

Book 2184 Pages 1818-1843  
(Pages 73-98)

**BY-LAWS**

**CRYSTAL PARK UNIT OWNERS' ASSOCIATION**

TABLE OF CONTENTS - BY-LAWS OF UNIT OWNERS' ASSOCIATION

	<u>Page</u>
ARTICLE I - Name and Location	
Section 1.    Name and Location -----	76
Section 2.    Purpose of These By-Laws-----	76
ARTICLE II - Membership ----- 76	
ARTICLE III - Meetings of Unit Owners' Association	
Section 1.    Place of Meetings -----	76
Section 2.    Annual Meetings -----	76
Section 3.    Special Meetings -----	76
Section 4.    Notice of Meetings -----	77
Section 5.    Quorum -----	77
Section 6.    Adjourned Meetings -----	77
Section 7.    Voting -----	77
Section 8.    Proxies -----	78
Section 9.    Order of Business -----	78
Section 10.   Action by Written Consent of Unit Owners -----	78
ARTICLE IV - Directors	
Section 1.    Number and Qualification -----	79
Section 2.    Initial Directors -----	79
Section 3.    Powers and Duties -----	79
Section 4.    Management Agent -----	79
Section 5.    Election and Term of Office -----	79
Section 6.    Vacancies -----	80
Section 7.    Removal of Directors -----	80
Section 8.    Compensation -----	80
Section 9.    Organization Meeting -----	80
Section 10.   Regular Meetings -----	80
Section 11.   Special Meetings -----	80
Section 12.   Additional Notice Requirements -----	81
Section 13.   Waiver of Notice -----	81
Section 14.   Quorum -----	81
Section 15.   Action Without Meeting -----	81
Section 16.   Common or Interested Directors -----	81
Section 17.   Liability and Indemnification of Officers and Directors -----	81
ARTICLE V - Officers	
Section 1.    Designation -----	82
Section 2.    Election of Officers -----	82
Section 3.    Removal of Officers -----	82
Section 4.    President -----	82
Section 5.    Vice President -----	82
Section 6.    Secretary -----	82
Section 7.    Treasurer -----	83
ARTICLE VI - Operation of the Property	
Section 1.    Common Expenses -----	83
Section 2.    Common Expenses Benefitting Less Than All Units -----	84
Section 3.    Preparation and Approval of Budget -----	84
Section 4.    Assessment and Payment of Common Expenses -----	85
Section 5.    Special Assessments -----	85

TABLE OF CONTENTS - BY-LAWS OF UNIT OWNERS' ASSOCIATION (Cont'd)

	<u>Page</u>
Section 6. Reserve Fund for Replacements -----	85
Section 7. Working Capital Fund -----	86
Section 8. Lien for Assessments -----	86
Section 9. Collection of Assessments -----	87
Section 10. Assessment Certificates -----	88
 ARTICLE VII - Use Restrictions	
Section 1. Residential Use -----	88
Section 2. Leasing -----	88
Section 3. Notice to Board of Directors -----	89
Section 4. Prohibited Uses and Nuisances -----	89
Section 5. House Rules and Regulations -----	90
 ARTICLE VIII - Maintenance and Repair	
Section 1. Maintenance by Unit Owners -----	90
Section 2. Maintenance by Unit Owners' Association -----	91
Section 3. Maintenance Schedule -----	91
Section 4. Limitation of Liability -----	91
 ARTICLE IX - Architectural Control	
Section 1. Additions, Alterations or Improvements by Unit Owners -----	91
Section 2. Carpets -----	92
Section 3. Additions, Alterations or Improvements by Board of Directors -----	92
 ARTICLE X - Insurance	
Section 1. Insurance -----	92
Section 2. Limitations -----	93
Section 3. Insurance Deductible -----	94
Section 4. Individual Policies - Recommendations of Declarant -----	95
Section 5. Insurance Trustee -----	95
 ARTICLE XI - Casualty Damage - Reconstruction or Repair	
Section 1. Notice to Mortgagees -----	95
Section 2. Use of Insurance Proceeds -----	95
Section 3. Distribution of Proceeds on Termination -----	96
 ARTICLE XII - Taking by Eminent Domain	
Section 1. Condemnation Awards and Reallocation of Interests in Common Elements -----	96
Section 2. Condemnation Trustee -----	96
Section 3. Notice to Mortgagees and Priority of Lien -----	96
 ARTICLE XIII - Fiscal Management	
Section 1. Fiscal Year -----	96
Section 2. Books and Accounts -----	96
Section 3. Auditing -----	97
Section 4. Inspection of Books -----	97
Section 5. Execution of Association Documents -----	97
Section 6. Resale Certificate -----	97
ARTICLE XIV - Notices -----	97
APPENDIX A - Maintenance Responsibilities -----	98

Exhibit D to Declaration By-Laws

BY-LAWS  
CRYSTAL PARK UNIT OWNERS' ASSOCIATION

ARTICLE I

Name and Location

Section 1. Name and Location. The name of this organization is "Crystal Park Unit Owners' Association" [hereinafter referred to as the "Association"]. Its principal office is located at 1805 Crystal Drive, Arlington, Virginia.

