by each Unit Owner. The budget shall constitute the basis for determining each Unit Owner's contribution for the Common Expense of the Unit Owners' Association.

(c) Assessment and Payment of Common Expense.

(i) Regular Assessments. The total amount of the estimated funds required for the operation of the Property set forth in the budget or budgets for any fiscal year adopted by the Board of Directors shall be assessed against each Unit Owner in proportion to the Common Element Interest of such Owner's Unit, and shall be a lien against each Unit Owner's Condominium Unit. The assessment made against each Unit Owner for each fiscal year shall set forth separately such Unit Owner's share of the amount of the total assessment allocated to normal and recurring expenses of administration, management, operation and repair, and the amount of the total assessment allocated to each category of reserves included in the budget. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, each Unit Owner shall be obligated to pay to the Board of Directors or the Managing Agent (as determined by the Board of Directors), one-twelfth (1/12th) of the assessment for such fiscal year made pursuant to the foregoing provisions. The Board of Directors shall serve notice of any special assessment on Unit Owners by a statement in writing giving the amount and reasons therefor, and such special assessments shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than thirty (30) days after the date of such notice of special assessment. All Unit Owners so notified shall be obligated to pay the adjusted monthly amount or, if such special assessment is not payable in installments, the amount of such assessment. Such assessment shall be a lien as of the effective date set forth in this subsection (c).

(ii) Special Assessments for other than Capital Improvements. If reserves are inadequate for any reason, including non-payment of any Unit Owner's Assessment, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Unit Owners in proportion to their respective Common Elements Interests. Such special assessments may be payable in a lump sum or in installments, as the Board of Directors may determine.

(iii) Special Assessments for Capital Improvements. Except as provided elsewhere in subsection (c)(i) and (c)(ii) of this Article, the Board of Directors may not levy a special assessment for the purpose of defraying the expense of a capital improvement without the prior approval of a Majority of all Unit Owners. Any special assessment for capital improvements so approved may be made payable in a lump sum or in installments as may be determined by the Board of Directors.

(d) Reserves. The Board of Directors shall build up and maintain adequate reserves for working capital and repairs and replacement of the Common Elements, and may establish reserves for general operation, contingencies or other matters. All funds accumulated for reserves shall be kept in a separate bank account, segregated from the general operating funds, and, if the Board of Directors deems it advisable, funds accumulated for each type of reserve shall be kept in a separate bank account, identified by reference to the specific category or reserve. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. Except where an emergency requires an expenditure to prevent or minimize loss from further damage to, or deterioration of, the Common Elements, reserves accumulated for one purpose may not be expended for any other purpose unless approved by a majority of the Owners of Units in attendance in person or by proxy at a duly called meeting of the Unit Owners' Association.

(e) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his or her allocable share of the Common Expenses as herein provided whenever the same shall be determined, and in the absence of any annual budget, each Unit Owner shall continue to pay the monthly charge at the then existing period until the monthly payment which is due more than ten (10) days after such new annual budget shall have been mailed or delivered.

(f) Accounts. Except as otherwise provided herein, all sums collected by the Board of Directors with respect to assessments against the Unit Owners may be commingled into a single fund, but shall be held for each Unit Owner in accordance with such Unit Owner's Percentage Interest.

Section 2. Payment of Common Expenses. Each Unit Owner shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to these Bylaws. No Unit Owner may exempt himself or herself from liability to contribute toward payment of the Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his or her Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his or her Condominium Unit subsequent to the date of recordation of a conveyance by such Unit Owner in fee of such Unit. The purchaser of a Condominium Unit or successor Unit Owner by virtue of such divestiture shall be jointly and severally liable with the divesting Unit Owner for all unpaid assessments against the latter for his or her proportionate share of the Common Expenses up to the time of the recordation, without prejudice to the successor's right to recover from the divesting Unit Owner the amounts paid by the successor therefor. Notwithstanding the foregoing, if an institutional Mortgagee obtains title to the Condominium Unit or comes into possession of the Condominium Unit as a result of foreclosure of a first Mortgage, or as the result of any other remedies provided for in the Mortgage or by virtue of a deed or assignment in lieu of foreclosure, such Mortgagee or purchaser at a foreclosure sale, their successors and assigns shall not be liable for, and such Condominium Unit shall not be subject to a lien for the payment of Common Expenses assessed and payable prior to the acquisition of title to or prior to the taking of possession of (whichever first occurs) such Unit by such first Mortgagee or purchaser pursuant to the aforesaid remedies. Such unpaid share of Common Expenses for which, pursuant to this Section, a Mortgagee or purchaser shall not have liability, shall be collectible from all Unit Owners (including the aforesaid Mortgagee or purchaser) in proportion to their Common Element Interests.

Section 3. <u>Collection of Assessments</u>. The Board of Directors, or the Managing Agent at the request of the Board of Directors, shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof. Any assessment, or installment thereof, not paid within ten (10) days after due shall accrue a late charge in the amount of $15.00 or other greater amount set by resolution of the Board of Directors and shall bear interest on the principal amount and late fees from the due date thereof until paid at twenty-four percent (24%) per annum.

Section 4. <u>Statement of Common Expenses</u>. The Board of Directors shall within ten (10) business days from receipt of request provide any Unit Owner, contract purchaser or Mortgagee so requesting the same in writing with a written statement in recordable form of all unpaid assessments due from such Unit Owner. The Board of Directors may impose a reasonable charge for the preparation of such statement to cover the cost of preparation in accordance with Section 55-79.97 of the Virginia Condominium Act.

Section 5. <u>Maintenance, Repair, Replacement and Other Common Expenses</u>.

(a) <u>By the Board of Directors</u>. The Unit Owners' Association shall be responsible for the maintenance, repair and replacement of all the Common Elements (including the Limited Common Elements except as otherwise noted herein) as defined herein or in the Declaration, whether located inside or outside of the Units. The cost of which shall be charged to all Unit Owners as a Common Expense (unless, in the opinion of not less than sixty percent (60%) of the Board of Directors such expense was necessitated by the negligence, misuse or neglect of a Unit Owner(s), or if the condition originated within the airspace of the Unit or from its components without regard to fault of the occupant in which case such expense shall be charged to such Unit Owner(s)). Each Unit Owner shall perform normal maintenance on the Limited Common Elements appurtenant to his or her Unit and any other portion of the Common Elements which the Board of Directors pursuant to the Rules and Regulations has given him or her permission to utilize exclusively or in conjunction with less than all the other Unit Owners, including without limitation the items enumerated in paragraph (b) of this Section.

Without regard to ownership of the component, the Association shall maintain the patios and railings (Unit Owners shall provide routine maintenance of their balconies by clearing snow and water as it accumulates) of Units and shall remove snow from the walkways throughout the Condominium. The Association shall also maintain the landings, the exterior lighting mounted above the Unit doors, the main condensate lines, shutters, gutters and mailboxes in the buildings. The Association shall also maintain the exterior surface of Unit doors.

(b) <u>By the Unit Owner</u>.

(1) Except for the portions of a Unit required to be maintained, repaired and replaced by the Unit Owners' Association, each Unit Owner shall be responsible for the maintenance, repair and replacement, at his or her own expense, of his or her Unit and all parts thereof, including, but not limited to, windows and screens, interior walls included as part of a Unit, interior ceilings and floors and the finished interior surfaces of all perimeter walls, ceilings and floors in his or her Unit, kitchen and bathroom fixtures and appliances, lighting, heating and air-conditioning components and plumbing located within the Unit or serving only that Unit if located outside the Unit boundaries. Each Unit Owner shall keep the Unit's interior and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating and interior painting and varnishing which may at any time be necessary to maintain the good appearance and condition of the Unit. In addition, each Unit Owners shall be responsible for all damages to any and all other Units or to the Common Elements resulting from such Unit Owner's carelessness, negligence, neglect or failure to make any of the repairs required to be made under this Section or from any condition originating within the airspace of the Unit or from its components without regard to fault of the occupancy. Each Unit Owner shall perform his or her responsibility in such manner as shall not unreasonably disturb or interfere with the other Unit

Owners. Each Unit Owner shall promptly report to the Board of Directors or the Managing Agent any defect or need for repairs for which the Unit Owners' Association is responsible.

(2) The Unit Owner of any Unit to which a Limited Common Element is appurtenant shall perform the normal maintenance for such Limited Common Element including keeping it in a clean and sanitary condition, free and clear of snow, ice and any accumulation of water and shall also make all repairs thereto caused or permitted by his or her negligence, misuse or neglect. All structural repairs or replacements of any and all Limited Common Elements shall be made by the Unit Owners' Association and the costs thereof shall be a Common Expense, as provided in subsection (a) above, except such repairs which are necessitated by the negligence, misuse or neglect of a Unit Owner or any other party, which repairs shall be made by the Unit Owners' Association but the cost thereof borne by the party(ies) responsible therefor.

(3) Any Unit Owner permitted by the Board of Directors to use a specific portion of the Common Elements for storage is responsible for the maintenance and care of such portion and shall use such portion in a safe and sanitary manner.

(c) Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation and shall be of first-class quality but may be done with contemporary building materials and equipment. The method of approving payment vouchers for all repairs and replacements shall be determined by the Board of Directors. Replacement of Unit components (eg toilets, heating and air conditioning units, etc.) must be of the most energy efficient systems or components which are commercially reasonable.

Section 6. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors the Common Elements shall require additions, alterations ,or improvements costing in the aggregate in excess of Ten Thousand Dollars ($10,000.00) during any period of twelve (12) consecutive months, and the making of such additions, alterations or improvements shall have been approved by a majority of the Unit Owners, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Expense. Any additions, alterations or improvements costing in the aggregate Ten Thousand Dollars ($10,000.00) or less during any period of twelve (12) consecutive months may be made by the Board of Directors without approval of the Unit Owners and the cost thereof shall constitute part of the Common Expenses. Notwithstanding the foregoing, if, in the opinion of not less than sixty percent (60%) of the members of the Board of

Directors, any additions, alterations or improvements are or shall be exclusively or substantially exclusively for the benefit of the Unit Owner or Owners requesting the same, such requesting Unit Owners shall be assessed therefor in such proportion as they jointly approve or, if they are unable to agree thereon, in such proportions as may be determined by the Board of Directors.

Section 7. Additions, Alterations or Improvements by Unit Owners. No Unit Owner shall make any structural addition, alteration or improvement in or to his or her Unit without the prior written consent thereto of the Board of Directors. No Unit Owner shall paint or alter the exterior of any Unit, including the doors and windows and roof, nor shall any Unit Owner paint or alter the exterior of any Building in any structural cosmetic or aesthetic manner, without the prior written consent of the Board of Directors. The Board of Directors shall be obligated to answer any written request by a Unit Owner for approval of a proposed addition, alteration or improvement (by painting or otherwise) in, on or to such Unit Owner's Unit or the Building in which such Unit is located within forty-five (45) days after such request is received, and its failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition, alteration or improvement. If application to any governmental authority for a permit to make an addition, alteration or improvement in or to any Unit requires execution by the Unit Owners' Association, and provided consent has been given or deemed given by the Board of Directors, then the application shall be executed on behalf of the Unit Owners' Association by the Board of Directors or any Officer designated by the Board, without however incurring any liability on the part of the Board of Directors or any of the members thereof or any Officer as aforesaid to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

Section 8. Restriction on Use of Units and Common Elements. Each Unit and the Common Elements shall be occupied and used as follows:

(a) Except as provided below, no part of the Condominium shall be used for other than housing and the related common purposes for which the Condominium was designed. Each Unit shall be used as a residence and for no other purpose. A Unit Owner may use a portion of a Unit for a home office or studio provided that such use is consistent with all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction in respect of the Condominium and that the activities therein shall not interfere with the quiet enjoyment or comfort of any other Unit Owner, and provided further, that in no event shall any part of the Condominium be used as a school or music studio.

(b) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Condominium, or the contents thereof, applicable for residential use, without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements which will result in the cancellation of insurance on the Condominium or the contents thereof, or which would be in violation of any laws. No waste will be committed in, on or to the Common Elements

(c) No immoral, improper, offensive, or unlawful use shall be made of the Condominium or any part hereof, and all valid laws, zoning ordinances and regulation of all governmental agencies having jurisdiction thereof shall be observed. All laws, orders, rules, regulations, or requirements of any governmental agency having jurisdiction, relating to any portion of the Condominium, shall be complied with, by and at the sole expense of the Unit Owner or the Unit Owners' Association, whichever shall have the obligation to maintain or repair such portion of the Condominium, and, if by the Unit Owners' Association, then the cost of such compliance shall be a Common Expense.

(d) Nothing shall be done in any Unit or in, on or to the Common Elements which will impair the structural integrity of the Condominium or which would structurally change any Building or other improvements except as is otherwise provided in these Bylaws, <u>provided</u>, that interior partitions contributing to the support of any Unit or Building shall not be altered or removed.

(e) Except for home office or studio use permitted by these Bylaws, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise designed for profit, altruism, exploration, or others, shall be conducted maintained, or permitted on any part of the Condominium. No person may post any advertisement poster or sign of any kind on the exterior of a Unit or in the windows of a Unit, except: (i) as permitted by the Board of Directors; (ii) a temporary sign (limited to one window per Unit) advertising the sale or rental of a Unit; or (iii) when required by law. No Unit Owner or other person may place any sign on any General or Limited Common Element without the prior written consent of the Board of Directors.

(f) No Unit Owner shall obstruct any of the Common Elements nor shall any Unit Owner place or cause or permit anything to be placed on or in any of the Common Elements (except those areas designated for such storage by the condominium instruments or the Board of Directors) without the prior written approval of the Board. Nothing shall be altered or constructed in or removed from the Common Elements, except with the prior written consent of the Board of Directors. Nothing shall be placed upon or affixed to the concrete surfaces of the balconies which would trap moisture including, without limitation, carpet, tile or planters.

(g) The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the Units. The vestibules, public halls and stairways shall be used for no purpose other than for normal transit.

(h) No fences may be erected on the Condominium except for those erected by the Declarant and those erected with the written consent of the Board of Directors.

(i) Exterior antennas and satellite dishes may be erected by any Unit Owner, subject to rules adopted by the Board of Directors in its reasonable discretion to minimize visual intrusiveness and to promote the preservation and structural integrity of the Common Elements.

(j) The Board of Directors shall have the authority to adopt rules limiting unit occupancy pursuant to §55-79.74:3 of the Virginia Condominium Act as now enacted and as hereafter amended. No Unit shall be rented for transient or hotel purposes or in any event for an initial period of less than six (6) months. No portion of any Unit (other than the entire Unit) shall be leased for any period. No Unit Owner shall lease a Unit unless the written form of lease shall contain the following provisions: (i) require the lessee to comply with the condominium instruments and Rules and Regulations; (ii) provide that failure to comply constitutes a default under the lease, and (iii) provide that the Board of Directors has the power (but not the obligation) to terminate the lease or bring summary proceedings to evict the tenant in the name of the lessor thereunder after forty-five (45) days written notice to the Unit Owner, in the event of a default by the lessee in the performance of the lease. The Unit Owner shall, promptly following the execution, forward a fully conformed copy of the lease to the Board of Directors. The foregoing provisions of this paragraph, except the restrictions against use for hotel or transient purposes, shall not apply to a Mortgagee in possession of a Unit as a result of foreclosure, judicial sale or proceeding in lieu of foreclosure. By act of leasing a Unit, the Unit Owner agrees to an automatic assignment of rent in favor of the Unit Owners' Association if the Unit Owner fails to pay any assessment amount within ten (10) days of the due date. The Unit Owners' Association has the right to demand from and receive from the tenant such sums as are due until the Unit Owner's account, including assessments, late fees, interest, attorney's fees and costs are paid in full.

(k) No trailers, campers, recreational vehicles, boats or commercial vehicles may be parked in the Condominium parking areas unless the Board of Directors shall designate an area within the parking areas exclusively for such purposes. No junk or derelict vehicle or other vehicle on which current registration plates are not displayed shall be kept upon any portion of the Condominium. Vehicle repairs are not permitted in the Condominium parking areas.