Section 2. Purpose of these By-Laws. These By-Laws are established in contemplation of and pursuant to Title 55, Section 79.73, of the Condominium Act, and for the administration of the Condominium known as Crystal Park Condominium, which is located at the address set forth in Section 1 of ARTICLE I of these By-Laws.

ARTICLE II

Membership

Members. Every person, group of persons, corporation, trust or other legal entity, or any combination thereof, which owns a Unit within the Condominium shall be a member of the Association; PROVIDED, HOWEVER, that any person, group of persons, corporation, trust or other legal entity, or any combination thereof, which holds such interest solely as security for the performance of an obligation shall not be a member. Any person, group of persons, corporation, trust or other legal entity, or any combination thereof, owning a Unit may be represented at any meeting by one or more authorized agents, and any number of such agents may hold any elected or appointed position of the Association or its Board.

ARTICLE III

Meetings of the Unit Owners' Association

Section 1. Place of Meetings. Meetings of the Association shall be held at the principal office or place of business of the Association or at such other suitable place convenient to the membership as may be designated by the Board of Directors.

Section 2. Annual Meetings.

(a) The first meeting of the Association following its formation shall be held not later than one year after the date of conveyance of the first unit of the Condominium. Thereafter, until the first election meeting (as defined in Section 2(b) of this Article III), the annual meetings shall be held regularly upon dates to be decided upon by Declarant or its designee. Declarant or its designee shall be authorized to appoint and remove the Initial Board of Directors and all of the officers of the Association until the first election meeting.

(b) Not later than forty-five (45) days after notice has been given by the Declarant to the Association that Units to which seventy-five percent (75%) of the Undivided Interests in the Common Elements appertain have been conveyed, or within five (5) years following the conveyance of the first Unit in any portion of the Condominium, whichever shall first occur, a meeting of the Association shall be held to accept control of the Condominium from Declarant and to elect a Board of Directors in accordance with Article IV, Section 5 of these By-Laws (hereinafter "first election meeting"). The Declarant shall be required to give the aforesaid notice not later than thirty (30) days after conveyance of said Units. For the purposes of this Section 2B, the calculation of the fraction of Undivided Interest shall be based upon the total Undivided Interests assigned or to be assigned to all Units registered with the Virginia Real Estate Commission. Thereafter the annual meetings of the Association shall be held within three (3) months following the close of the fiscal year of the Association. At the first election meeting and at all such annual meetings after the first election meeting, the Board of Directors shall be elected by a written ballot of the Unit Owners, in accordance with the requirements of Article IV, Section 5 of these By-Laws. The Unit Owners may also transact such other business of the Association as may properly come before them.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Association as directed by resolution of the Board of Directors or, after the first annual meeting, upon a

petition signed by Unit Owners representing at least twenty-five percent [25%] of the total votes of the Condominium having been presented to the Secretary. 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 4. Notice of Meetings. It shall be the duty of the Secretary to mail by United States mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to the Management Agent as defined in ARTICLE IV, Section 4, hereafter, to all Unit Owners of record at the address of their respective Units and to such other addresses as any of them may have designated to the Secretary and to all Institutional Mortgagees requesting the same, at least twenty-one [21] but not more than fifty [50] days prior to any annual or regularly scheduled meeting and at least seven [7] days prior to any other meeting. Service may also be accomplished by hand delivery of any such notice by the Secretary or agent of the Secretary, provided receipt of acceptance of such notice from the Unit Owner is obtained by the Secretary as proof of notice. Notice by either such method or any other method that may be authorized in the Condominium Act at the time service is made shall be valid service. Attendance by a Unit Owner at any meeting of the Association shall be a waiver of notice by him of the time, place and purpose thereof. Each Institutional Mortgagee shall be entitled to have a non-voting representative present at all meetings. Along with the notice of annual meetings, the Secretary shall send to each Institutional Mortgagee requesting the same a current list of all lenders who hold mortgages and Deeds of Trust as security for loans on Units located in the Condominium.

Section 5. Quorum. The presence, either in person or by proxy, of Unit Owners representing at least twenty-five percent [25%] of the total votes of the Condominium shall be requisite for, and shall constitute a quorum for the transaction of business at all meetings of the Association. The presence at a meeting of any one person who has a fee interest in the Unit in person or by proxy shall be counted as a full presence of the interest in such Unit even if the other person or persons owning interests therein shall not be present.

Section 6. Adjourned Meetings. If any meeting of the Association cannot be organized because a quorum has not attended, the Unit Owners who are present, either in person or by proxy, may, except as otherwise provided by law, adjourn the meeting to a time not less than forty-eight [48] hours from the time the original meeting was called. At each such subsequent meeting the meeting may again be adjourned in accordance with this provision until a quorum is present. Additional notice of each such adjourned meeting date shall be given to the Management Agent, but no additional notice shall be required to be given to any Unit Owner.