(l) The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any Unit or upon the Common Elements, except that the keeping of a reasonable number (as determined from time to time by the Board of Directors) of small, orderly domestic pets (e.g., dogs, cats or caged birds) is permitted, subject to the Regulation adopted by the Board of Directors; provided, that such pets are not kept or maintained for commercial purposes or for breeding and provided, further, that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Condominium upon three (3) days' written notice from the Board of Directors. Pets shall not be permitted upon the Common Elements unless accompanied by an adult and unless carried or leashed. Any Unit Owner who keeps or maintains any pet upon any portion of the Condominium shall be deemed to have indemnified and agreed to hold the Condominium, the Unit Owners' Association, each Unit Owner, the Board of Directors, and the Managing Agent, free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium. All pets shall be registered with the Board of Directors and shall otherwise be registered and inoculated as required by law.

(m) Sufficient carpeting or rugs shall be maintained on a minimum of ninety percent (90%) of the floor surfaces (except kitchens, closets and bathrooms) in Units located over other Units to adequately reduce transmission of sound between Units. Washers, dryers and other major appliances may not be installed in a Unit without the prior written approval of the Board of Directors.

(n) No Unit shall be subjected to or used for any timesharing, cooperative, licensing or other arrangement that would entail weekly, monthly, or any other type of revolving or periodic occupancy by multiple Unit Owners, cooperators, licensees or timesharing participants.

Section 9. Right of Access. By acceptance of a deed of conveyance, each Unit Owner thereby grants a right of access to his or her Unit, as provided by Section 55-79.79(a) of the Condominium Act, to the Board of Directors or the Managing Agent, or any other person authorized by the Board of Directors or the Managing Agent, or any group of the foregoing, for the purpose of enabling the exercise and discharge of their respective powers and responsibilities, including without limitation making inspections, correcting any condition originating in a Unit and threatening another Unit or the Common Elements, performing installations, alterations or repairs to the mechanical or electrical services or the Common Elements in a Unit or elsewhere in the Condominium, or to correct any condition which violates the provisions of any mortgage covering any Condominium Unit, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of any emergency, such right of entry shall be immediate and without notice, whether the Unit Owner is present at the time or not. Any exercise of the rights herein referred to shall be in a manner, to the extent practicable, so as not to unreasonably interfere with the use of a Unit, or unduly inconvenience the Occupant.

Section 10. Rules and Regulations. Rules and Regulations concerning the operation and use of the common elements may be promulgated and amended by the Board of Directors, provided that such Rules and Regulations are not contrary to or inconsistent with the Condominium Act, the Declaration or these Bylaws. Copies of the Rules and Regulations shall be furnished by the Board of Directors to each Unit Owner prior to the time when the same shall become effective. Changes to the Rules and Regulations shall be conspicuously posted prior to the time when the same shall become effective and a copy thereof shall be furnished to each Unit Owner.

Section 11. Parking Spaces. Parking spaces designated as such on the Plat shall be used by the Unit Owners for self-service parking purposes on an unassigned "first come, first serve" basis, unless otherwise determined by the Board of Directors. Maintenance and repair of all parking areas shall be the responsibility of the Unit Owners' Association, and the costs thereof shall be a Common Expense.

Section 12. Use of Common Elements. No Unit Owner shall place or cause or permit to be placed on or in the public halls, stairways or other Common Elements (other than in the areas designated as storage areas) any furniture, packages or objects of any kind. The halls and stairway shall be used for no purpose other than for normal transit.

Section 13. Utility Charges. The cost of utilities serving the Condominium not individually metered to a Unit shall be Common Expenses allocated pursuant to Section 1 of this Article.

Section 14. Storage; Disclaimer of Liability. The Board may create storage cubicles which are Common Elements and may be assigned to Units as Reserved Common Elements by appropriate resolution of the Board of Directors. Neither the Board of Directors, the Unit Owners' Association nor any Unit Owner shall be considered a bailee, however, of any personal property stored on the Common Elements (including property located in storage cubicles and vehicles parked on the Common Elements), whether or not exclusive possession of the particular area is given to a Unit Owner for storage or parking purposes. Nor shall those parties be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence, except to the extent covered by insurance in excess of any applicable deductible.

ARTICLE VI.

Insurance

Section 1. Authority to Purchase; General Requirements.

(a) Except as otherwise provided in this Article VI, all insurance policies relating to the Condominium shall be purchased by the Board of Directors for the benefit of the Unit Owners' Association, the Unit Owners and their respective Mortgagees, as their interest may appear. The Board of Directors shall be required to use its best efforts to obtain and maintain the insurance specified in this Article VI. The Board of Directors and the Managing Agent shall not be liable for failure to obtain any coverage required by the Bylaws or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverage from reputable insurance companies, or if such coverages are so available only at commercially unreasonable cost. The Board of Directors shall promptly furnish to each Unit Owner written notice of the procurement of, subsequent changes in, or termination of, insurance coverage obtained on behalf of the Unit Owners' Association, in compliance with the Condominium Act.

(b) Each policy of insurance purchased by the Board of Directors, shall provide to the fullest extent applicable that:

(1) The named insured under such policies shall be the Unit Owners' Association and the Unit Owners and/or their authorized representatives, including the Insurance Trustee, the Board of Directors, and the Managing Agent;

(2) In no event shall such insurance be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees;

(3) The insurer waives (i) any right of recovery against the Unit Owners' Association, the Board of Directors, the Managing Agent or the Unit Owners, and their respective agents, employees, guests and, in the case of the Unit Owners, the

members of their households; and (ii) any defense based upon co-insurance or upon any invalidity arising from the acts of the insured;

(4) Such policy shall not be cancelled, invalidated or suspended due to the conduct of any Unit Owner (including his or her invitees, agents and employees) or of any member, Officer or employee of the Board of Directors or the Managing Agent without a prior demand in writing that the Board of Directors or the Managing Agent cure the Defect and neither shall have so cured such defect within sixty (60) days after such demand;

(5) Such policy may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days prior written notice to the Board of Directors and the Managing Agent and, in the case of physical damage insurance, to all Mortgagees.

(6) Any "no other insurance" clause contained in the master policies shall expressly exclude individual Unit Owners' policies from its operation; and

(7) The master policy shall contain a standard mortgagee clause, without contribution, in favor of each Mortgagee of a Unit, which shall provide that the loss, if any, thereunder shall be payable to such Mortgagee and the Unit Owner, as their interests may appear, subject, however, to the loss payment and adjustment provisions in favor of the Board of Directors and the Insurance Trustee set forth in this Article.

(c) The deductible, if any, on any insurance policy purchased by the Association shall be a Common Expense; provided, however, that the Association may, pursuant to subsection 5 of Article V of the Bylaws, assess any deductible amount necessitated by the negligence, carelessness, misuse or neglect of a Unit Owner (or Unit Owner's tenant, family member, guest or invitee) or the failure of a Unit Owner to make any required maintenance or repair against such Unit Owner and his Unit or if the condition causing the loss originated within the airspace of the Unit or its components without regard to fault of the occupant.

(d) All policies of insurance shall be written by reputable companies licensed to do business in the Commonwealth of Virginia, with a rating of Class XII or better under Best's Rating Schedule (or any comparable rating under a revised rating schedule). Physical damage policies shall be in form and substance and with carriers acceptable to a majority of the Mortgagees.

Section 2. Physical Damage Insurance.

(a) The Board of Directors shall obtain and maintain a blanket all-risk policy of fire insurance with extended coverage, vandalism, malicious mischief, windstorm, sprinkler leakage, debris removal, cost of demolition and water damage endorsements, insuring the entire Condominium (including all of the Units and the bathroom and kitchen fixtures installed therein by the Declarant or its predecessors and the replacements thereto installed by the Declarant but not including bathroom and kitchen fixtures, furniture, wall coverings, furnishings or other personal property supplied or installed by the Unit Owners), together with all heating and air conditioning equipment and other service machinery contained therein and covering the interests of the Unit Owners' Association, the Board of Directors, all Unit Owners, and their Mortgagees as their interests may appear, (subject, however, to the loss payment and adjustment provisions in favor of the Board of Directors and the Insurance Trustee contained in this Article VI), in an amount equal to one hundred percent (100%) (less any deductible) of the insurable value of the Condominium based on then current replacement costs (exclusive of the Land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation. The amount of coverage shall be reviewed annually by the Board of Directors with the assistance of the insurance company affording such coverage and such coverage shall be redetermined when and as the Board of Directors deems advisable.

(b) Such policy shall also provide or include:

(1) A waiver of any right of the insurer to repair, rebuild or replace any damage or destruction, if a decision is made pursuant to these Bylaws not to do so and, in such event, that the insurer shall pay on the basis of the agreed amount endorsement as though a total loss had occurred;

(2) The following endorsements (or their equivalents): (i) "no control" (to the effect that coverage shall not be prejudiced by any act or neglect of any occupant or Unit Owner or their agents when such act or neglect is not within the control of the insured, or the Unit Owners collectively; nor by any failure of the insured, or the Unit Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or the Unit Owners collectively, have no control); (ii) "cost of demolition"; (iii) "contingent liability from operation of building laws or codes"; (iv) "increased cost of construction"; (v) "condominium replacement cost"; and (vi) "agreed amount" or elimination of co-insurance clause; and

(3) That any "no other insurance" clause expressly exclude individual Unit Owners' policies from its operation so that the physical damage policy coverage and any individual Unit Owners' policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder provide for or be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees, unless otherwise required by law.

(c) A duplicate original of the policy of physical damage insurance, all renewals thereof, and any subpolicies or certificates and endorsements issued thereunder together with proof of payment of premiums shall be delivered by the insurer to any Mortgagee so requesting at least thirty (30) days prior to expiration of then current policy. Prior to obtaining any policy of physical damage insurance or any renewal thereof the Board of Directors shall obtain an appraisal or evaluation from an insurance company, or such other source as the Board of Directors may determine, of the current replacement costs of the Condominium (exclusive of the Land, excavations, foundation and other items normally excluded from such coverage), without deduction for depreciation, for the purpose of determining the amount of physical damage insurance to be secured pursuant to this Section. Such an appraisal shall not be performed sooner than every ten (10) years unless the Board of Directors determines otherwise. Each Mortgagee whose name and address has been previously furnished to the Association shall be notified promptly of any event giving rise to a claim under such policy arising from damage to the Common Elements in excess of one percent (1%) of the then-current replacement cost of the Property.

Section 3. Liability Insurance. The Board of Directors shall obtain and maintain comprehensive general public liability (including liable, slander, false arrest and invasion of privacy coverage and errors and omissions coverage for Directors) and property damage insurance in such limits as the Board of Directors may from time to time determine, insuring each member of the Board of Directors, the Managing Agent, the Unit Owners' Association and each Unit Owner against any liability to the public or to the Unit Owners (and their invitees, agents and employees) arising out of, or incident to the ownership and/or use of the Common Elements, public ways and commercial spaces, if any. Such insurance shall be issued on a comprehensive liability basis and shall contain: (i) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to such insured's action against another named insured; (ii) hired and non-owned vehicle coverage; (iii) has liquor liability coverage with respect to events sponsored by the Unit Owners' Association; and (iv) a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of the Unit Owners' Association or of another Unit Owner. The Board of Directors shall review such limits once each year, but in no event shall insurance be less than One Million Dollars ($1,000,000.00) covering all claims for bodily injury or property damage arising out of one occurrence unless unavailable at a commercially reasonable price. Reasonable amounts of "umbrella" liability insurance in excess of the primary limits shall also be obtained in an amount determined adequate by the Board of Directors.

Section 4. <u>Other Insurance</u>. The Board of Directors shall obtain and maintain;

(a) Adequate fidelity coverage to protect against dishonest acts on the part of Officers, Directors, trustees and employees of the Unit Owners' Association and all others who handle, or are responsible for handling, funds of the Unit Owners' Association, including the Managing Agent. Such fidelity bonds shall: (i) name of the Unit Owners' Association as an obligee; (ii) be written in the total amount of the Association's reserves plus three (3) months of maintenance fee, or the amount required by the Federal Home Loan Mortgage Corporation; and (iii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression;

(b) If the Condominium is located in an area at any time designated by the Secretary of the Department of Housing and Urban Development as having special flood hazards, and a governmental agency requires insurance; a blanket policy of flood insurance in accordance with the then-applicable regulation of such agency requiring the insurance;

(c) Workmen's compensation insurance, if any, to the extent necessary to meet the requirements of law;

(d) If there is a steam boiler in operation in connection with the Condominium, broad form machinery and pressure vessel (boiler) explosion insurance in an amount not less than $50,000.00 per accident per location;

(e) Directors and Officers liability insurance to provide errors and omissions coverage for Officers and Directors of the Association; and

(f) Such other insurance as the Board of Directors may determine or as may be requested from time to time by a majority of the Unit Owners.

Section 5. <u>Separate Insurance</u>. Each Unit Owner shall have the right, at his or her own expense, to obtain insurance for his or her own Unit and for his or her own benefit and to obtain insurance coverage upon such Unit Owner's personal property and for such Unit Owner's personal liability as well as upon any improvements made by such Unit Owner to his or her Unit under coverage normally called "tenants' improvements and betterments coverage"; provided, however, that no Unit Owner shall be entitled to exercise any right to acquire or maintain such insurance coverage so as to decrease the amount which the Board of Directors, on behalf of all Unit Owners, may realize under any insurance policy maintained by the Board of Directors or to cause any insurance coverage maintained by the Board of Directors to be brought into contribution with insurance coverage obtained by a Unit Owner. All such policies shall contain waivers of subrogation. No Unit Owner shall obtain separate insurance policies except as provided in this Article.

Section 6. Insurance Trustee.

(a) All physical damage insurance policies purchased by the Board of Directors shall be for the benefit of the Unit Owners' Association, the Unit Owners and their Mortgagees as their interest may appear, and shall provide that, with respect to any single loss, if the proceeds thereof exceed $150,000.00 then all such proceeds shall be paid in trust to such bank, insurance company, trust company or other agency, which may be located in the Commonwealth of Virginia or in the metropolitan Washington, D.C. area, with trust powers, as may be designated by the Board of Directors (which trustee is herein referred to as the "Insurance Trustee"). If such proceeds do not exceed One Hundred Fifty Thousand Dollars ($150,000.00), then all such proceeds shall be paid to the Board of Directors to be applied pursuant to the terms of Article VII.

(b) The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid to it and to hold the same in trust for the purposes elsewhere stated in these Bylaws, for the benefit of the insureds and their beneficiaries.

Section 7. Board of Directors as Agent. The Board of Directors hereby is irrevocably appointed the agent for each Unit Owner, each Mortgagee, other named insureds and their beneficiaries and any other holder of a lien or other interest in the Condominium to adjust and settle all claims arising under insurance policies purchased by the Board of Directors and to execute and deliver releases upon the payment of claims.

ARTICLE VII.

Repair and Reconstruction After Fire or Other Casualty

Section 1. When Repair and Reconstruction are Required. Subject to the provisions of Section 4 of this Article, in the event of damage to or destruction of all or any of the Buildings as a result of fire or other casualty, the Board of Directors, under the direction of the Insurance Trustee, shall arrange for and supervise the prompt repair and restoration of the Buildings (including any damaged Units, and the kitchen and bathroom fixtures and appliances installed therein by the Declarant or its predecessors and replacements thereof installed by the Declarant, but not including any other furniture, furnishings, fixtures or equipment installed by the Unit Owners in the Units). Notwithstanding the foregoing, each Unit Owner shall have the right to supervise the redecorating of his or her own Unit.

Section 2. Procedure for Reconstruction and Repair.

(a) Cost Estimates. Immediately after a fire or other casualty causing damage to any Building, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the Building (including any damaged Units, and any kitchen and bathroom fixtures and appliances installed by the Declarant, but not including any other furniture, furnishings, fixtures or equipment installed by the Unit Owners in the Units) to a condition as good as that existing before such fire or other casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary.

(b) Assessments. If the proceeds of insurance maintained by the Board of Directors are not sufficient to defray the estimated costs of reconstruction and repair as determined by the Board of Directors, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments in sufficient amounts to provide payment of such costs shall be made by the Board of Directors against all Unit Owners, in proportion to the respective Common Element Interests of all Units. Such assessments shall be treated for all purposes as assessments of Common Expenses, but shall not require the approval of the Unit Owners' Association, anything in these Bylaws to the contrary notwithstanding.

(c) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the plans and specifications under which of the Condominium was constructed originally, subject to the requirement of applicable law at the time of reconstruction or repair and using contemporary material and technology to the extent feasible.