Section 7. Voting. At every meeting of the Association, each Unit Owner shall have the right to cast a number of votes on each question proportionate to the Undivided Interest in the Common Elements of the Condominium appertaining to the Unit owned by that Unit Owner. The vote of the Unit Owners representing a majority in interest of Unit Owners present, either in person or by proxy, at any duly constituted meeting of the Association shall decide any question brought before such meeting, unless the question is one upon which, by express provision of statute, or of the Declaration or of these By-Laws, a different vote is required, in which case such express provision shall govern and control. The vote for any Unit which is owned by more than one person may be exercised by any one of the Owners present at any meeting unless an objection or protest is made in person by any other Owner of such Unit at such meeting. If more than one of such persons is present, the vote appertaining to that Unit shall be cast only in accordance with their unanimous agreement, and such consent shall be conclusively presumed if any one of them purports to cast the votes appertaining to that Unit without protest being made forthwith by any of the others to the person presiding over the meeting. The vote allocated to any one Unit may not be split. If all of the persons who own any Unit jointly or as tenants in common cannot reach a unanimous agreement for the casting of a vote, the voting interest appertaining to such Unit shall be entered as "abstaining". No Unit Owner shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, who is shown on the books or management accounts of the Association to be more than thirty [30] days delinquent in any payment due the Association.

Section 8. Proxies. A Unit Owner may appoint any other Unit Owner, the Declarant or the Management Agent as his/her proxy. 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, by or on behalf of all such persons. No such proxy shall be revocable except by actual notice to the person presiding over the meeting by the Unit Owner or by any of such persons, that it be 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 any of those executing the same has not been witnessed by a person who shall sign his or her full name and address. 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 must be filed with the Secretary before the appointed time of that meeting.

Section 9. Order of Business. Unless another order of business or agenda is specified in the notice, the order of business at all regularly scheduled meetings of the Association shall be as follows:

- (a) Roll call and certification of proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Election of inspectors of election.
- (d) Election of Directors.
- (e) Reading of minutes of preceding meeting.
- (f) Reports of officers, if any.
- (g) Reports of committee, if any.
- (h) Unfinished business.
- (i) New business.

In the case of special meetings, the agenda shall consist of the items specified in the notice of the meeting.

Section 10. Action by Written Consent of Unit Owners. Any action that may be taken by a vote at a meeting of the Association may be taken without a meeting on written consent of Unit Owners representing a majority of the total Undivided Interests in the Common Elements, as set forth in Exhibit E to the Declaration, unless the question is one upon which, by express provision of statute, the Declaration or these By-Laws, a different number of votes is required, in which case such express provision shall govern and control. Said written consent shall set forth the issue to be decided or the action to be ratified or taken. Only the consent of the Unit Owner holding title to the Unit on the books of the Association at the time of execution of the written consent will be counted. If a Unit is owned by more than one person the consent of any one of the owners shall be deemed to represent their unanimous agreement, unless written protest is made by the other owner or owners of that Unit to the Secretary. If all of the persons who own any Unit jointly or as tenants in common cannot reach a unanimous agreement for the casting of a vote, the voting interest appertaining to such Unit shall be entered as "abstaining". The results of any vote taken pursuant to this Section shall be certified by three (3) inspectors (who may or may not be members, officers or Directors) to be appointed by the President. All documentation of any vote taken pursuant to this Section 10 shall be available for inspection by any interested member of the Association during regular business hours for ten (10) calendar days after the date on which the inspectors certify the results of the vote. The Board of Directors shall retain all records of the vote for thirty (30) days after the ten (10) day inspection period. In no event shall the provisions of this Section operate to negate the requirement of the calling and conduct of the Annual Meeting of the Unit Owners' Association. Action taken pursuant to the provisions of this Section 10 may be implemented solely upon a resolution duly adopted by the Board of Directors. No final action may be taken pursuant to this Section until fourteen (14) days after Notice of the question is given to all Owners. Notice under this Section 10 shall comply with the provisions of Section 4 of this Article III.

ARTICLE IV

Directors

Section 1. Number and Qualification. The affairs of the Association shall be governed by an executive organ known as the Board of Directors (hereinafter sometimes referred to as the "Board of Directors") which, after the first election meeting of the Association, shall be composed of at least five (5) but no more than seven (7) persons, who shall be members of the Association. Five (5) Directors shall be elected at the first election meeting of members.

Section 2. Initial Directors. The initial Board of Directors shall consist of at least three (3) persons but no more than five (5) persons who need not be members of the Association. The Declarant shall appoint the Directors who shall act as the initial Directors from the date upon which the Declaration is recorded, until removed by the Declarant, or until their resignation, or until such time as their successors are duly elected at the first election meeting of the Association, and such successors are duly qualified.

Section 3. Powers and Duties. The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Association and the Condominium and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the Unit Owners. The powers and duties of the Board of Directors shall include, but not be limited to, the following:

(a) The care, upkeep and surveillance of all of the Common Elements and services to the Condominium.

(b) The establishment and the collection of assessments and/or carrying charges from the Unit Owners and enforcement of liens therefor in a manner consistent with the Condominium Act and The Condominium Instruments.

(c) The designation, hiring and/or dismissal of the personnel necessary for the good working order of the Condominium and for the proper care of the Common Elements and to provide services for the Condominium.

(d) The promulgation and enforcement of such rules and regulations and such restrictions and/or requirements as may be deemed proper respecting the use, occupancy and maintenance of the Condominium and the use of the Common Elements.

(e) The doing of all such acts as may be authorized by a resolution of the Association which are not inconsistent with the Condominium Act and the Condominium Instruments.

Section 4. Management Agent. The Board of Directors shall employ a management agent (hereinafter referred to as the "Management Agent") for the Association at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing, which may include, but not necessarily be limited to, the duties set out in subparagraphs (a) through (c) of Section 3 of this ARTICLE IV of these By-Laws. The Association shall not employ any new Management Agent without ninety (90) days prior written notice to all of the Institutional First Mortgagees. The Association shall not fail to employ a professional Management Agent without the prior written approval of the Required Number of Institutional Mortgagees, as defined in Section 19 of Article II of the Declaration. The contract of the Management Agent may not be assigned without the prior written approval of the Association.

Section 5. Election and Term of Office. Except for the Directors who shall be initially or subsequently appointed by the Declarant, whose term shall expire as provided in Section 2 of this ARTICLE IV of these By-Laws, the term of office for Directors shall be as follows. At the first election meeting of the Association, the term of office of the two (2) elected Directors receiving the greatest number of votes shall be fixed at three (3) years. The term of office of the two (2) elected Directors receiving

the next greatest numbers of votes shall be fixed at two [2] years. The term of office of the elected Director receiving the next greatest number of votes shall be fixed at one [1] year. At the expiration of the initial term of office of each respective elected Director, his/her successor shall be elected to serve a term of three [3] years. If additional elected Directors over the original five (5) are authorized, their terms shall be designed so that the number of Directors to be elected in any one year shall approximate as closely as possible one-third [1/3rd] of all the elected Directors.

Section 6. Vacancies. Vacancies among the elected Directors caused by any reason other than the removal of a Director by a vote of the Unit Owners shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected by the Unit Owners at the next annual meeting to serve out the unexpired portion of the term.

Section 7. Removal of Directors. After the first election meeting of the Association, any Director may be removed with or without cause either by the affirmative vote of the majority of the total outstanding votes in the Association cast either in person or by proxy at any duly constituted regular or special meeting. A successor shall be elected to fill the vacancy thus created by the same majority vote as is required for removal, at a subsequent special meeting called for that purpose or by written consent of Unit Owners in accordance with Section 10 of ARTICLE III of these By-Laws. Any Director whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. The term of any Director who becomes more than thirty [30] days delinquent in payment of any assessments and/or carrying charges due the Association shall be automatically terminated and the remaining Directors shall appoint the successor to any such terminated Director as provided in Section 6 of this ARTICLE IV of these By-Laws.

Section 8. Compensation. After the first election meeting of the Association, no compensation shall be paid to any Director by the Association for their services as Directors unless the payment of such compensation is first approved by vote of a majority of Unit Owners. No remuneration shall be paid to any Director who is also a member of the Association for services performed by him for the Association in any other capacity unless a resolution authorizing such remuneration shall have been adopted by the Board of Directors.

Section 9. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held not later than ten [10] days after their election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, provided a majority of the whole Board of Directors shall be present.

Section 10. 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 two [2] 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 or by mail, telephone or telegraph, at least fifteen [15] days prior to the day named for such meeting. No notice shall be required for regular meetings of the Board of Directors held in accordance with a schedule adopted by Board resolution.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by the President on seven [7] days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place [as hereinabove provided] 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 one-third [1/3rd] of the Directors.

Section 12. Additional Notice Requirements. Notice of all regular and special meetings of the Board of Directors shall be sent to the Management Agent. The failure to give notice to the Management Agent as required by these By-Laws shall invalidate any action taken at such meeting. Notice of all regular and special meetings shall also be sent to all Institutional Mortgagees requesting the same and each Institutional Mortgagee shall be entitled to have a non-voting representative present at all such meetings.

Section 13. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting 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 be a waiver of notice by him of the time, place and purpose thereof. If all the 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 14. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present and voting at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 15. 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. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

Section 16. Common or Interested Directors. The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Association and the Condominium. No contract or other transaction between the Association and one or more of its Directors, or between the Association and any corporation, firm or association [including the Declarant] in which one or more of the Directors of this Association are directors or officers or are pecuniarily or otherwise interested, is either void or voidable because such Director or Directors are 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 their votes are counted for such purpose, if any of the conditions specified in any of the following subparagraphs exist:

(a) The contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved or executed; and

(b) The fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or 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; or

(c) The fact of the common directorate or interest is disclosed or known to the Unit Owners, or a majority thereof, and they approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose.

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 authorizes, approves or ratifies any contract or transaction, and may vote thereat to authorize any contract or transaction with like force and effect as if he were not such director or officer of such other corporation or not so interested.

Section 17. Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer and Director of the Association against any and all expenses, including counsel fees, reasonably incurred

by or imposed upon any officer or Director in connection with any action, suit or other proceeding [including the settlement of any such suit or proceeding if approved by the then Board of Directors of the Association] to which he or she may be made a party by reason of being or having been an officer or Director of the Association whether or not such person is an officer or Director at the time such expenses are incurred, except to the extent such liability, damage or injury is covered by any type of insurance. The officers and Directors of the Association shall not be liable to the Association for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The officers and Directors of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association or the Condominium [except to the extent that such officers or Directors are also Owners of Units] and the Association shall indemnify and forever hold each such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or Director of the Association, or former officer or Director of the Association, may be entitled.