(d) Encroachments. Subject to any express or implied limitations imposed by the Condominium Act, encroachments upon or in favor of Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Unit Owners upon whose property such encroachment exists, provided that such reconstruction is substantially in accordance with the plans and specifications under which the Condominium was constructed originally. Such encroachments shall be allowed to continue in existence for so long as the reconstructed Building(s) shall stand.

Section 3. Disbursements of Construction Funds.

(a) Construction Fund and Disbursement. The net proceeds of insurance collected on account of casualty, and the sums received by the Board of Directors from collections of assessments against Unit Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner: If the estimated cost of reconstruction and repair is less than One Hundred Fifty Thousand Dollars ($150,000.00), then the construction fund shall be disbursed in payment of such costs upon order of the Board of Directors. If the estimated cost of reconstruction and repair is One Hundred Fifty Thousand Dollars ($150,000.00) or more, the construction fund shall be disbursed in payment of costs by the Insurance Trustee upon approval of an architect qualified to practice in Virginia and employed by the Insurance Trustee to supervise such work, payment to be made from time to time as the work progresses. The architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the architect and other person who have rendered services or furnished materials in connection with the work and stating that: (a) the Sums requested by them in payment are justly due and owing and that such sums do not exceed the value of the services and materials furnished; (b) there is no other outstanding indebtedness known to such architect for the services and materials described; and (c) the cost as estimated by such architect for the work remaining to be done subsequent o the date of such certificate does not exceed the amount of the construction fund remaining in after payment of the sum so requested.

(b) Surplus. It shall be presumed that the first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds and, if there is a balance in the construction fund after the payment of all of the costs of the reconstruction and repair for which the fund is established, such balance shall be divided first among all Unit Owners in proportion to special assessments levied pursuant to Section 2(b) of this Article VII, and the balance, if any, shall be divided among the Unit Owners in proportion to their Common Element Interests; provided, however, that such monies shall first be applied against outstanding assessment of any Unit Owner whose account is delinquent and the balance, if any, and shall be distributed in accordance with the priority of interests at law or in equity in each Unit.

(c) Common Elements. When the damage is to both Common Elements and Unit, the insurance proceeds shall be applied first to the cost of repairing those portions of the Common Elements which enclose and service the Units, next to the cost of repairing the perimeter walls of the Units, next to the cost of repairing the other Common Elements, and the balance, if any, to the cost of repairing the Units.

(d) Certificate. The Insurance Trustee shall be entitled to rely upon a certificate executed by the President or Vice President, and the Secretary, certifying (i) whether the damaged Property is required to be reconstructed and repaired; (ii) the name of the payee and the amount to be paid with respect to disbursement from any construction fund or whether surplus funds to be distributed are less than the assessments paid by the Unit Owners; and (iii) all other matters concerning the holding and disbursing of any construction fund. Any such certificate shall be delivered to the Insurance Trustee promptly after request.

Section 4. When Reconstruction is not Required. If the Board of Directors elects not to repair insubstantial damage to the Common Elements, the Board of Directors shall remove all remains of the damaged improvements and restore the site thereof to an acceptable condition compatible with the remainder of the Condominium. The balance of any insurance proceeds received on account of such damage shall be distributed among all Unit Owners in proportion to their respective Common Element Interests; provided, however, that such monies for each Unit shall first be applied to the outstanding balance of unpaid assessments of that Unit Owner, if any. If the Condominium shall be terminated pursuant to Section 55-79.72 of the Condominium Act, the net assets of the Condominium together with the net proceeds of insurance policies, if any, shall be divided by the Insurance Trustee among all Unit Owners in proportion to their respective Common Element Interests, after first paying out of the share of each Unit Owner, to the extent sufficient therefor, the amount of any unpaid liens on the Unit in the order of priority of such liens.

ARTICLE VIII.

Mortgages

Section 1. Notice to Board of Directors. A Unit Owner who mortgages a Condominium Unit shall notify the Board of Directors of the name and address of the Mortgagee and shall file a conformed copy of the note and Mortgage with the Board of Directors.

Section 2. Notice of Unpaid Assessments for Common Expenses. The Board of Directors, whenever so requested in writing by a Mortgagee of a Condominium Unit, shall promptly report any then unpaid assessments for Common Expense due from, or any other default by, the Unit Owner of the Mortgaged Condominium Unit.

Section 3. Notice of Default. The Board of Directors, when giving notice to a Unit Owner of a default in paying an assessment for Common Expenses or any other default, shall simultaneously send a copy of such notice to each Mortgagee of such Unit whose name and address has theretofore been furnished to the Board of Directors. Further, the Board of Directors shall send such Mortgagee written notice of any default by a Unit Owner which has not been cured within thirty (30) days after the delivery to such Unit Owner of the first notice of default.

Section 4. Notice of Damage, etc. The Board of Directors shall promptly notify the affected holders of Mortgages on any Unit of any damage to a mortgaged Unit when such damage exceeds $1,000.00, of any damage to the Common Elements when such damage exceeds $10,000.00, and of any condemnation or similar proceedings which may affect such Mortgagee.

Section 5. Notice of Change in Managing Agent. The Board of Directors shall give notice to all Mortgagee whose name and address has been previously furnished to the Association thirty (30) days prior to any change in the Managing Agent.

Section 6. Notice of Amendments. The Board of Directors shall give notice to all Mortgagees seven days prior to the date on which the Unit Owners, in accordance with the provisions of these Bylaws, materially amend the Declaration or Bylaws.

Section 7. Mortgagees' Approvals. Without the prior written approval of at least sixty-seven percent (67%) of the first Mortgagees (based upon one (1) vote for each first Mortgage owned) or Unit Owners (other than the Declarant), and subject to any further limitations imposed by the Condominium Act, neither the Unit Owners' Association nor any Unit Owner shall:

(a) By act or omission, seek to abandon or terminate the Condominium project;

(b) Change the pro-rata interest or obligations of any individual Condominium Unit for the purpose of: i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or ii) determining the Common Element Interest of ownership of each Condominium Unit in the Common Elements;

(c) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Condominium project shall not be deemed a transfer within the meaning of this clause;

(d) Use hazard insurance proceeds for losses to any Condominium property (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such Condominium property, except as provided by the Condominium Act in case of substantial loss to the Units and/or Common Elements of the Condominium project;

(e) The foregoing provisions shall not be deemed in any way to limit the rights a particular Unit Owner and his or her Mortgagee may have with respect to matters affecting such Owner's Unit. The matters described in paragraphs (b) and (c) above shall require such individual consent by the affected Unit Owners and his or her Mortgagee.

Section 8. Other Rights of Mortgagees. All Mortgagees or their representatives shall be entitled to attend meetings of the Unit Owners' Association and shall have the right to speak thereat. All such Mortgagees shall have the right to examine the books and records of the Condominium, and to require the submission of annual financial reports and other budgetary information upon the same conditions and notice requirement as Unit Owners.

ARTICLE IX.

Compliance and Default

Section 1. Relief. Each Unit Owner shall be governed by, and shall comply with, all of the terms of the Condominium Act, the Declaration, the Deed and Agreement, these Bylaws, and the Rules and Regulations, and any amendments of any of the foregoing. A default by a Unit Owner shall entitle the Unit Owners' Association, acting through its Board of Directors or through the Managing Agent, to the following relief:

(a) Legal Proceedings. Failure to comply with any of the terms of the Declaration, these Bylaws, the Deed and Agreement and the Rules and Regulations shall be grounds of relief which may include, without limiting the same, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in these Bylaws, or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief my be sought by the Unit Owners' Association, the Board of Directors, the Managing Agent, or, if appropriate, by any aggrieved Unit Owner and shall not constitute an election of remedies. A rebuttable presumption exists that violations of the provisions of these Bylaws, other than the assessment obligations, may not be adequately remedied at law. Each Unit Owner by accepting the deed to a Unit and each tenant by occupying the Unit expressly agrees to waive his or her right to trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters arising out of or in any way connected with the Declaration, these Bylaws or any rules and regulations of the Association, the Unit Owner's use or occupancy of the Unit or the Property or any claim of damages resulting from any act or omission in any way connected thereto.

(b) Additional Liability. Each Unit Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by his or her act, failure to act, neglect or carelessness of the act, neglect or carelessness of any member of his or her family or his or her employees, agents or licensees or for any condition originating within the airspace of the Unit or from its components without regard to fault of the occupant. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.

(c) Costs and Attorneys' Fees. In any proceeding arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorneys' fees as may be determined by the court.

(d) No Waiver of Rights. The failure of the Unit Owners' Association, the Board of Directors, the Managing Agent or a Unit Owner to enforce any right, provision, covenant, or condition which may be granted by the Condominium Act, the Declaration, these Bylaws, the Deed and Agreement or the Rules and Regulations shall not constitute a waiver of the right of the Unit Owners' Association, the Board of Directors the Managing Agent or such Unit Owner to enforce such right, provision, covenant, or condition in the future. All rights, remedies and privileges granted to the Unit Owners' Association, the Board of Directors, the Managing Agent or any Unit Owner pursuant to any term, provisions, covenant or condition of the Condominium Act, the Declaration, these Bylaws, the Deed and Agreement or the Rules and regulations shall be deemed to be cumulative, and the exercise of any one or more thereof shall be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Condominium Act, the Declaration, these Bylaws, the Deed and Agreement or the Rules and Regulations, or at law or in equity.

(e) Interest. In the event of a default by any Unit Owner in paying any Common Expenses or any other sum assessed against the Unit Owner which default continues for a period in excess of ten (10) days, such Unit Owner shall be obligated to pay interest on the amounts due at the rate of twenty-four percent (24%) per annum from the due date thereof.

(f) Abatement and Enjoinment of Violations by Unit Owners. The violation of any Rule or Regulation adopted by the Board of Directors, or the breach of any Bylaw contained herein, or the breach of any provision of the Condominium Act, the Declaration or the Deed and Agreement, shall give the Board of Directors the right, in addition to any other rights set forth in these Bylaws (a) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that constitutes such violation and the Board of Directors shall not thereby be deemed guilty in any manner of trespass, (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, or (c) to suspend the defaulting Unit Owner's right to vote at any meeting of the Unit Owners' Association and use of recreational facilities at the Condominium for the period the Unit Owner is in default.

(g) Special Charges. The Board of Directors and the Covenants Committee may levy reasonable special charges against Unit Owners for violations of the Rules and Regulations, the condominium instruments or in accordance with the Condominium Act as now enacted and as hereinafter amended. Special charges are collectible as assessments.

Section 2. Lien for Assessments.

(a) The total annual assessment of each Unit Owner for the Common Expenses or any special assessment (or any other sum duly levied (including without limitation special charges, interest, late fees, etc.) made pursuant to the Bylaws is hereby declared to be a lien levied against the Condominium Unit of such Unit Owner within the purview of the Condominium Act, which lien shall be effective as provided by law. The Board of Directors or the Managing Agent may file or record such other or further notice of any such lien as may be required to confirm the establishment and priority of such lien.

(b) In any case where an assessment against a Unit Owner is payable in installments, upon a default by such Unit Owner in the timely payment of any two (2) installments, the maturity of the remaining total of the unpaid installments of such assessment may be accelerated, at the option of the Board of Directors, and the entire balance then owing may be declare due and payable in full by the service of notice to such effect upon the defaulting Unit Owner and his or her first Mortgagee by the Board of Directors or the Managing Agent.

(c) The lien for assessments may be foreclosed in the manner provided by the laws of the Commonwealth of Virginia by power of sale in accordance with Section 3 hereof or by action brought in the name of the Board of Directors, or the Managing Agent, acting on behalf of the Unit Owners' Association. During the pendency of such suit the Unit Owner shall be required to pay a reasonable rental for the Condominium Unit for any period prior to sale pursuant to any judgment or order of any court having jurisdiction over such sale. The plaintiff in such proceeding shall have the right to the appointment of a receiver, if available under the then applicable laws of the Commonwealth of Virginia.

(d) A suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving the lien securing the same, and foreclosure shall be maintainable notwithstanding the pendency of any suit to recover a money judgment.

Section 3. Supplemental Enforcement of the Lien. In addition to proceedings at law or in equity for the enforcement of the lien established by the Declaration, these Bylaws or the Condominium Act, all (but not less than all) of the Unit Owners may be required by the Declarant or the Board of Directors to execute bonds conditioned upon the faithful performance and payment of the installments of the lien established hereby and may likewise be required to secure the payment of such obligations by a declaration of trust recorded among the land records of the City of Alexandria, Virginia, granting unto a trustee or trustees appropriate powers to the end that, upon default in the performance of such bond such declaration of trust may be foreclosed by such trustee or trustees acting at the direction of the Board of Directors. In the event any such bonds have been executed and such declaration of trust is recorded, then any subsequent purchaser of a Unit shall take title subject thereto and shall assume the obligations therein provided for.

Section 4. Subordination and Mortgage Protection. Notwithstanding any other provision hereof to the contrary, the lien of any assessment levied pursuant to these Bylaws upon any Unit (and any penalties, interest on assessments, "late charges" or the like) shall be subordinate to, and shall in no way affect the rights of the institutional holder of a first mortgage on a Unit made in good faith for value received prior to the date the assessment became due ad payable, provided, that such subordination shall apply only to assessments which have become due and payable prior to a sale or transfer of such Unit pursuant to a decree of foreclosure, or any proceeding in lieu of foreclosure. Such sale or transfer shall not relieve the purchaser or Mortgagee of the Unit at such sale from liability for an assessment thereafter becoming due, nor from the lien of any such subsequent assessment, which lien shall have the same effect and be enforced in the same manner as herein provided.

ARTICLE X.

Miscellaneous

Section 1. Notices. All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified United States mail, first-class postage prepaid, or otherwise as the Condominium Act may require or permit, (i) if to a Unit Owner, at the address that the Unit Owner shall designate in writing and file with the Secretary, or if no such address is designated, at the address of the Unit of such Unit Owner or (ii) if to the Unit Owners' Association, the Board of Directors or the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one person each such person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder.

Section 2. Invalidity. The invalidity of any portion of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any provision thereof.

Section 4. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender and the use of the of the singular shall be deemed to include the plural, and vice versa whenever the contest so requires.

Section 5. Amendments. Except as otherwise provided in these Bylaws, these Bylaws may be modified or amended by the affirmative vote of Unit Owners holding at least sixty-six and two-thirds percent (66-2/3%) of the aggregate Common Element Interests. All amendments to the Bylaws shall be prepared by the Secretary or such person as the Board will designate. The Secretary shall record all amendments to the Bylaws.

Section 6. Recording. A modification or amendment of these Bylaws shall become effective only if such modification or amendment is recorded among the Land Records of the City of Alexandria, Virginia.

Section 7. Conflicts. No modification or amendment of these Bylaws may be adopted which shall be inconsistent with the provisions of the Condominium Act. A modification or amendment once adopted and recorded as provided for herein shall then constitute part of the official Bylaws of the Condominium, and all Unit Owners shall be bound to abide by such modification or amendment.

Section 8. Approval of Mortgagees. These Bylaws contain provisions concerning various rights, priorities, remedies and interests of the Mortgagees of Condominium Units. Such provisions in these Bylaws are to be construed as covenants for the protection of the Mortgagees on which they may rely in making loans secure by Mortgages on the Condominium Units. Accordingly, no amendment or modification of these Bylaws impairing or affecting such rights, priorities, remedies or interests of a Mortgagee shall be adopted without the prior written consent of such Mortgagee. If there is more than one Mortgagee holding Mortgages on the Condominium Units, it shall be sufficient to obtain the written consent of the Mortgagees holding first liens on seventy-five percent (75%) of the Condominium Units encumbered by Mortgages.

DLP:lle
G98-001

74 BOOK 977 PAGE 23

AMENDMENT TO CONDOMINIUM INSTRUMENTS

FOR MAYFLOWER SQUARE CONDOMINIUM (SECTION I)

THIS AMENDMENT is made this 20th day of December, 1979, by Mayflower Square Condominium (Section I) Unit Owners' Association ("Association").

W I T N E S S E T H :

WHEREAS, Mayflower Square Condominium (Section I) was established by recordation of Condominium Instruments on December 14, 1977 among the land records of the City of Alexandria, Virginia in Deed Book 878, Page 140; and

WHEREAS, the Association desires to amend Article II, Section 12 of the Bylaws for the Condominium ("Bylaws"); and

WHEREAS, pursuant to and in compliance with Article XI, Section 5 of the Bylaws and Section 55-79.72(b) of the Code of Virginia (1950), as amended, this amendment to the Bylaws has been approved by Unit Owners of Units to which more than 66-2/3% of the votes in the Association appertain.

NOW, THEREFORE, pursuant to and in compliance with Article XI, Section 5 of the Bylaws and Section 55-79.72(b) of the Code of Virginia, the Association hereby amends the Bylaws as follows:

1. Article II, Section 12 is hereby deleted in its entirety and the following substituted therefor:

> Section 12. Quorum. Except as otherwise provided in these Bylaws or as required by law, the presence in person or by proxy of Unit Owners of Units to which thrity-five percent (35%) or more of the aggregate Percentage Interests appertain shall constitute a quorum at all meetings of the Unit Owners' Association.

2. Except as modified by this Amendment, all the terms and provisions of the Condominium Instruments are hereby expressly ratified and confirmed and shall remain in full force and effect.

3. Pursuant to Article XI, Section 8 of the Bylaws, the mortgagee has executed this Amendment to reflect its consent to this Amendment and to certify that it holds first liens on 75% or more of the condominium units encumbered by mortgages.

Return to: Thomas & Sewell

IN WITNESS WHEREOF, the Association has caused this Amendment to be executed by its President and the mortgagee has caused this Amendment to be executed by its Vice President as of the date first written above.

MAYFLOWER SQUARE CONDOMINIUM
(Section I)

UNIT OWNERS' ASSOCIATION

By ______________________
President

FIRST MORTGAGE CORPORATION

By ______________________
Authorized Officer

STATE OF VIRGINIA)
)
CITY OF ALEXANDRIA)

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid do hereby certify that Michael S. Swartz, President of Mayflower Square Condominium (Section I) Unit Owners' Association, whose name is signed to the foregoing instrument has acknowledged the same before me in the aforesaid jurisdiction as President of the Association.

GIVEN under my hand and seal this 30th day of November, 1979.

____
Notary Public

My Commission Expires:

6/7/82

STATE OF VIRGINIA)
)
CITY OF RICHMOND)

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid do hereby certify that Harold I. Brooks, an authorized officer of First Mortgage Corporation, whose name is signed to the foregoing instrument has acknowledged the same before me in the aforesaid jurisdiction as an authorized officer of First Mortgage Corporation.

GIVEN under my hand and seal this 20th day of December, 1979.

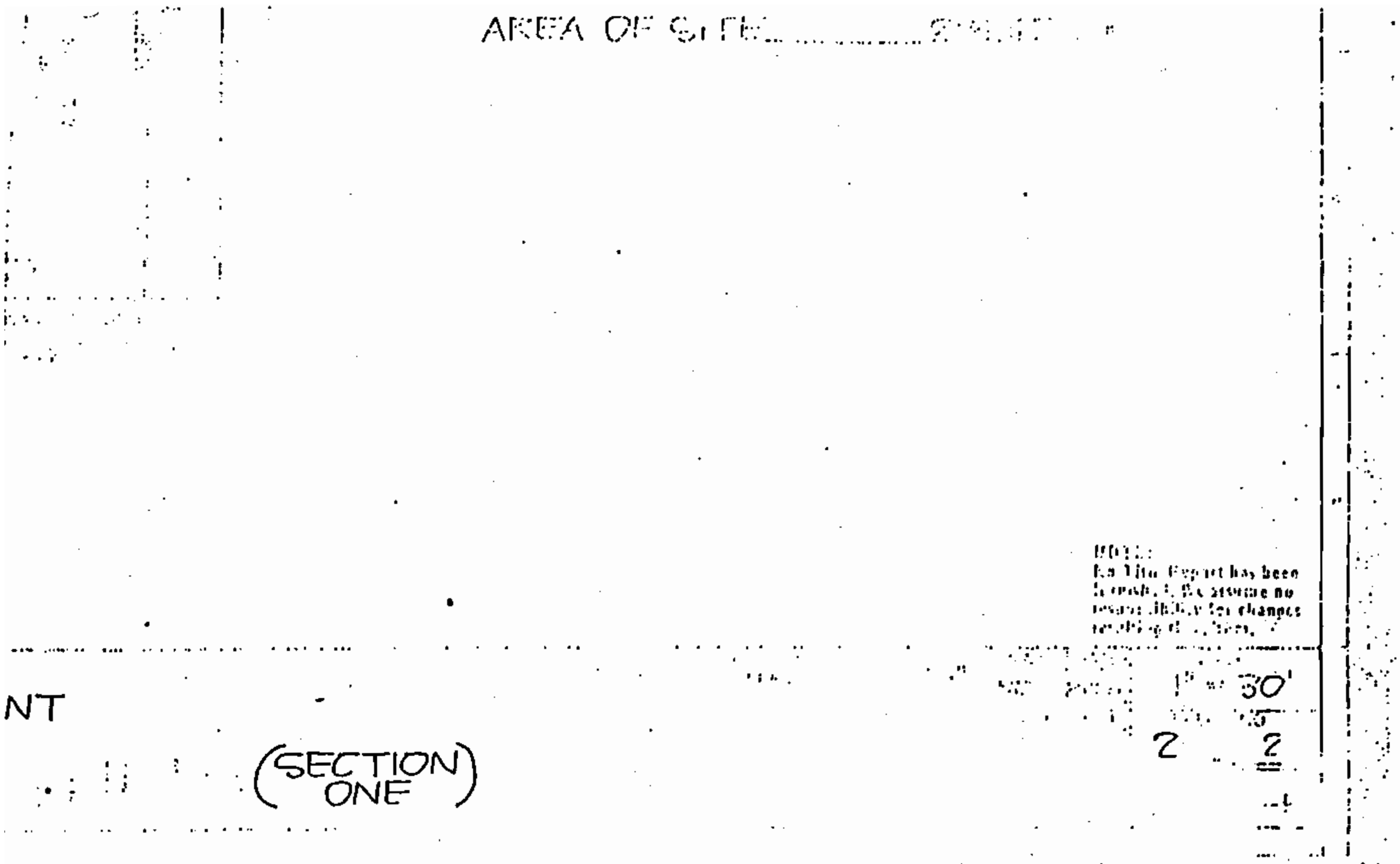
Etta M. Godsey
Notary Public

My Commission Expires:

July 12, 1981

VIRGINIA:
In the Clerk's Office of the Circuit Court/City of Alexandria this deed was received and the taxes imposed by Sec. 58-54.1 in the amount of $ have been paid & with the annexed certificate admitted to record on 1-2-80, 4:25pm

Clerk



BOOK 878 PAGE 130

INSTRUMENT NO. 4738
RECORDED 7/21/77 IN
DEED BOOK 863, PAGE 543

CITY OF ALEXANDRIA, VIRGINIA

COVENANT AND EASEMENT

This instrument is made this 20th day of May, 1977 by Arlen Realty, Inc., a Pennsylvania corporation,

WITNESSETH:

WHEREAS, Arlen Realty, Inc. (Declarant) is successor by merger to U.S.I.F. Wynnewood Corporation, and, as such, is record owner of the Mayflower Square apartment project (the "Property") located on the east side of Quantrell Avenue between N. Beauregard Street and N. Armistead Street in the City of Alexandria, Virginia; and

WHEREAS, in connection with the resubdivision of a portion of the Property, the Planning Commission of the City of Alexandria has approved resubdivision of Parcel 3651-01-01 into two distinct parcels (to be known as Parcel 3651-01-01.1 and Parcel 3651-01-01.2), as more fully shown on the Plat attached hereto as Exhibit A and incorporated herein by reference, subject to certain conditions regarding an easement for ingress and egress and availability of parking spaces;

NOW, THEREFORE, in consideration of the requirements of the Planning Commission in connection with the resubdivision described above, Arlen Realty, Inc., for itself, its successors and assigns, hereby covenants and agrees as follows:

1. A total of forty (40) parking spaces, as shown on Exhibit A, located on the parcel to be known as 3651-01-01.2, hereby are and shall continue to be reserved for the use of the owners and occupants of the parcel to be known as Parcel 3651-01-01.1. This covenant shall run with the land and shall be binding upon all present and future owners and occupants of both parcels. The cost of maintaining, repairing and insuring the parking spaces so reserved shall be borne by the owners and occupants of Parcel 3651-01-01.1.

2. There is hereby created on and over the area designated as the boundary line between the two newly created parcels (as more particularly shown on Exhibit A) a twenty-two foot (22') easement for ingress and egress for the mutual benefit of the owners and occupants of both Parcels 3651-01-01.1 and .2.

3. Nothing herein shall be deemed in any way to modify or limit the scope of existing easements on either parcel relating to emergency vehicle easements, which shall continue to remain fully in effect.

IN WITNESS WHEREOF, Arlen Realty, Inc. has caused this instrument to be executed by its duly authorized officers the day and year first above written.

Attest: ARLEN REALTY, INC.

Assistant Secretary By

[Seal]

County of New York)
State of New York) ss:
)

I, Helen A. Klompus, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Paul F. Wallace and Harmon W. [illegible] as Vice President and Assistant Secretary, respectively, of ARLEN REALTY, INC., personally appeared before me in said jurisdiction and being by me first duly sworn, did depose and say that ARLEN REALTY, INC. is a party to the foregoing and annexed instrument and that the facts set forth in said instrument are true and correct; and they acknowledged to me that ARLEN REALTY, INC. executed the said instrument as its free act and deed.

Subscribed and sworn to before me this 2nd day of May, 1977.

Helen A. Klompus
Notary Public

My Commission expires: March 30, 1979

[Notarial Seal]

HELEN A. KLOMPUS
Notary Public, State of New York
No. 24-4504933
Qualified in Kings County New York
Commission Expires March 30, 1979

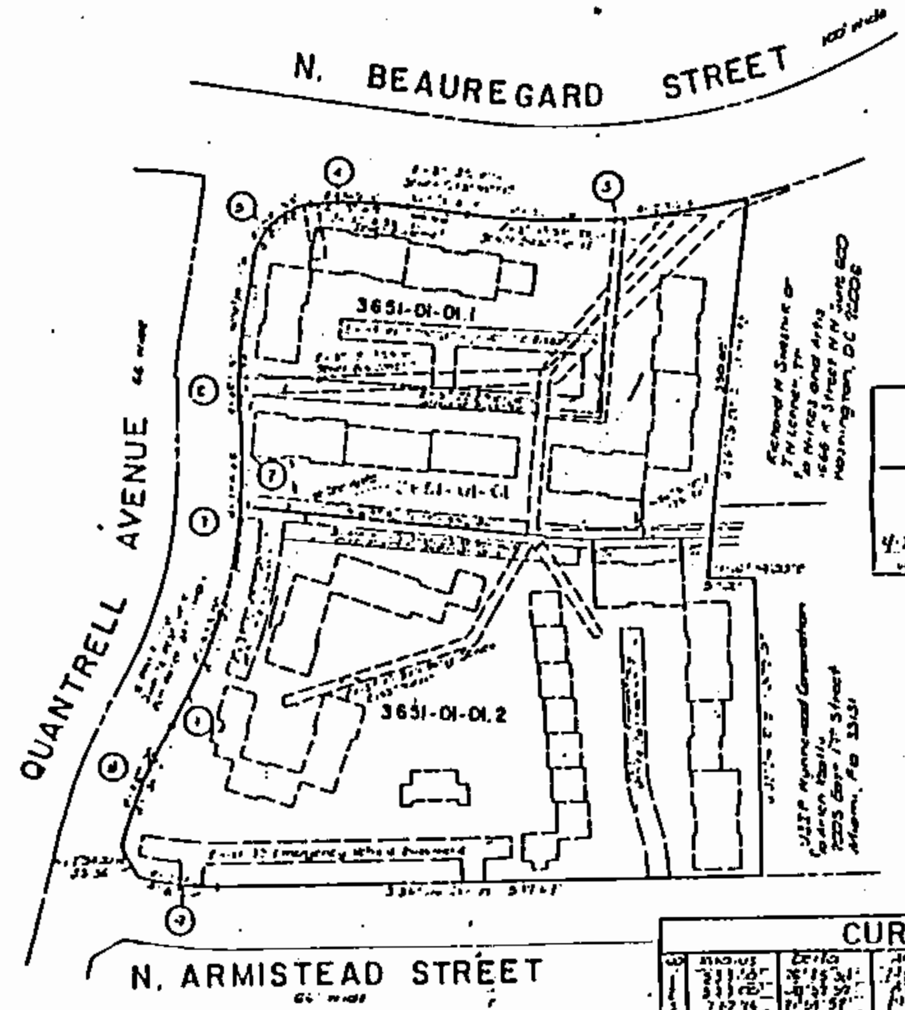
A COPY TESTE:
ALVIN K. FRICKS, CLERK
By: [illegible], Deputy Clerk

CITY OF ALEXANDRIA, VIRGINIA RECORDED INDEXED BOOK 863, PG. 7/21/77 515

PLAT OF RESUBDIVISION OF PARCEL 3651-01-01

CITY OF ALEXANDRIA, VIRGINIA

SCALE: 1"=100' DATE: APRIL 6, 1977



SUVEYORS CERTIFICATE

I hereby certify that I have carefully surveyed the property delineated by this plat, and that it is correct to the best of my knowledge and belief, that it is a resubdivision of part of the land conveyed by USIF Mayflower to USIF Wynnewood Corporation by deed dated November 9, 1975 and recorded among the land records of the City of Alexandria in deed book 766 at page 170 and is within the boundaries thereof.

Certified Land Surveyor — 6 April 1977 Date

APPROVED
CITY PLANNING COMMISSION
ALEXANDRIA, VA.

* Note
22' easement for mutual driveway hereby granted over same area as existing 22' emergency vehicle easement

AREA DATA

	Existing	Required or Permitted
Parcel 3651-01-01.1	163,372 #	100,000 #
Open Space	77,310 #	57,100 #
Gross Floor Area	137,100 #	204,167 #
Parking Spaces	119 SPCS	
Number of Units	135	104
Required Parking at Time of Approval Prior to April, 1973	159	
Parcel 3651-01-01.2	218,455 #	45,200 #
Open Space	91,637 #	35,700 #
Gross Floor Area	161,096 #	775,062 #
Parking Spaces	185 SPCS	
Number of Units	119	273
Required Parking at Time of Approval Prior to April, 1973	159	
Total Site Area	381,779 #	
Zone	RC	
Building Height	57' or less	

CURVE DATA

No.	Radius	Delta	Arc	Tang	Chord	Ch Bearing
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

EDWARD S HOLLAND
Professional Land Engineer
Certified Land Surveyor
Alexandria, Va

Scale 1"=100'

B1&N 1-27-78

8784 BOOK 878 PAGE 105

DEED AND AGREEMENT TO ESTABLISH EASEMENTS IN COMMON

THIS DEED AND AGREEMENT is made this 28th day of October, 1977, by ARLEN REALTY, INC. (d/b/a Realty Group of Greater Washington) ("Declarant") a Pennsylvania corporation qualified to do business in the Commonwealth of Virginia, and those Trustees, if any, whose names appear at the end of this instrument.

WITNESSETH:

WHEREAS, Declarant is the owner of the fee simple title in and to certain real property located in Alexandria, Virginia, which is more particularly described on Exhibit A hereto and made a part hereof, and is hereinafter referred to as "Section I"; and

WHEREAS, Declarant is the owner of the fee simple title in and to certain additional parcels of real property located in Alexandria, Virginia, which is more particularly described on Exhibits B and C hereto and made a part hereof, and which are hereinafter referred to as "Section II" and "Section III", respectively; and

WHEREAS, a total of 119 apartment and townhouse units have been constructed on Section I, a total of 133 apartment and townhouse units have been constructed on Section II, and a total of 190 apartment units have been constructed on Section III; and

WHEREAS, as delineated on Exhibit D, a swimming pool, wading pool and bathhouse/community building, and means of access to each (the "Recreation Facilities") have been constructed on Section I for the use and benefit of all owners and occupants of the buildings located on Sections I, II and III; and

WHEREAS, it is the desire of Declarant that the Recreation Facilities be available for the mutual and non-exclusive use of all owners and occupants of all the buildings located on Sections I, II and III; and

WHEREAS, Declarant desires that the covenants, easements, charges and liens established by this Deed and Agreement shall be covenants running with the land and shall extend to, inure to the benefits of, and be binding upon each owner of an interest in the real property subject to the provisions of this Deed and Agreement, and such owner's personal representatives, heirs, successors and assigns;

NOW, THEREFORE, for and in consideration of the premises, Declarant, being the sole owner of all real property subject hereto, does hereby covenant and agree, for itself and its successors and assigns, as follows:

1. Definitions.

The following words when used in this Deed and Agreement or any amendment hereto (unless the context shall prohibit) shall have the following meanings:

(a) "Mortgage" shall mean and refer to any mortgage, deed of trust or similar instrument granted as security for the performance of any obligation.