## ARTICLE V

### Officers

Section 1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors or appointed by the Declarant pursuant to Section 2(a) of ARTICLE III of these By-Laws. After the initial election of Directors has taken place at the first election meeting of members, the officers of the Association shall be members of the Association as defined in ARTICLE II of these By-Laws. The Directors may appoint an assistant secretary and an assistant treasurer and such other officers as in their judgement may be necessary. The offices of President and Secretary may not be held by the same person.

Section 2. Election of Officers. The officers of the 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 of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his or her successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall be the principal officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of President of a corporation, including, but not limited to, the power to appoint committees from among the membership from time to time as the President may, in his or her discretion, decide is appropriate to assist in the conduct of the affairs of the 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 do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be delegated to him or her by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association. The Secretary shall have custody of the seal and minute book of the Association, Unit Owners' transfer books and such other books and papers as the Board of Directors may direct; and shall, in general, perform all the duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.

## ARTICLE VI

### Operation of the Property

Section 1. Common Expenses. Subject to the provisions of Section 3 of ARTICLE IV of these By-Laws, the Association, acting by and through its Board of Directors, shall manage, operate and maintain the Condominium and, for the benefit of the Units and the Owners thereof, shall enforce the provisions hereof and shall pay out of the common expense fund hereinafter provided for, the following costs which shall include, but not be limited, to:

(a) The cost of providing heat, air conditioning, water, sewer, garbage and trash collection, electrical, gas and other necessary utility services for the Common Elements and, to the extent that the same are not separately metered or billed to each Unit, for the Units, and the cost of operating and maintaining any and all television and radio distribution systems and recreational facilities, all or any of which may be done directly or through an independent contractor.

(b) The cost of fire and extended coverage and liability insurance on the Condominium and the cost of such other insurance as the Association may effect.

(c) The cost of the services of a management agent to manage the Condominium to the extent deemed advisable by the Association together with the services of such other personnel as the Board of Directors shall consider necessary for the operation of the Condominium.

(d) The cost of providing such legal and accounting services as may be considered necessary to the operation of the Condominium.

(e) The cost of painting, maintaining, replacing, repairing and landscaping the Common Elements and such furnishings and equipment for the Common Elements as the Board of Directors shall determine are necessary and proper, and the Board of Directors shall have the exclusive right and duty to acquire the same.

(f) The cost of any and all other materials, supplies, labor, services, maintenance, repairs, taxes, assessments or the like which the Association is required to secure or pay for by law, or otherwise, or which in the discretion of the Board of Directors shall be necessary or proper for the operation of the Common Elements; PROVIDED, HOWEVER, that if any of the aforementioned are provided or paid for the benefit of a particular Unit or Units, the cost thereof shall be specially assessed to the Owner or Owners thereof in the manner provided in Section 2 of this ARTICLE VI.

(g) The cost of the maintenance or repair of any Unit in the event such maintenance or repair is reasonably necessary in the discretion of the Board of Directors to protect the Common Elements or to preserve the appearance or value of the Condominium or is otherwise in the interest of the general welfare of all Owners of the Units; PROVIDED, HOWEVER, that no such maintenance or repair shall be undertaken without a resolution by the Board of Directors and not without reasonable written notice to the Owner of the Unit proposed to be maintained, and PROVIDED FURTHER, that the cost thereof shall be assessed against the Unit on which such maintenance or repair is performed and, when so assessed, a statement for the amount thereof shall be rendered promptly to the then Owner of said Unit at which time the assessment shall become due and payable and a continuing lien and obligation of said Owner in all respects, enforceable as provided in Section 8 of this ARTICLE VI.

(h) Any amount deemed necessary or desirable by the Board of Directors to be placed in a reserve fund for replacement of any Common Elements.

(i) Any other expenses that may be declared common expenses by the Condominium Act, the Condominium Instruments or a resolution of the Association, 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.

Section 2. Common Expenses Benefitting Less Than All Units.

(a) Any common expense benefitting less than all of the Units, or caused by the conduct of less than all those entitled to occupy the same or their licensees or invitees, shall be specially assessed against the Unit or Units involved. The determination by the Board of Directors that any expense or expenses benefits or is caused by the conduct of those entitled to occupy only certain Units shall be conclusive in the absence of arbitrary action or fraud on the part of the members of the Board of Directors making such determination. In recognition of the fact that from time to time the Declarant or other persons may be the Owner of Units which have not received certificates of occupancy, and in further recognition of the fact that while such Units are unoccupied because of a lack of certificates of occupancy fewer demands are placed upon the Common Elements and less expenses are incurred with respect to such Units, it is understood and agreed that while the Declarant or any such person is the owner of any Unit which has not received a certificate of occupancy, such unit will not be assessed for any expense incurred for services which benefit solely those Units which have received certificates of occupancy.

(b) Any common expenses paid or incurred in making available the same off-site amenities or paid subscription television service to some or all of the Unit Owners shall be assessed equally against the Units involved.

(c) Any common expenses paid or incurred in providing metered utility services to some or all of the Units shall be assessed against each Unit based on its actual consumption of such services.

Section 3. Preparation and Approval of Budget. Except during the time period prior to the completion of construction of all of the Units in the Condominium and the issuance of certificates of occupancy thereon, at least thirty (30) days prior to the commencement of each fiscal year, the Board of Directors shall adopt a line item budget for the Condominium containing an estimate of the total annual amounts which it considers necessary to pay the common expenses of the Condominium. The Board of Directors shall send a copy of the budget to each Unit Owner, in a reasonably itemized form, which sets forth the amount of the common expenses payable by each Unit Owner, at least ten (10) days prior to the beginning of the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Unit Owner's contribution for the common expenses of the Condominium.

(a) Budget Prior to Completion of Construction. During the time period prior to the completion of construction of all of the Units in the Condominium and the issuance of certificates of occupancy thereon, the Board of Directors shall approve a budget for the operation of the Condominium which shall serve as the basis for the amount of the monthly assessments. Said budget shall be revised from time to time by the Board of Directors so as to correspond as closely as possible to the actual current costs of operation of all Units with certificates of occupancy and the Common Elements of the Condominium. Contributions to replacement reserves or any other reserves shall not be deemed to be "costs of operation," as the term is used in this paragraph.

(b) Within thirty (30) days after the creation of Units on the Additional Land by the recordation of an amendment to the Declaration submitting such Units to the Condominium, the Board of Directors shall send to each Unit Owner a copy of the budget revised to reflect the proportionate liability of such Units for common expenses for the remainder of the fiscal year in which such Units were added to the Condominium. The amount of assessments attributable to each Unit shall thereafter be the amount specified in the adjusted budget, until a new budget shall have been adopted by the Board of Directors.

(c) 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/her allocable share of the common expense as herein provided, whenever the same shall be determined, and in the absence of any annual budget or

adjusted budget, each Unit Owner shall continue to pay the monthly installment charge at the then existing annual rate established for the previous fiscal period until the new annual or adjusted budget shall have been mailed or delivered.

Section 4. Assessment and Payment of Common Expenses. The total amount of the estimated funds required for the operation of the property together with provisions for reserves, both as set forth in the budget for the fiscal year adopted by the Board of Directors shall be assessed against each Unit Owner annually in proportion to said Unit Owner's respective Undivided Interest in the Common Elements. The annual assessment shall be payable in twelve (12) equal monthly installments as follows: 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 Management 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. If the common expenses may be anticipated to vary during the course of a fiscal year by reason of changes in required services (such as, but not limited to, that period of time when portions of the Condominium or any expansion of the Condominium are being constructed), the monthly installments may be varied or adjusted during the fiscal year. Within sixty (60) days after the end of each fiscal year, the Board of Directors shall supply to all Unit Owners and any Institutional First Mortgagees, upon request, an audited accounting of the common expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves may, if the Board of Directors deem it advisable, be credited according to each Unit Owner's Undivided Interest in the Common Elements to the installments due in the succeeding months of the new fiscal year, or any surplus common profit remaining after payment of common expenses may by determination of the Board of Directors be added to reserves maintained pursuant to Section 6 of this ARTICLE VI. 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 identified and accounted on the books of the Association for each Unit Owner in accordance with his/her Undivided Interest in the Common Elements.

Section 5. Special Assessments.

(a) In addition to the regular assessments authorized by this ARTICLE VI, the Association may levy in any assessment year a special assessment or assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the Condominium, including the necessary fixtures and personal property related thereto, or for such other purpose as the Board of Directors may consider appropriate, provided that any such assessment which is designated for the purpose of new construction, or expanding or enlarging any existing capital improvement shall first have the assent of a majority of the Unit Owners representing the total outstanding vote of the Association at a special meeting of the Unit Owners duly called for this purpose.

(b) In addition to the regular assessments and special assessments for capital improvements authorized by this ARTICLE VI, the Association may levy in any assessment year a special assessment or assessments to defray costs described in Sections 2(b) and (c) hereof.

Section 6. Reserve Fund for Replacements. The Association shall establish and maintain a reserve fund for replacements by the allocation and payment monthly to such reserve fund of an amount to be designated from time to time by the Board of Directors. Such fund shall be conclusively deemed to be a common expense. Such fund shall be deposited in a special account with an institution, the accounts of which are insured by an agency of the United States of America (the Board of Directors may authorize the depositing of funds in such an institution in excess of the limits of such insurance if any portion of such funds are insured), or may, in the discretion of the Board of Directors, be invested in obligations of, or fully guaranteed as to principal by, the United States of America. The reserve for replacements may be expended only for the purpose of effecting the replacement of the Common Elements and equipment of the Condominium and for operating contingencies of a non-recurring nature. The proportionate interest of any Owner in any reserve for replacements shall be considered an appurtenance of his/her Unit and shall not be separately withdrawn, assigned or transferred or otherwise separated from the Unit to which it appertains and shall be deemed to be transferred with such Unit. If the reserve fund established under this Section 6 is inadequate for any reason, including non-payment of any

EXHIBIT D TO DECLARATION

BY-LAWS

-85-

Unit Owners' assessment, the Board of Directors may at any time without the requirement of submitting the same to the members for approval levy a further assessment, which shall be assessed against the Unit Owners according to their respective Undivided Interests in the Common Elements, and which may be payable in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due after the delivery or mailing of such notice of further assessment. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if the additional assessment is not payable in installments, the amount of such assessment. Such assessment shall be a lien as of the effective date as set forth in Section 8 of ARTICLE VI of these By-Laws.