(b) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any part of the Properties (defined below), or, if a condominium form of ownership is established for any Section, a condominium unit located in any such Section, but shall not mean or refer to (i) any mortgagee or subsequent holder of a mortgage unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure, or (ii) any other person or entity who holds an interest in a part of the Properties merely as security for the performance of an obligation.

(c) The term "Owner's Licensees" shall mean and include a contract purchaser of all or a portion of a Section from an Owner, the tenant or tenants of an Owner who resides in any Section, or any occupant residing on any portion of a Section, the subtenant or subtenants of such tenant or tenants or occupant, and the members of the immediate family of the Owner, or of any and all such tenants, occupants or subtenants.

(d) "Operating Expenses" shall mean and include (i) all expenses of administration, operation, maintenance, repair or replacement of the Recreation Facilities or any portion thereof, including, without limitation, landscaping, supplies, new equipment, furniture, machinery, legal and accounting fees, and employee salaries and benefits; (ii) real estate taxes and assessments and other public or utility charges with respect to the Recreation

Facilities, and (iii) premiums for insurance against physical damage to the Recreation Facilities and liability insurance covering injury to persons or property arising from the use and operation of the Recreation Facilities.

(e) "Properties" shall mean and refer to Section I, Section II and Section III, collectively.

(f) "Section" shall mean and refer to either of Sections I, II or III.

2. Easements for Use of Access to the Recreation Facilities.

Declarant hereby establishes, creates and grants to the Owners of Section II and Section III a mutual, non-exclusive right, privilege and easement of enjoyment on equal terms in common with the Owner of Section I, in and to the use of the Recreation Facilities and for pedestrian and vehicular ingress to and egress from the Recreation Facilities over and across the surface roadways and walkways now or hereafter constructed on Section I in order to gain access to the Recreation Facilities. The easements created by this paragraph shall be subject to the right of the Owner of Section I to establish, as further provided in Paragraph 11 hereof, reasonable rules and regulations for the use of the Recreation Facilities and the aforesaid roadways and walkways, which shall be applied on a uniform basis to the Owners of all Sections, and further shall be subject to the provisions of this Deed and Agreement.

3. Delegation of Easements.

(a) The easements referred to in Paragraph 2 shall be appurtenant to and shall pass with the title to each Section of the Properties. Any Owner may delegate his, her or its rights to the use and enjoyment of, and access to the Recreation Facilities under Paragraph 2 to such Owner's Licensees or to such guests as may be permitted from time to time by any rules and regulations established pursuant to Paragraph 11. Any Owner shall have the right to establish and charge admission and other fees to such Owner's Licensees and/or guests for the use of the Recreation Facilities without prejudice to the right of the other Owners to establish and charge different admission or other fees for such use or to make no charge to such other Owners' Licensees and/or guests.

(b) In the event of any conveyance or divestiture of title to any Section, the grantor or the person or persons, corporation or corporations or other entity or entities who are divested of title shall be entirely free and relieved of all covenants and obligations thereafter accruing hereunder, unless (i) the grantee is a sovereign, government, international body, agency or other person or entity enjoying the privilege of diplomatic immunity or otherwise immune in whole or in part from enforcement against it of any of the rights, privileges, easements, right of entry or restrictive covenants given to the other Owners hereunder and (ii) the conveyance or divestiture of title occurs by reason of other than a taking of the nature referred to in Paragraph 10 hereof (Condemnation) or imminent threat of such a taking by the grantee. In the event of any conveyance or divestiture of title to any Section, the grantee or the person or persons, corporation or corporations, or other entity or entities who otherwise succeed to title shall be deemed to have assumed all of the covenants and obligations of the Owner of such Section thereafter accruing hereunder until such grantee or successor is freed and relieved therefrom pursuant to the first sentence of this subparagraph (b). Such grantee or such successors in title will acquire title to the Section or portion thereof subject to this Deed and Agreement and any obligations of the grantor accruing prior to the recording of the deed to such grantee or such successors in title.

4. Restrictions on Use.

(a) The right and privilege of any Owner or other person to use the Recreation Facilities is expressly subject to the faithful performance and compliance with all of the terms and conditions of this Deed and Agreement by such Owner or other person, including (without limitation) the payment of the Owner's pro rata share of the costs and expenses referred to below and the compliance with any rules and regulations promulgated pursuant hereto. The Owner of Section I shall have an affirmative obligation to repair and maintain the Recreation Facilities, and to keep the same in clean, sanitary, safe and good operating condition, subject to the terms hereof.

(b) The easements, rights and privileges given, granted and conveyed hereunder, at the option of the Owner of Section I, may be suspended during any period in which an Owner is in default beyond the applicable grace period (if any) in the payment or performance of his or its obligations hereunder. Such suspension shall commence on the sending of written notice to the defaulting Owner of the exercise of such option by the Owner of Section I, which notice also shall set forth the nature of the default. The suspension automatically shall cease during the curing of the default. During the period of suspension, the defaulting Owner and the Owner's Licensees shall not be entitled to use or enjoy the Recreation and Common Utility Distribution Facilities.

(c) The Owner of Section I, for itself and the then Owner(s) of all or any part of the Properties, reserves the right to close temporarily all or any portion of the recreation portions of the Recreation Facilities and the roadways, driveways, streets and walks providing access thereto, to such extent, in the sole judgment of the Owner of Section I, as may be legally necessary and sufficient to prevent a dedication thereof or an accrual of any rights in any person other than as aforesaid or in the public generally therein.

5. <u>Reimbursement for Operating Expenses</u>.

(a) The Owner of Section I shall be responsible for 26.92% of the Operating Expenses, the Owner of Section II shall be responsible for 42.99% of the Operating Expenses, and the Owner of Section III shall be responsible for 30.09% of the Operating Expenses, which percentages have been determined on the basis of the ratio the aggregate square footage of all Units in each Section bears to the aggregate square footage of all Units in all Sections. Each Owner hereby covenants to promptly pay the same when due.

(b) The Owner of Section I shall estimate the Operating Expenses, in a reasonably itemized form, for the ensuing Fiscal Year or portion thereof, and each Owner shall pay to the order of the Owner of Section I, at the address designated by it, the Owner's pro rata share thereof in monthly payments as and when billed therefor, on the basis of such estimate. In addition, the Owner of Section I shall have the full power and authority to levy special assessments if required for the proper maintenance, operation repair or replacement of the Recreation Facilities, which special assessments shall be payable either in a lump sum or on a periodic basis, as the Owner of Section I determines. If, within ten (10) days from the mailing or delivery of a monthly or other payment bill, an Owner fails to pay any payment required hereunder, such failure shall constitute a default hereunder. An Owner cannot excuse or exempt himself or itself from liability for payment of the Operating Expenses by waiving the use and enjoyment of all or any portion of the Recreation Facilities.

(c) Within four (4) months after the end of each Fiscal Year, the Owner of Section I shall send to each of the then Owners a statement of operations of the Recreation Facilities for the prior Fiscal Year (the "Operating Statement"), which shall be prepared by a public accountant selected by the Owner of Section I. In the event the estimated Operating Expenses are less than the actual Operating Expenses for any Fiscal Year as shown on the Operating Statement, the then current Owners shall be liable for the deficit, and each such Owner shall pay his or its pro rata share of the deficit within ten (10) days after the mailing or delivery of a bill therefor. Failure to make such payment within such ten (10) day period shall constitute a default hereunder. Alternatively, the Owner of Section I shall have the right to include the amount of the deficit in the budget for the ensuing Fiscal Year. If the estimated Operating Expenses are more than the actual Operating Expenses for any Fiscal Year as shown on the Operating Statement, then the surplus shall be applied toward defraying the Operating Expenses for the ensuing Fiscal Year. The cost of the Operating Statement shall be borne by all Owners as part of the Operating Expenses.

(d) The Owner of Section I shall maintain proper books of account and records relative to the operation of the Recreation Facilities, including a chronological listing of all receipts and expenditures. Each Owner, or a duly authorized (in writing) representative of such Owner, shall have the right, at its expense, but in no event more than twice in any Fiscal Year, to examine and copy such books and records, on not less than five (5) days' advance notice to the Owner of Section I c/o Arlen Realty Management, Inc., 4853 Cordell Avenue, Bethesda, Maryland 20014 or such different address as the Owner of Section I may designate.

(e) In the event an Owner disputes the amount of Operating Expenses actually incurred for a Fiscal Year as shown on the Operating Statement, such dispute shall be settled by arbitration pursuant to Paragraph 13 below. An Owner shall not be excused from making any payment provided herein pending the resolution of the dispute by arbitration.

(f) Nothing contained herein shall be construed to create a liability or obligation of the Owner of Section I or any Owner in favor of any third party, other than those liabilities and obligations arising as a result of the acts, negligence, carelessness or misconduct of any Owner or any Owner's Licensees or guests.

(g) Except as herein otherwise expressly provided, the Owner of Section I shall have the exclusive right and responsibility for the operation, management and control of the Recreation Facilities, it being intended and agreed that the Owner of Section I shall have the sole and exclusive right to determine the type, kind, quality, quantity of, and the amount to be expended in connection with all repairs, maintenance, replacements, installations and improvements to be made to the Recreation Facilities, or any portion thereof.

6. <u>Remedies</u>.

(a) The Owner of any Section shall have the right to institute a suit for a money judgment to recover all amounts due and owing hereunder from any other Owner.

(b) In the event an Owner defaults in the payment or performance of his or its obligations hereunder, which default is not cured within the applicable grace period (if any), the non-defaulting Owner(s) shall have the right (but in no event be obligated) upon not less than ten (10) days' prior written notice to the defaulting Owner (unless within such 10-day period the defaulting Owner shall take such action as is reasonably calculated to commence the curing thereof, and thereafter shall diligently prosecute the curing thereof to completion) to proceed to make such payment or take such action as shall be necessary to cure such default, all in the name of and for the account of the defaulting Owner.

In such event, the defaulting Owner, on demand, shall reimburse the non-defaulting Owner(s) for all monies actually expended by it or them (including all reasonable out-of-pocket expenses), with interest thereon at the maximum legal contract rate computed from the date of demand to the date of payment.

(c) This Deed and Agreement shall create privity of contract and/or estate with and among all Owners, their heirs, executors, administrators, legal representatives, successors and assigns. In the event of a breach, or an attempted or threatened breach, by any Owner of any of the terms, covenants and conditions hereof, the other Owner(s) shall be entitled forthwith to full and adequate relief by injunction from the consequences of such breach. Any deed, lease, assignment, conveyance or contract made in violation of this Deed and Agreement shall be void and may be set aside upon petition of an aggrieved Owner. A defaulting Owner shall reimburse the other Owner(s) for all costs and expenses (including attorney's fees) of any such suit or proceedings brought against such defaulting Owner.

(d) The remedies of an Owner specified herein shall be cumulative as to each remedy and as to all other remedies permitted at law or in equity.

7. Closing of Recreation Facilities.

An Owner shall not be excused from, nor entitled to a partial or full abatement in the payment or performance of his or its obligations hereunder, except and only to the extent the Operating Expenses are reduced, if at all, by reason of:

(a) the temporary closing of any or all of the Recreation Facilities as a result of fire or other casualty or for the purposes of making repairs thereto or for any other reason; or

(b) the permanent closing of one or more of the Recreation Facilities in order to replace the same with another facility or to expand an existing facility or for any other purpose in the Owner of Section I's sole discretion reasonably exercised.

8. Replacement of Facilities.

The nature, kind, number and quality of the Recreation Facilities and any replacements thereof or additions thereto from time to time shall be determined by the Owner of Section I in its sole judgment, provided that any material and adverse deviation from the Facilities described herein shall require the prior written approval of the other Owner(s).

9. Destruction by Fire, Etc.

If the Recreation Facilities, or any part thereof, shall be damaged by fire or other casualty, the Owners shall have no right to share in any insurance proceeds received by the Owner of Section I as a result thereof. The Owner of Section I shall hold the net insurance proceeds (after deduction of all costs of collection, including, without limitation, attorney's fees) received and retained by the Owner of Section I (and not applied by the holder of any mortgage encumbering the Recreation Facilities in reduction of the indebtedness secured by such mortgage) for the purposes of repairing and restoring the Recreation Facilities. To the extent such net insurance proceeds so retained by the Owner of Section I are sufficient therefor, the Owner of Section I shall cause the Recreation Facilities to be repaired and restored or to be replaced with different Recreation and Common Utility Distribution Facilities, it being agreed that under no circumstances shall the Owner of Section I have any liability (personal, corporate or otherwise) for any insufficiency in the insurance proceeds to complete repairs, restoration or replacement, except for liability in common with all Owners to pay the Operating Expenses. Any deficit shall be included in the Operating Expenses. Any surplus shall be retained by the Owner of Section I and used solely in connection with the operation of the Recreation Facilities, but such surplus shall not affect the amount of Operating Expenses then payable unless the Owner of Section I determines, in its sole discretion, to apply the same for such purpose.

10. Condemnation.

(a) If the whole or any part of the Recreation Facilities is condemned or taken in eminent domain proceedings for any public or quasi-public use or purpose, the entire award received as a result thereof shall belong to the Owner of Section I, and no other Owner shall be entitled to make any claim against the condemning or taking authority for damages done to the Recreation Facilities (or any portion thereof) by reason of such proceedings if such claim would diminish, impair or otherwise adversely affect the claim of the Owner of Section I or the amount of the award to the Owner of Section I. If the whole of the Recreation Facilities is condemned or taken in eminent domain proceedings, this Deed and Agreement and all easements, licenses and rights granted and conveyed hereunder shall cease and come to an end as of the date of such condemnation or taking.

(b) In the event of a partial condemnation or taking, the Owner of Section I shall hold the net proceeds of any award received in such proceeding (after deduction of all costs and expenses incurred in connection therewith, including, without limitation, attorney's fees) and retained by it (and not applied by the holder of any mortgage encumbering the Recreation Facilities in reduction of the indebtedness secured by such mortgage) for the purposes of repairing and restoring the Recreation Facilities. To the extent such net proceeds of the award so received by the Owner of Section I are sufficient therefor, the Owner of Section I shall cause any Recreation Facilities damaged as a result of such taking to be repaired or restored or to be replaced with different Recreation Facilities, it being agreed that under no circumstances shall the Owner of Section I have any liability (personal, corporate or otherwise) for any insufficiency in the award to complete such repairs, restoration or replacement, except for liability in common with all other Owners to pay the Operating Expenses. Any deficit shall be included in the Operating Expenses. Any surplus shall be retained by the Owner of Section I and used solely in connection with the operation of the Recreation Facilities, but such surplus shall not affect the amount of Operating Expenses then payable unless the Owner of Section I determines, in its sole discretion, to apply the same for such purpose.

(c) In the event of a partial condemnation or taking, this Deed and Agreement and all easements, licenses and rights granted and conveyed hereunder, insofar as such relate to or affect the portion of the Recreation Facilities condemned or taken, shall cease and come to an end as of the date of such partial taking.

(d) The terms "condemnation" and "taking" include a sale in lieu thereof.

11. Rules and Regulations.

The Owner of Section I shall have the right to promulgate rules and regulations concerning the use of the Recreation Facilities and shall have the sole right from time to time to modify, amend, annul or add to such rules and regulations, provided that no such rules and regulations or modifications thereof shall discriminate unfairly against any other Owner or such Owner's Licensees. The Owner of Section I shall furnish each Owner with a copy of the rules and regulations, and all amendments, modifications, annulments and additions thereto at least five (5) days prior to the effective date thereof. A breach of any of such rules and regulations which continues or is repeated after receipt of notice specifying the nature thereof shall constitute a default hereunder.