Section 7. Working Capital Fund. The Board of Directors shall establish a working capital fund which shall be used for the start-up costs for the Condominium, including, but not limited to, the purchase of cleaning and maintenance equipment and supplies; the purchase of additional furniture and fixtures beyond that supplied by the Declarant; the payment of any required utility deposits; and the payment of any initial insurance or condemnation trust fees. In addition to start-up costs, other expenditures which shall be charged first against the working capital fund shall include, but not be limited to, extraordinary expenditures not originally contained in the annual budget but which may become necessary during the year; expenditures to pay the cost of temporary operating deficits due to seasonal fluctuations in the operating costs for the Condominium; and in reimbursement to the Management Agent of monies which it may elect to advance on behalf of the Unit Owner's Association in payment of current operating costs. The working capital fund shall be created by the levy of a non-refundable "initial working capital contribution" against the initial purchaser, at the time of settlement on the purchase contract, in an amount equal to two [2] months' assessment installments as established by the Board of Directors for said Units pursuant to Section 4 of this ARTICLE VI. The Declarant may, but shall not be obligated to, advance all or any portion of the initial capital contribution due on all Units, either on the date of the first settlement of a Unit within the Condominium or from time to time thereafter. In the event that the Declarant does elect to advance such funds, the Declarant shall be reimbursed for any such advance of the initial capital contribution as the Units are sold.

Section 8. Lien for Assessments.

(a) The total annual assessment of each Unit Owner for common expenses or any special assessment made pursuant to these By-Laws is hereby declared to be a lien levied against the Unit of such Unit Owner as provided in Section 55-79.84 of the Condominium Act, which lien shall, with respect to annual assessments, be effective on the first day of each fiscal year of the Condominium and, as to special assessments, on the first day of the next month which begins more than seven [7] days after delivery to the Unit Owner of notice of such special assessment. The Board of Directors or the Management Agent may file or record such other or further notice of any such lien, or such other or further document, as may be required by Section 55-79.84 of the Condominium Act or by the laws of the Commonwealth of Virginia to confirm the establishment and priority of such lien.

(b) The lien established by this ARTICLE VI and by Title 55 Section 79.84, Code of Virginia [1950], shall have preference over any other assessments, liens, judgments or charges of whatever nature, except the following:

(i) General and special assessments for real estate taxes on the Unit; and

(ii) The liens of any First Mortgage securing an Institutional Lender duly recorded on said Unit prior to the perfection of the lien by the Association or after receipt of a written statement from the Board of Directors reflecting that payments of assessments secured by said lien for payment of assessments were current as of the date of recordation of said mortgage.

(c) The lien for assessments may be enforced and foreclosed in the manner provided by the laws of the Commonwealth of Virginia by action in the name of the Board of Directors, or the Management Agent, acting on behalf of the Association. The plaintiff in such proceeding shall have the right to the appointment of a receiver, if available at the time of the foreclosure under the laws of the Commonwealth of Virginia.

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

(e) All reasonable costs, including reasonable attorney's fees, incurred by the Association in connection with the filing of any lien, the foreclosure of any lien, or a suit to enforce any lien, shall be paid by the Unit Owner prior to the release of the lien.

Section 9. Collection of Assessments. The Board of Directors shall take such prompt action as may be necessary to collect any assessments for common expenses or any installments thereof due from any Unit Owner which remain unpaid beyond the due date, including, but not limited to, the following:

(a) Upon failure by a Unit Owner to pay any assessment or any installment thereof within ten [10] days after it is due, the delinquent Unit Owner shall be liable for a late fee in an amount to be established by the Board of Directors.

(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] consecutive installments, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated, at the option of the Board of Directors, and the entire balance of the annual assessment may be declared due and payable in full by the service of notice to such effect upon the defaulting Unit Owner and his/her mortgagee by the Board of Directors or the Management Agent. If the Board of Directors shall exercise its option to accelerate, as provided in this subsection, the defaulting Unit Owner may, thereafter, be relieved of the acceleration upon condition that the Unit Owner shall execute a bond conditioned upon the faithful performance and payment of all installments of the assessment and may likewise be required to secure the payment of such obligation by a declaration of trust recorded among the Land Records of Arlington County, Virginia, granting unto a trustee or trustees appropriate powers so 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. The defaulting Unit Owner shall be liable for all costs, including reasonable attorney's fees, in connection with the execution of the bond, the execution and recording of a deed of trust, or any action of foreclosure under the deed of trust.

(c) The Association shall notify the holder of the First Mortgage on any Unit for which any assessment levied pursuant to these By-Laws becomes delinquent for a period in excess of thirty [30] days and in any other case where the Owner of such Unit is in default with respect to the performance of any other obligation under the Condominium Instruments which is not cured within thirty (30) days.

(d) Upon default by a Unit Owner in the payment of any assessment or any installment thereof which continues more than sixty (60) days, the Association may bring an action at law against the defaulting Unit Owner, or foreclose the lien against the Unit or Units then belonging to said Unit Owner, in either of which events interest, costs and reasonable attorney's fees of not less than twenty percent [20%] of the sum claimed shall be added to the amount of each assessment.

(c) The Board of Directors shall establish such additional procedures as may be necessary for the collection of delinquent assessments or installments thereof including, but not limited to, the collection of interest in an amount to be established by the Board of Directors from the due date, on assessments or installments which remain unpaid for thirty [30] days or more beyond the due date. The Board of Directors shall also establish a service charge for the handling and processing of checks drawn on insufficient funds, and shall adopt such other procedures as may be necessary in connection therewith.