12. Estoppel Certificate.

The Owner of Section I agrees at any time and from time to time (but not more than twice in any consecutive twelve (12) month period), within ten (10) days after written request by an Owner, to give such Owner or to any existing or prospective purchaser, mortgagee or lessee designated by such Owner, a written certificate (and, if requested by the Owner, such certificate shall be in form for recording) stating: (a) that this Deed and Agreement is unmodified and in full force and effect, or if there has been a modification or modifications, that this Deed and Agreement is in full force and effect, as modified, and identifying the modification agreement or agreements; (b) whether or not there is any existing default hereunder by such Owner in the payment of any sum of money owing hereunder, and whether or not there is any other existing default by such Owner with respect to which a notice of default has been given and if there is any such default, specifying the nature and extent thereof; (c) whether or not there are any sums which the Owner of Section I is entitled to receive or demand from such Owner hereunder, and if there is any such sum, specifying the nature and extent thereof; (d) whether or not the Owner of Section I or any other Owner has paid or performed or caused to be paid or performed, or is then paying or performing or causing to be paid or performed, any obligation the cost of which the Owner of Section I or any other Owner is or will be entitled to charge in whole or in part to such Owner but has not yet charged to such Owner, and if there be any such payment or performance, specifying the nature and extent thereof; (e) whether or not the Owner of Section I has given any notice making a demand or claim hereunder which has not yet been discharged or otherwise resolved, and, if so, a copy of any such notice shall be delivered with the certificate; (f) whether or not there is any pending dispute involving the Owner of Section I which has been submitted for arbitration hereunder, and, if so, specifying the nature of the dispute and if so, a copy of any ruling or decision received shall be delivered with the certificate.

13. Arbitration.

(a) If a dispute shall arise between any Owner(s), and if, pursuant to any provision of this Deed and Agreement such dispute is to be settled by arbitration, then any Owner may serve upon the Owner or Owners a written notice demanding that the dispute be arbitrated pursuant to this Paragraph 13.

(b) Within thirty (30) days after the giving of a notice to arbitrate pursuant to subparagraph (a) above, each Owner involved in the dispute shall nominate and appoint an arbitrator and shall notify the other Owners in writing of the name and address of the arbitrator so chosen.

(c) Upon the appointment of all arbitrators, such arbitrators forthwith, and within fifteen (15) days after the appointment of the last arbitrator, and before exchanging views as to the question at issue, shall appoint in writing one more arbitrator (the "Final Arbitrator") and give written notice of such appointment to all owners involved in the dispute. In the event that the arbitrators shall fail to appoint or agree upon such Final Arbitrator within said 15-day period, the Final Arbitrator shall be selected by the Owners involved in the dispute within a further period of ten (10) days.

(d) In the event that any arbitrator appointed pursuant to this Paragraph 13 thereafter shall die or become unable or unwilling to act, his successor shall be appointed in the same manner provided by the provisions of this Paragraph 13.

(e) The arbitrators chosen in accordance with the foregoing provisions of this Paragraph 13 shall be sworn faithfully and fairly to determine the question at issue. The arbitrators shall afford all Owners involved in the dispute a hearing and the right to submit evidence with the privilege of cross-examination on the question at issue, and, with all possible speed, shall make their determination. The concurring determination of a majority of the arbitrators shall be binding upon all such Owners, or, in case a majority of the arbitrators shall not render a concurring determination, then the determination of the Final Arbitrator shall be binding upon such Owners. Judgment upon the determination rendered by the arbitrator or arbitrators may be entered in any court having jurisdiction thereof. The fees and expenses of the arbitrators appointed by each Owner or Owners shall be borne by such Owner or Owners, and the fees and expenses of the Final Arbitrator shall be divided equally between or among all Owners involved in the dispute. If any Owner (hereafter in this sentence referred to as the "defaulting Owner") shall fail to pay the defaulting Owner's share of any fees or expenses of its own Arbitrator or of the Final Arbitrator, then any other Owner or Owners (hereafter in this sentence collectively referred to as the "creditor Owner") may pay the same, and the defaulting Owner, upon demand, shall reimburse the creditor Owner for such payment and failure to do so shall constitute a default hereunder.

14. Establishment of Condominia.

Pursuant to a Declaration intended to be recorded among the Land Records of Fairfax, Virginia, after the recording of this Deed and Agreement, Declarant intends to submit Section I, together with the buildings and improvements thereon, to the condominium form of ownership pursuant to the Virginia Condominium Act (Title 55, §§55-79.39, et seq., 1950

Code of Virginia, as amended). If Section I is submitted to the condominium form of ownership pursuant to the Virginia Condominium Act, or, if Section II and/or Section III are subsequently submitted to the condominium form of ownership pursuant to such Act, the following provisions shall apply:

(a) After the establishment of a condominium form of ownership for Section I, all references in this Deed to the Owner of Section I shall be deemed to include the Owners of each Condominium Unit contained in Section I and all duties imposed and rights granted by this Deed shall be deemed to be imposed upon, inure to, and shall be performed or enjoyed by, the Unit Owners' Association and the Condominium established on Section I. The obligation of the Owner of Section I to contribute 26.92% of the Operating Expenses shall be the obligation of the Unit Owners' Association of the Condominium established on Section I and shall be assessed against the Owners of the Condominium Units as a Common Expense of the Condominium. The right under Paragraph 5 to receive reimbursement for a proportionate share of the Operating Expenses shall inure to the benefit of the Unit Owners' Association of the Condominium established on Section I.

(b) After the establishment of a condominium form of ownership for either or both of Sections II and/or III, all references in this Deed to the Owner(s) of such Section shall be deemed to include the Owners of each Condominium Unit contained in such Section, and all duties imposed and rights granted by this Deed and Agreement shall be deemed to be imposed upon, inure to, and shall be performed or enjoyed by, the Unit Owners' Association for the Condominium established on such Section. The obligation of the Owner of such Section to contribute its pro rata share of Operating Expenses as provided in paragraph 5, after establishment of the condominium form of ownership for such Section, shall be the obligation of the Unit Owners' Association of the Condominium established on such Section and shall be assessed against the Owners of Condominium Units as a Common Expense of the Condominium.

15. Covenants Run with the Land; Duration.

(a) The covenants, easements, licenses, privileges and restrictions herein set forth, except as herein otherwise provided, shall be construed to run with the land (i.e., the Properties) and each and every interest therein, and shall be binding upon and inure to the benefit of Declarant and all Owners and their respective heirs, legal representatives, successors and assigns, for a term of thirty (30) years from the date of recordation hereof, but the same are not intended to create, nor shall they be construed as creating any rights in or for the benefit of the general public. Each and every Owner, and such Owner's Licensees and guests shall be subject to and shall comply with the provisions of this Deed and Agreement and the rules and regulations referred to in Paragraph 11 hereof, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease, sublease, or occupancy with respect to any section or portion thereof, shall constitute an agreement that the provisions of this Deed and Agreement as they may be amended from time to time, are accepted and ratified by such grantee, tenant, subtenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person, partnership, corporation, association, estate, trust or other entity having at any time any interest or estate in such Section, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or sublease thereof.

(b) After the expiration of the initial 30-year term hereof, the term of this Deed and Agreement shall be extended automatically for successive periods of ten (10) years each unless, prior to the commencement of any 10-year extension period (i) an instrument providing for the termination, in whole or in part, of any of the easements, covenants or conditions contained herein shall have been executed and acknowledged (in the manner required by law for the execution and acknowledgment of deeds) by the Owner of Section I after approval in the manner required by Paragraph 16 below, and (ii) the instrument referred to in clause (i) shall have been recorded among the Land Records of Alexandria, Virginia. In the event of a partial termination these provisions hereof not so terminated shall continue as provided herein. Notwithstanding the foregoing, the covenants, easements and conditions contained in this Deed and Agreement shall cease and terminate automatically, and be of no further force and effect, without the necessity of recording any document or instrument, upon the demolition of all buildings and improvements located on all Sections.

16. Amendment.

The Owner of Section I reserves the right to amend, modify, alter, change, annul or terminate any or all of the easements, licenses, rights, restrictions and agreements set forth in this Deed and Agreement in the interests of public safety or the proper use, development or maintenance of the Recreation Facilities or any portion thereof, or for any other reason, provided such amendment, modification, alteration, change, annulment or termination shall be in writing, executed and acknowledged in form for recording by the Owner of Section I, or its successors and assigns, and by not less than 65% of all Owners (or, in the case of total termination or annulment hereof, all Owner(s)) directly affected by such amendment, modification, alteration, change, annulment or termination, and (if required pursuant to the terms of any first mortgage of a Section) the holder of such first mortgage on a Section as directly affected.

17. Waiver.

No provision contained in this Deed and Agreement shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

18. Captions.

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Deed and Agreement nor the intent of any provision hereof.

19. Gender.

The use of the neuter gender in this Deed and Agreement shall be deemed to refer to the masculine or feminine gender, and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

20. Severability.

If any provision of this Deed and Agreement, or any section, sentence, clause, phrase or word, or the application thereof in any circumstances shall be held illegal, invalid or unenforceable, the validity, force and effect of the remainder of this Deed and Agreement and the application of any such provision, section, sentence, clause, phrase or word in other circumstances shall not be affected thereby.

21. Notices

All notices, certificates, demands, elections or other communications (hereinafter collectively called "Notice") required or permitted to be given hereunder shall be sent by registered or certified mail, return receipt requested (except the monthly payment bill or other bill provided in Paragraph 5(d) hereof may be sent by regular mail), addressed to each Owner or (in the case of a Section submitted to condominium ownership) the Board of Directors of the Unit Owners' Association, at his, her, its or their address at the Section so owned by such Owner, or to such other or second addresses as an Owner from time to time may designate in writing to the other Owners. Except as herein otherwise expressly provided, a Notice shall be deemed to be given when mailed as aforesaid and deposited in the United States mails, postage prepaid (including registration charges), addressed to the person intended to be given such notice, except a notice of change of address or of a second address shall be deemed served when received.

22. Liability for Neglect, Etc.

Any other provision herein to the contrary notwithstanding, the Owner of each Section shall be liable for the cost of all maintenance, repair or replacement rendered necessary by his, her, its or their act, neglect or carelessness, or the act, neglect or carelessness of such Owner's Licensees or invitees, but only to the extent that such expense is not covered by the proceeds of insurance carried with respect to the Recreation Facilities. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.

23. No Dedication.

The easements created by this Deed and Agreement are for the sole benefit of the parties named herein, and the Recreation Facilities and means of access thereto covered hereby are not intended to be nor are they dedicated for use by the general public.

24. Subordination.

This Deed and Agreement and all easements, rights and privileges given, granted and conveyed hereunder are and shall remain subject and subordinate to all mortgages which may as of the date hereof affect the Recreation Facilities (whether or not any such mortgage(s) shall cover only the Recreation Facilities or any part thereof or shall be a blanket mortgage covering other premises in addition to the Recreation Facilities, and to all advances made or to be made pursuant to or under any such mortgage(s), but shall not be subordinate to any new mortgages or to any renewals, modifications, consolidations, replacements and extensions of any existing mortgage(s), unless such subordination is approved in writing by all Owners. In confirmation of such subordination, all Owners shall execute promptly at any time and from time to time any instrument or certificate that the Owner of Section I may request. Each Owner hereby irrevocably constitutes and appoints the Owner of Section I such Owner's attorney-in-fact, coupled with an interest, with power of substitution, to execute any such instrument or certificate for and on behalf of such Owner. This Paragraph, nevertheless, shall be self-operative, and no further instrument shall be required to create, perfect or preserve the prior or superior rights or liens of the holder of any such mortgage(s).

IN WITNESS WHEREOF, Declarant has caused this Deed and Agreement to be duly executed as of the date first given above.

DECLARANT:

ATTEST:

ARLEN REALTY, INC.
(d/b/a Realty Corp. of Greater Washi

______________ Secretary By ______________

(Seal)

State of New York)
) ss:
County of New York)

I, a Notary Public in and for the jurisdiction aforesaid, hereby certify that on this 28th day of October, 1977, personally appeared Frank F. Wallace and Raymond L. Bruna, and being by me first duly sworn acknowledge that they are Vice President and Assistant Secretary, respectively, of ARLEN REALTY, INC., and that being authorized so to do they executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by themselves as such officers.

In Witness Whereof I hereunto set my hand and official seal.

Helen A. Kampus
Notary Public

My Commission expires: March 30, 1979

(Notarial Seal)

RULES AND REGULATIONS

MAYFLOWER SQUARE CONDOMINIUM ASSOCIATION
SECTION I
ALEXANDRIA, VIRGINIA 22312

Effective : October 18, 1988

RULES AND REGULATIONS

GENERAL

The Unit Owner's Association of Mayflower Square Condominium (Section I) ("Association"), acting through its Board of Directors, has adopted the following Rules and Regulations ("Regulations"). These Regulations may be amended from time to time by resolution of the Board of Directors.

Wherever in these Regulations reference is made to "Unit Owners", such term shall apply to the owner of any Unit, to his family, tenants whether or not in residence, servants, employees, agents, visitors and to any guest, invitees or licensees of such Unit Owner, his family or tenant of such Unit Owner. Wherever in these Regulations reference is made to the Association, such reference shall include the Association, the Board of Directors, and the Managing Agent when the Managing Agent is acting on behalf of the Association.

The Unit Owners shall comply with all the Regulations hereinafter set forth governing the buildings, balconies and patios, drives, recreational areas, grounds, parking areas and common areas of the Condominium.

The Association reserves the right to alter, amend, modify, repeal or revoke these Regulations and any consent or approval given hereunder at any time by resolution of the Association or the Board of Directors.

These Regulations are supplementary to and not in lieu of provisions governing the Condominium which are set forth in the Declaration and Bylaws of the Condominium. To the extent of any inconsistency between any of the foregoing, the following shall prevail in the order noted: The Declaration, the Bylaws, and these Regulations.

ENFORCEMENT AUTHORITY OF THE BOARD OF DIRECTORS

For any non-compliance with the Declaration, Bylaws, or these Regulations, the Board of Directors of the Association shall have the right to:

1. Revoke/suspend the parking and/or recreational facility privileges of a Unit Owner.

2. Institute legal proceedings as provided for in the Bylaws.

3. Assess the Unit Owner for the cost of all repairs/expenses necessitated by the Unit Owner's negligence, misuse or neglect.

SPECIFIC RULES AND REGULATIONS

1. No part of the Condominium shall be used for any purpose except housing and the common purposes for which the Condominium was designed. Each Unit shall be used as a residence for a single family, its servants and guests.

2. There shall be no obstruction of the Common Elements. Nothing shall be stored in the Common Elements without the prior consent of the Board of Directors except as herein or in the Bylaws expressly provided. No public hall of any building shall be decorated or furnished by any Unit Owner in any manner.

3. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for any of the buildings or contents thereof applicable for residential use without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on any of the buildings or contents thereof or which would be in violation of any public law, ordinance or regulation. No gasoline or other explosive or inflammable material may be kept in any Unit or storage area. No littering shall be committed in the Common Elements.

4. All garbage and trash must be placed in the containers provided therefor by the Unit Owners' Association in the outside trash areas and no garbage or trash shall be placed on the floor, balconies, or elsewhere on any Common Elements. No garbage cans, containers or bags of any kind shall be placed in public areas. Newspapers are to be separated from trash and placed only in the container provided for this purpose located at the corner of 5909/5911 Quantrell Avenue. Disposal of large items (i.e., stoves, dressers, large boxes, carpeting) is the responsibility of the resident and will not be disposed of in the Association provided containers. Special pickup of large items may be arranged through the Management Company at the resident's expense.

5. Except in the recreational or storage areas designated as such by the Board of Directors, no playing or lounging shall be permitted, nor shall baby carriages, velocipedes, bicycles, playpens, wagons, toys, benches, chairs or other articles of personal property be left unattended in public areas of the buildings or passageways, parking areas, courts, sidewalks or lawns or elsewhere on the Common Elements.

6. The toilets and other water and sewer apparatus shall be used only for the purposes for which designed, and no sweepings, matches, rags, ashes, or other improper articles shall be thrown therein. Washing machines are prohibited in individual units. The cost of repairing any damage resulting from misuse of any of such apparatus shall be borne by the Unit Owner causing such damage.

7. Each Unit Owner shall keep his or her Unit in a good state of preservation, repair and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors, windows, terraces or balconies thereof, any dirt or other substance. All bedrooms and living areas in the Units must be carpeted.

8. Nothing shall be done in any Unit or in, on or to the Common Elements which may impair the structural integrity of any building or which may structurally change any of the buildings nor shall anything be altered or constructed in or removed from the Common Elements, except upon the prior written consent of the Board of Directors.

9. No noxious or offensive activity shall be carried on in any unit or in the Common Elements, nor shall anything be done therein which may be or become an annoyance or nuisance to the other Unit Owners or occupants. No Unit Owner shall make or permit any disturbing noises in the buildings or do or permit anything which will interfere with the rights, comforts or convenience or other Unit Owners. All Unit Owners shall keep the volume of any radio,

television or musical instruments in their Units sufficiently reduced at all times so as not to disturb other Unit Owners. Despite such reduced volume, no Unit Owner shall operate any such sound-producing devices in a Unit between the hours of 11 P.M. and the following 8 AM, if such operation shall disturb or annoy other occupants of the buildings.

10. No industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, exploitation or otherwise, shall be conducted, maintained or permitted on any part of the Condominium, except as expressly permitted in the Bylaws, nor shall any "For Sale," "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted on any part of the Condominium or in any Unit, nor shall any Unit be used or rented for transient, hotel or motel purposes. The right is reserved by the Board of Directors or the Managing Agent, to place "For Sale," "For Rent" or "For Lease" signs on any unsold or unoccupied Units or the Common Elements, and the right is hereby given to any Mortgagee who may become the owner of any Unit to place such signs on any Unit owned by such Mortgagee, but in no event will any sign be larger than one foot (1') by two feet (2').

11. No animals or reptiles of any kind shall be raised, bred or kept in any Unit or in the Common Elements, except that dogs, cats or other household pets, not to exceed one per Unit without the prior approval of the Board of Directors, may be kept in a Unit, subject to compliance with the Bylaws and these Regulations.

12. No blinds, shades or screens shall be attached to, hung in, or used in connection with any terrace, balcony or patio of a Unit. Appropriate window covering must be installed by each Unit Owner on all windows of his Unit and must be so maintained thereon at all times.

13. No Unit Owner shall cause or permit anything to be hung, displayed or exposed on the exterior of a Unit or Common Elements appurtenant thereto, whether through or upon windows, doors or masonry of such Unit. The prohibition herein includes, without limitation, laundry, clothing, rugs, signs, awnings, canopies, shutters, radio or television antennas or any other item. Under no circumstances shall any television or radio antennas or other items be installed by the Unit Owner beyond the boundaries of his Unit. A Unit Owner, however, may use a central radio or television antenna provided as a part of his Unit. No clothes line, clothes rack or other device may be used to hang any items on any balcony or window, nor may such devices be used anywhere on the Common Elements except

the Board of Directors. Balconies and terraces shall not be used as storage areas. No terrace or balcony shall be enclosed or covered by any awning or otherwise without the prior consent in writing of the Board of Directors.

14. No Unit shall be used for any unlawful purpose, and no Unit Owner shall do or permit any unlawful act in or upon his Unit.

PARKING AND STORAGE

15. All personal property placed in any portion of any building or any place appurtenant thereto, including without limitation the storage areas, shall be at the sole risk of the Unit Owner, and the Association shall in no event be liable for the loss, destruction, theft or damage to such property. Any Unit Owner may use the storage room, if any, in his building without charge for the storage of trucks, suitcases, snow tires and other items permitted by the Board of Directors. In buildings where storage bins are provided for individual units all stored items must be maintained within the individual unit's screened enclosure. Any item stored outside of enclosures must be approved by the Building representative or in his/her absence, the property manager.

16. Should an employee of the Association at the request of a Unit Owner move, handle or store any articles in storage rooms or remove any articles therefrom or handle, move, park or drive any automobile placed in the parking areas, then and in every such case, such employee shall be deemed the agent of the Unit Owner. The Association shall not be liable for any loss, damage or expense that may be suffered or sustained in connection therewith.

17. Unless otherwise authorized by the Association, the parking areas may not be used for any purpose other than parking automobiles. No buses, trucks, trailers, boats, recreational or commercial vehicles shall be parked in the parking areas or in driveways except in such areas, if any, specifically designated for such parking by the Board of Directors. All vehicles must have current license plates and be in operating condition. No vehicles shall be parked on the Condominium with conspicuous "For Sale" signs attached.

18. All Unit Owners shall observe and abide by all parking and traffic regulations as posted by the Association or by municipal authorities. Vehicles parked in violation of any such regulations may be towed away at the Unit Owner's sole risk and expense.

19. Parking so as to block sidewalks or driveways shall not be permitted. If any vehicle owned or operated by a Unit Owner, any member of his family, tenants, guests, invitees or licensees shall be illegally parked or abandoned on the Condominium, the Association shall be held harmless by such Unit Owner for any and all damages or losses that may ensue, and any and all rights in connection therewith that the owner or driver may have under the provisions of state or local laws and ordinances hereby are expressly waived. The Unit Owner shall indemnify the Unit Owners' Association against any liability which may be imposed on the Unit Owners' Association as a result of such illegal parking or abandonment and any consequences thereof.

ENTRY INTO UNITS

20. No Unit Owner shall alter any lock or install additional locks on any doors of a Unit without the prior written consent of the Board of Directors. The Association or the Managing Agent shall have the right to make and keep a copy of any key required to gain entry to any Unit to be used if entry to such Unit is necessary because of fire, flood or any other condition which may affect the Common Elements or other Units.

21. The agents of the Board of Directors or the Managing Agent, and any contractor or workman authorized by the Board of Directors or the Managing Agent, may enter any room or Unit in the buildings at any reasonable hour of the day after notification (except in case of emergency in which case entry may be immediate and without notification) for the purpose of exercising and discharging their respective powers

and responsibilities, including without limitation inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests.

22. A charge may be made for opening a Unit Owner's door at such Unit Owner's request between 6 p.m. and 8 a.m. when such request requires the assistance of an employee of the Condominium.

23. Employees and agents of the Association are not authorized to accept packages, keys, money (except for Condominium assessments) or articles of any description from or for the benefit of a Unit Owner. If packages, keys (whether for a Unit or an automobile), money or articles of any description are left with the employees or agents of the Association, the Unit Owner assumes the sole risk therefor, and the Unit Owner, not the Association, shall be liable for injury, loss or damage of any nature whatsoever directly or indirectly resulting therefrom or connected therewith. The Association does not assume any responsibility for loss or damage in such cases. Deliveries requiring entrance to a Unit Owner's Unit will not be accepted without the prior written permission of the Unit Owner accompanied by a written waiver of all liability in connection with such deliveries.

RECREATIONAL FACILITIES

24. All persons using any of the recreational facilities do so at their own risk and sole responsibility. The Association does not assume responsibility for any occurrence, accident or injury in connection with such use. No Unit Owner shall make any claim against the Association, its servants, agents or employees, for or on account of any loss or damage to life, limb or property sustained as a result of or in connection with any such use of any of the recreational facilities. Each Unit Owner shall hold the Association harmless from any and all liabilities and any action of whatsoever nature by any tenants, guests, invitees or licensees of such Unit Owner growing out of the use of the recreational facilities except where such loss, injury or damage clearly can be proved to have resulted from and been proximately caused by the direct negligence of the Association or its agents, servants or employees in the operation, care or maintenance of such facilities.

25. Any damage to the buildings, recreational facilities, or other Common Elements or equipment caused by a Unit Owner or such Unit Owner's pets shall be repaired at the expense of the Unit Owner.

MISCELLANEOUS

26. All charges and assessments imposed by the Association are due and payable on the first day of each months, unless otherwise specified. Payment shall be made at the Managing Agent's office by check or money order, payable to the Condominium. Cash will not be accepted.

27. Complaints regarding the management of the Condominium or regarding actions of other Unit Owners shall be made in writing to the Managing Agent or the Board of Directors. No Unit Owner shall direct, supervise or in any manner attempt to assert control over or request favors of any employee of the Managing Agent or the Unit Owner's Association.

28. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit. Clothes dryers are prohibited in individual units.

29. Unit Owners are cautioned against excessive use of soaps and other detergents in their appliances or plumbing apparatus which may cause overflow of suds in any Unit or in any central waste disposal system. Detergents and soaps shall be used only pursuant to manufacturer's directions. Washing machines and clothes dryers are not authorized in individual units. Laundry rooms are available for washing and drying of clothing.

30. The use of charcoal burners is not permitted on the patios or balconies due to danger of fire and smoke disturbance to neighbors, and such burners may not be used on the Common elements except (if and to the extent permitted by law) in such areas, if any, designated by the Board of Directors for such use and in compliance with the law.

31. The planting of plants, flowers, trees, shrubbery and crops of any type is prohibited anywhere on the Common Elements without the prior written consent of the Board of Directors. No fences may be erected around or on the Common Elements.

32. Solicitors are not permitted in any of the buildings. If any Unit Owner is contacted by a solicitor on the Property, the Managing Agent must be notified immediately.

MAYFLOWER SQUARE CONDOMINIUM
SECTION I

<u>PARKING REGULATIONS</u>
FEBRUARY 1, 2006

These parking regulations were adopted by the Board of Directors and are effective February 1, 2006. These regulations supercede all previous versions of Section I Parking Regulations.

The term "parking lot" includes all designated parking spaces in Section I. Section I Parking includes the parking lot in Mayflower Court, the lot in front of the club house/pool, and eleven (11) spaces in front of 5909 Quantrell Ave. The first six (6) spaces immediately adjacent to the dumpster in front of 5909 Quantrell Ave are Section II parking.

FAILURE TO COMPLY WITH THESE REGULATIONS WILL RESULT IN THE VEHICLE BEING TOWED AT THE OWNER'S SOLE RISK AND EXPENSE.

1.0 RESIDENT PARKING

1.1 All resident's vehicle(s) MUST be registered with the Association.

1.2 Any vehicle parked in the Section I parking lot MUST display a current parking pass.

1.3. Handicap Parking. The on-site occupant must make a request in writing to the Board and must be issued a Handicap license plate by the state of Virginia. A designated Handicap space will then be posted.

2.0 PARKING PASSES

2.1 Parking Passes will ONLY be issued to the OCCUPANT(s) of the unit. Tenant(s) must show proof of occupancy. <u>PARKING PASSES ARE NOT TRANSFERABLE</u>.

2.2 The OCCUPANT(s) of the unit are responsible for SAFEGUARDING the parking passes. The PASSES are to be RETURNED TO THE BOARD OF DIRECTORS by the OCCUPANT(s) at the time they move out of the unit.

2.3 A $50.00 fee will be charged for replacement of lost or stolen parking passes.

2.4 Each Unit will be issued a "<u>PRIMARY</u>" Parking Pass to be used in the numbered parking spaces.

2.5 Only those residents who have two vehicles registered to their Section I address may be issued a "SECONDARY" Parking Pass to be used in the un-numbered spaces located in the Club House/Pool Parking Lot.

2.6 The MAXIMUM number of parking passes is TWO per unit. BOTH vehicle registrations must be shown at the time the Secondary Parking Pass is issued.

2.7 Parking Passes are to be hung on the rearview mirror and displayed in such a manner that the pass number is CLEARLY VISIBLE.

3.0 MOTORCYCLES

3.1 Motorcycles authorized by the Association must park in the designated motorcycle parking area. Motorcycles may not be parked inside buildings, on the common grounds, on the patios, or on the sidewalks.

4.0 VIOLATIONS, RESTRICTIONS and ENFORCEMENT

4.1 VIOLATIONS

- **a. Vehicles must display current license plates, city registration, and current inspection sticker.**
- **b. Vehicles must display current resident parking passes.**
- **c. Vehicles must not occupy more than one parking space.**
- **d. Vehicles must not park in fire lanes and other no parking zones.**
- **e. Vehicles must not block other vehicles, walkways, dumpsters or other facilities.**
- **f. Vehicles must not be abandoned or inoperable as defined by the City of Alexandria Code.**
- **g. Vehicles must not display FOR SALE signs when in the Section I parking lot.**
- **h. Vehicles must not display an altered or a stolen parking pass.**
- **i. Unauthorized vehicles as defined in Restrictions below.**

4.2 RESTRICTIONS

a. Commercial vehicles, buses, boats, ATV's, RV's, trailers, and taxis are not permitted to park in the Section I parking lot.

b. Mopeds and other two-wheeled vehicles must not be parked on the balconies, inside buildings, common grounds, patios, sidewalks, or stairs.

4.3 ENFORCEMENT

a. The Board of Directors <u>may revoke</u> the parking pass privileges of any owner whose <u>condominium fess are delinquent</u>.

b. The Board of Directors <u>may revoke</u> the parking pass privileges of any resident who <u>continually violates these regulations</u>.

c. The Board of Directors <u>may revoke</u> the parking pass privileges of any resident who <u>copies or conspires to obtain a fraudulent Section I parking pass</u>.

d. Parking lots will be patrolled regularly. Failure to comply with these regulations will result in the vehicle being towed at the owner's sole risk and expense.

5.0 APPEALS AND EXCEPTIONS

5.1 An appeal of the any parking enforcement action taken must be submitted IN WRITING to the Board of Directors within 30 days of the enforcement action.

5.2 Exceptions to these rules may be granted at the discretion of the Board of Directors. Requests for exceptions must be made IN WRITING to the Board of Directors.

PLEASE REMEMBER

<u>PRIMARY PARKING</u> PASSES – ONLY Park in NUMBERED SPACES

<u>SECONDARY PARKING</u> PASSES – ONLY Park in UN-NUMBERED SPACES in Club House/Pool Lot

FAILURE TO COMPLY WITH THESE REGULATIONS WILL RESULT IN THE VEHICLE BEING TOWED AT THE OWNER'S SOLE RISK AND EXPENSE.

MAYFLOWER SQUARE CONDOMINIUM SECTION I
UNIT OWNERS ASSOCIATION

POLICY RESOLUTION NO. 20

ENFORCEMENT PROCEDURE

WHEREAS, Article III, Section 2 of the Bylaws states that the Board of Directors (the "Board") shall have the power to exercise all powers and duties necessary for the administration of the affairs of the Condominium, not otherwise reserved to be exercised by the Association by the Virginia Condominium Act, the Declaration and the Bylaws; and

WHEREAS, Article III, Section 2(f) of the Bylaws empowers the Board to adopt and enforce rules and regulations; and

WHEREAS, for the benefit and protection of the Association and of the individual owners, the Board deems it necessary and desirable to establish a procedure to ensure due process in cases involving compliance by an owner or resident with provisions of the Declaration, the Bylaws or the Rules and Regulations.

NOW, THEREFORE, BE IT RESOLVED THAT the following enforcement procedure is hereby adopted.

I. PROCEDURE

A. Initial Actions to Secure Compliance. Any owner, officer, or agent of the Association has the authority to request that an owner or resident cease or correct any act or omission which appears to be in violation of the aforementioned documents. Such informal requests should be made before the formal process is initiated.

If informal requests do not result in compliance, a written complaint providing in reasonable detail the specifics of the alleged violation shall be filed with the Board.

B. Written Request. After a complaint has been filed, a written request shall be sent to the alleged violator by the Board, or any other designated agent of the Association, in accordance with the following procedure:

1. The alleged violator shall be requested to cease and desist from the alleged violation and shall be advised of: (i) the alleged violation; (ii) the action required to abate the violation; and (iii) a time period, not less than 10 days, during which the violation may be abated without further sanctions or a statement that any further violations of the same provision may result in the imposition of sanctions after notice and hearing.

2. The request shall identify the applicable part of the Declaration, Bylaws or Rules and Regulations that has been violated.

3. The request shall be mailed to the owner at the address on file with the Board, and to the resident of the property, if not the owner.

4. A copy of the request shall be filed in the Association's records.

C. Failure to Comply with Request. The following procedures shall be followed when a continuation or a repetition of a violation occurs:

1. Written Complaint. A written complaint may be filed by any person. The complaint shall constitute a written statement of charges which shall set forth the acts or omissions with which the respondent is charged, in sufficient detail so that the respondent will be able to prepare his defense. The complaint shall identify the specific provisions which the respondent is alleged to have violated, but shall not consist merely of charges phrased in the language of such provisions without supporting facts. The complaint must be as specific as possible as to times, dates, places and persons involved. The complaint must be signed.

2. Preliminary Investigation. Upon receipt and consideration of the written complaint, the Board may request the Managing Agent, if any, or a member of the Board to make a preliminary investigation as to the validity of the complaint and promptly report the findings to the Board. If the alleged violation has been corrected since the complaint was made, or if the complaint is for any other reason no longer valid, the Board shall determine the appropriate disposition of the matter and respond in writing to the complainant. If preliminary investigation indicates the need for further action, the Board may proceed as appropriate with the steps set forth below.

3. Notice of Hearing. If preliminary investigation indicates further action is necessary, the Board shall serve a Notice of Hearing and a copy of the Complaint on the respondent. The Notice shall be served not less than 14 days prior to the date of the hearing. The Notice shall be hand delivered or mailed by first class United States certified mail return receipt requested to the respondent at the address or addresses required for notice of meetings and, in the case of non-owner residents, to the property address as well. Service by mailing shall be deemed effective 2 days after such mailing in a regular depository of the United States mail. The Notice and Complaint shall be accompanied with a postcard or other written form entitled "Notice of Defense" with instructions to the respondent

that the "Notice of Defense" should be returned to the Board if the respondent intends to present any defense or attend the hearing. Failure of the respondent to return the "Notice of Defense" shall not, however, constitute a waiver of the respondent's right to attend the hearing and present a defense. No order adversely affecting the rights of the respondent may be made in any case unless the respondent has been served as provided herein.

The Notice of Hearing sent to the respondent shall state the time, date and location of the hearing and shall inform the respondent of his or her right to be present at the hearing, to be represented by counsel and to present any witnesses or evidence. The Notice shall also describe any sanctions which may be imposed on the respondent.

The Notice of Defense shall state that the respondent may:

(a) attend a hearing before the Board of Directors as provided;

(b) object to the Complaint on the ground that it does not state the act or omissions upon which the Board may proceed;

(c) object to the form of the Complaint on the ground that it is so indefinite or uncertain that the respondent cannot identify the violating behavior or prepare proper defense; or

(d) admit the Complaint in whole or in part, in which event the Board will meet to determine the appropriate sanction, if any.

Any objections to the form or substance of the Complaint shall be considered by the Board within 5 days of receipt and shall promptly notify all parties as to its determination. If the Complaint is found to be insufficient, the complaining party shall be afforded an opportunity to amend the Complaint to make it sufficient and the same procedure, as set forth above, shall be followed with respect to any Amended Complaint.

4. If any parties can promptly show good cause as to why they cannot attend the hearing on the set date and indicate times and dates on which they would be available, the Board may reset the time and date of hearing and promptly deliver notice of the new hearing date.

5. <u>Cease and Desist Request</u>. The Board may, at its own discretion, issue a cease and desist request to the

respondent. Such cease and desist request shall be substantially in the following form:

> "The Board has received the attached complaint.
>
> "The Board hereby requests that you CEASE AND DESIST such acts or actions until such time, if any, as a ruling of the Board of Directors or court of law permits.
>
> "Failure to comply with this request may result in a charge or sanction greater than that which would be imposed for a single violation."

6. Amended or Supplemental Complaints. At any time prior to the hearing date, the Board may file or permit the filing of an amended or supplemental complaint. All parties shall be notified thereof in the manner herein provided. If the amended or supplemental complaint presents new charges, the Board shall afford the respondent a reasonable opportunity to prepare proper defense.

D. Hearing. A hearing shall be conducted in executive session by the Board to afford all parties a chance to present or defend their cases. The following procedure shall apply:

1. Proof of Notice, Minutes. Proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the party who delivered such notice. The notice requirement shall be deemed satisfied if the respondent appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

2. Constraints on the Board of Directors. It shall be incumbent upon each member of the Board to make a determination as to whether that member is able to function in a disinterested and objective manner in consideration of the case. Any member incapable of such objective consideration of the case shall disclose this fact to the Board and shall not take part in the proceedings or in the Board's decision. Any member of the Board has the right to challenge any other member who is unable to function in a disinterested and objective manner.

Prior to the hearing, the complainant and respondent may challenge any member of the Board for cause. In the event of such a challenge, the Board shall meet within 5 days to determine the sufficiency of the challenge. If the Board sustains the challenge, the President may at that time appoint another owner to replace the challenged member. All decisions of the Board in this regard shall be final.

3. Hearing Procedures.

a. The Board shall select a person to serve as hearing officer and preside over the hearing. Such hearing officer need not be an owner or a member of the Board. At the beginning of the hearing, the hearing officer shall explain the rules and procedures by which the hearing is to be conducted.

The Board may determine the manner in which the hearing will be conducted, so long as the rights set forth in this section are protected. The hearing need not be conducted according to technical rules relating to evidence and witnesses. Generally, any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions.

b. Neither the complainant nor the respondent must be in attendance at the hearing. The hearing shall be conducted in executive session.

c. Each party shall have the right to do the following, but may waive any or all of these rights:

(1) make an opening statement;

(2) introduce evidence, testimony, and witnesses;

(3) cross-examine opposing witnesses by directing questions to the hearing officer;

(4) rebut evidence and testimony; and

(5) make a closing statement.

Even if the complainant or the respondent does not testify in his own behalf, each may still be called and questioned.

d. Whenever the Board has commenced to hear the matter and a member of the Board withdraws prior to a final determination, the remaining members shall continue to hear the case and the President may name a replacement for the withdrawing member.

4. Decision. After all testimony and documentary evidence has been presented to the Board, the Board shall vote upon the matter. Agreement of a majority of those voting shall be required for a decision. The decision shall be made promptly after the hearing.

The Board shall prepare written findings of fact within 10 days after the hearing. A copy of the findings and decision of the Board, including majority and minority opinions, if any, shall be served by the Board on each party in the matter and his attorney, if any. A summary of the decision, excluding names of persons involved and addressing only the issues and the Board decision shall be included in the Board Minutes.

5. Sanctions. The sanctions which may be imposed by the Board include, but are not limited to, assessment of special charges not to exceed $10.00 per day for a continuing offense or $50.00 per single offense. Such special charges, if not promptly paid, shall constitute a lien upon the owner's unit and may be subjected to collection activity as set forth in the Declaration and Bylaws of the Association.

II. INTERPRETATION

This Resolution is intended to serve as a protection to owners and residents to ensure that their rights are protected and to serve as a guideline for the Board as it carries out its duties to enforce the Declaration, Bylaws and Rules and Regulations.

The Board may determine the specific manner in which the provisions of this Resolution are to be implemented, provided that due process is afforded.

Any inadvertent omission or failure to conduct any proceeding in exact conformity with this Resolution shall not invalidate the results of such proceeding, so long as a prudent and reasonable attempt has been made to ensure due process according to the general steps set forth in this resolution.

III. DELEGATION TO COMMITTEE

The Board may delegate the hearing and decision responsibility hereunder to a committee. Decisions of the committee may be appealed to the Board.

IV. LEGAL ACTION

Notwithstanding any provision of this Resolution, the Association may initiate legal action at any time without following the procedures set forth herein if, in the judgment of the Board, the interests of the Association so require.

MAYFLOWER SQUARE CONDOMINIUM
SECTION I UNIT OWNERS ASSOCIATION

By: Laura Genero
Laura Genero, President
Board of Directors

I hereby certify that the foregoing Resolution was duly adopted at a regular meeting of the Board of Directors of the Mayflower Square Condominium Section I Unit Owners Association this 2 day of June, 1992.

Dennis Wakeman, Acting Secretary
Board of Directors

AFP/tj
G92.077

MAYFLOWER SQUARE CONDOMINIUM ASSOCIATION
SECTION I

POLICY RESOLUTION NO. 08-01

Rules for the Installation of Direct Broadcast Satellite Dishes and Other Antennas

WHEREAS, Article III, Section 2 of the Bylaws of the Association states that "The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Condominium...;" and

WHEREAS, Article III, Section II of the Bylaws further states that "The Board of Directors shall have the power from time to time to adopt any rules and regulations deemed necessary...;" and

WHEREAS, the Federal Communications Commission ("the FCC") has adopted a rule ("the FCC rule") preempting certain Association restrictions on the installation, maintenance and use of antennas for direct broadcast satellite service, local television broadcast, multipoint distribution service and fixed wireless signals via satellite; and

WHEREAS, the Association wishes to adopt reasonable restrictions governing installation, maintenance and use of antennas in the best interests of the Association and consistent with the FCC's rule;

Now, therefore, it is resolved that the following guidelines for installation of satellite dishes and other broadcast devices on or within the limited common elements are hereby adopted:

I. Definitions

A. **Antenna** – any device that is used for the receipt of video programming services, including direct broadcast satellite (DBS), multipoint distribution service (MDS), and local television broadcast signals (TVBS); and any device used to receive or transmit fixed wireless signals (FWS). A mast, cabling, supports, guide wires, conduits, wiring, fasteners, or other accessories necessary for the proper installation, maintenance, and use of an antenna shall be considered part of the antenna.

B. **Common elements** – all portions of the condominium other than the Units and the limited common element(s) assigned to each Unit. The common elements include, but are not limited to, open grassy areas, roofs and exterior walls.

C. **Exclusive-use area** – limited common element in which the owner has a direct or indirect ownership interest and that is designated in the Declaration for exclusive use of owner.
D. **Fixed wireless signals** – any commercial non-broadcast communications signal transmitted by wireless technology to and/or from a fixed customer location. Examples include wireless signals used to provide telephone service or high-speed internet access to a fixed location. The term "fixed radio, amateur ("HAM") radio, Citizens Band ("CB") radio, and Digital Audio Radio Services ("DARS") signals.
E. **Mast** – Structure to which an antenna is attached that raises the antenna height.
F. **Owner** – any Association unit owner or, for purposes of these Rules only, any tenant lawfully entitled to occupy a unit within the Condominium.
G. **Telecommunications signals** – signals received or transmitted by DBS, TVBS, MDS, or FWS antennas.

II. Installation Requirements

A. Antenna Size and Type

1. DBS, MDS, and FWS antennas that are one meter (39.37 inches) or less in diameter may be installed. DBS, MDS, and FWS antennas that are larger than one meter in diameter are prohibited.
2. All Antennas that are capable of transmitting signals, including FWS antennas, must be labeled to provide notice of radiofrequency (RF) safety hazards and reference the applicable FCC-adopted limits on RF exposure; in addition, all such antennas must be professionally installed (see Section II.C.6. below).
3. All antennas not specifically included within the definition of "antenna" set forth above, or otherwise covered by the FCC rule, are prohibited.
4. No more than one antenna for each type of service (as specified in Section I.A. above) may be installed by an owner.
5. The satellite dish installation must also conform to any and all Rules and Regulations, including Architectural Guidelines, as set forth by the Condominium Documents.

B. Location

1. Antennas shall be installed solely in the following locations (listed in decreasing order of preference):

   a. inside the owner's unit;

b. within the boundaries of the owner's limited common element/exclusive-use areas, as designated in the Declaration and on the plats and plans of the Association (such as patios, balconies) (see Section II.C. below); or

2. If acceptable quality signals may be received by placing antennas inside a unit without unreasonable delay or unreasonable cost increase, then the antenna shall be installed within the unit.
3. Except as otherwise provided herein, antennas shall not encroach upon common elements, any other owner's individual unit or limited common element, or the air space of another owner's limited common element or air space of the common elements. For instance, an antenna cannot be installed so that it extends out beyond the balcony or patio and into, on, or over common elements.
4. Antennas shall be located in a place shielded from view from outside the Condominium or from other units to the maximum extent possible. No antenna of any size may be placed or installed on the common elements, even if an acceptable quality signal cannot be received from within a unit or exclusive-use area/limited common element.

C. Installation on Limited Common Elements/Exclusive Use Areas

1. Antennas shall be no larger nor installed higher than is absolutely necessary for reception of an acceptable-quality signal.
2. All installations shall be completed so that they do not materially damage the common elements, limited common elements, or individual units, or void any warranties of the Association or other owners, or in any way impair the integrity of buildings.
3. To the extent an acceptable quality signal can be obtained, on the floor of the balcony or patio, is the preferred location and installation site within the boundaries of the patio or balcony.
4. To protect the interests of the owner and the Association, satellite dishes must be professionally installed. No wires or cables associated with the installation may be visible. It is recommended that any installer other than the owner should be licensed, bonded and insured.
5. Antennas must be secured in a black planter so they do not jeopardize the soundness or safety of any structure or the safety of any person at or near the antennas, including damage from wind.
6. There shall be no holes put in the exterior, common element, or limited common element/exclusive-use areas of the building. This rule is intended to prevent structural damage to the building and residences from water and vermin or insect intrusion. The

Owner shall be responsible for all damages caused by any penetration through common elements or limited common elements.

D. Maintenance Requirements

1. The unit owner shall ensure that the satellite dish is maintained in a state of good repair and appearance at all times that it remains on the property.
2. Owners who install or maintain antennas are responsible for the following tasks:

   a. Place (or replace), repair, maintain, and move or remove antennas, to include, without limitation, when needed for the Association to do required maintenance to limited common elements or common elements;
   b. Repair damage to any property caused by antenna installation, existence, maintenance or use;
   c. Restore building components at antenna installation sites to their original condition;
   d. Maintain all seals for any penetrations created in relation to the installation of the antenna; and

3. Owners shall not permit their antennas to fall into disrepair or become a safety hazard. Owners shall be responsible for antenna maintenance, repair and replacement, and the prompt correction of any safety hazard.
4. If antennas become fully or partially detached, owners shall remove or repair such antenna within 72 hours of the detachment. If the detachment threatens safety, the Association may remove the antenna immediately at the expense of the owner if the owner does not do so immediately.

III. Antenna Camouflaging

Exterior antenna wiring shall be installed so as to be invisible or barely visible from other units, the common elements or the streets and parking areas. For instance, the owner can hide the wiring by using vinyl tubing that matches the color of the surface on which the wiring is installed, or such other camouflaging tubing, devices, or methods consistent with all applicable industry standards and manufacturer's instructions and warranties.

IV. Mast Installation

A. Mast height may be no higher than absolutely necessary to receive acceptable quality signals. However, masts shall not encroach upon common elements, any other owner's individual unit or limited common element, or the air space of another owner's limited common element or air space of the common elements.

B. A mast that is 6 feet high or less and is consistent with the requirements noted above may be installed. Masts that would violate Section IV.A., or which exceed 6 feet in height must be approved by the Board of Directors before installation due to safety concerns posed by wind loads and the risk of falling antennas and masts. Applications for masts requiring Board approval must include a detailed description of the structure and anchorage of the antenna and the mast, as well as an explanation of the need for the proposed mast. If the installation of a mast exceeding 6 feet in height (but which is otherwise consistent with Section IV.A.) will pose a safety hazard to Association residents and personnel, then the Board may prohibit such installation, and the notice of rejection shall specify these safety risks. Nothing herein requires the Board to approve masts that violate Section IV.A.

V. Antenna Removal

If an owner's antenna is removed for any reason, then the owner must restore the property, at his/her expense, to the condition that existed prior to the installation of the antenna. Any maintenance or repairs required to the Unit, Limited Common Elements or Commons Elements arising from the satellite dish or its installation shall be the unit owner's sole responsibility to repair. Repairs shall be immediate upon removal of the satellite dish, and shall be in a manner that restores the property to its condition prior to the installation.

VI. Enforcement

A. If these rules are violated, the Board of Directors may, pursuant to Section 55-79.80:2 of the Condominium Act and after providing notice and an opportunity to be heard, assess a rule violation charge of $50 for each violation or, if the violation is not corrected within a reasonable length of time, a rule violation charge of $10 per day, for a maximum of 90 days, may be imposed for each day that the violation continues. The Owner may be responsible for paying the Association's reasonable attorneys' fees, costs, and other expenses incurred in the enforcement of these Rules, as allowed by law. In addition, the Association may bring an action for declaratory relief with the FCC or any court of competent jurisdiction.

B. If antenna installation poses a serious, immediate safety hazard, the Association may seek injunctive relief to prohibit or seek removal of the installation if time permits; otherwise the Association may take such action as necessary to prevent injury to persons or property at the antenna owner's expense in accordance with the Bylaws.

C. The remedies set forth in this Section are not the Board's exclusive remedies for violations of these Rules, but rather are in addition to any other remedies available to the Board as provided by law or the governing documents.

Duly adopted at a meeting of the Board of Directors held on
April 16, 2008.

Motion by: Barbara J Donnelly Seconded by: David Kiser

VOTE:	YES	NO	ABSTAIN	ABSENT
Richard Snowden President	X			
David Kiser Vice President	X			
Marie Crane Secretary	X			
Barbara Donnelly Treasurer	X			
Jennifer Tucker Director	✓			