(f) The foregoing remedies shall be in addition to, and not in derogation of, the lien declared in Section 8 of ARTICLE VI of these By-Laws, and Section 79.84 of the Condominium Act.

Section 10. Assessment Certificates. Any Unit Owner or purchaser of a Condominium Unit, having executed a contract for the disposition of the Unit, shall be entitled upon written request to the Unit Owners' Association, and the payment of a fee not to exceed ten dollars (\$10.00), to a recordable statement setting forth the amount of any unpaid assessments currently levied against that Unit. If a Unit against which there is an outstanding lien is sold or otherwise disposed of, the lien against that Unit must be satisfied or it will be a burden upon the subsequent Owner of that Unit, who shall be jointly liable with the conveyor of the Unit for all unpaid assessments levied against that Unit up to the time of the sale or disposition, EXCEPT, HOWEVER, that each Institutional Holder of a first mortgage lien which comes into possession of the Unit pursuant to the remedies provided in the mortgage, foreclosure of the mortgage, or deed (or assignment) in lieu of foreclosure, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit accrued prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit).

## ARTICLE VII

### Use Restrictions

Section 1. Residential Use. All Units shall be used for private residential purposes exclusively [except for such temporary non-residential uses as may be permitted by the Board of Directors from time to time]. Nothing in this Section 1, or hereinelsewhere, shall be construed to prohibit the Declarant from the use of any Unit which Declarant owns for promotion, marketing or display purposes, or as "model apartments", or as sales facilities, or from leasing any Unit or Units which Declarant owns.

Section 2. Leasing. Except for the Declarant and any Institutional Mortgagee who comes into possession of the Unit, which are both hereby given the right to lease any unsold Unit for any period of time and upon such terms as they may deem desirable, no Unit within the Condominium shall be rented for transient or hotel purposes or, in any event, for any period less than six [6] months, nor shall any customary hotel services, such as room service, food and beverage service, maid service, laundry or bellboy service or wake-up service be furnished. No portion of any Unit [other than the entire Unit] shall be leased for any period. All leases are required to be in writing. Any Owner of any Unit who shall lease such Unit shall, promptly following the execution of any such lease, forward a conformed copy thereof to the Board of Directors. Any such lease shall contain a provision to the effect that the right of the tenant to use and occupy the Unit shall be subject and subordinate in all respects to the provisions of the Declaration and these By-Laws and to such rules and regulations relating to the use of the Common Elements, or other "house rules", as the Board of Directors may from time to time promulgate, and any failure by the tenant to comply with the terms of such documents shall be a default under the lease. In the event that the tenant of any Unit Owner shall breach his lease by failing to comply with any of the terms of the Declaration, these By-Laws and

the rules and regulations, the Board of Directors may require the Unit Owner to secure the eviction of his/her tenant. The word "lease", as used in the Declaration and these By-Laws, shall mean any agreement for the leasing or rental of a Unit.

Section 3. Notice to Board of Directors. Any Owner of any Unit in the Condominium who mortgages such Unit shall promptly notify the Board of Directors of the name and address of his/her mortgagee, and, if requested so to do, shall file a conformed copy of such mortgage with the Board of Directors. The Board of Directors shall maintain suitable records pertaining to such mortgages.

Section 4. Prohibited Uses and Nuisances.

(a) No noxious or offensive activity shall be carried on in any Unit, nor shall anything be done or be permitted to remain in any Unit which may be or become a nuisance or annoyance to the other Owners. Residents of the Condominium shall exercise extreme care not to disturb other residents with excessive noise, or the use of radios, musical instruments, telephones or amplifiers.

(b) Without the approval of the Board of Directors there shall be no obstruction of any Common Elements. Nothing shall be stored upon any Common Elements [excepting those areas designated for storage of personal property by the Owners of the Units] Vehicular parking upon Common Elements may be regulated or assigned by the Board of Directors.

(c) Without the prior written approval of the Board of Directors, nothing shall be done or maintained in any Unit or upon any Common Elements which will increase the rate for insurance on any Unit or any Common Elements, or result in the cancellation thereof. Nothing shall be done or maintained in any Unit or upon any Common Elements which would be in violation of any law. No waste shall be committed upon any Common Elements.

(d) Except for such signs as may be posted by the Declarant for promotional or marketing purposes, no signs of any character which are visible from the outside of a Unit shall be erected, posted or displayed upon, from or about any Unit. No sign may be posted upon, in or on any of the Common Elements without the permission of the Board of Directors. No Owner or other resident or tenant of the Condominium shall post any advertisements or posters of any kind on the exterior of the Condominium buildings or elsewhere on the land, except on a designated area specified by the Association within the interior of the building.

(e) The halls and passageways of all buildings shall be used only for ingress and egress. Children shall not be allowed to run, play or ride bicycles or tricycles in such areas.

(f) No burning of any trash and no unreasonable or unsightly accumulation or storage of litter, new or used building materials, or trash of any other kind shall be permitted within any Unit or upon any Common Elements. Trash and garbage shall not be permitted to remain in public view, but shall be deposited in the receptacles provided for that purpose.

(g) No structure of a temporary character, trailer, tent, shack, barn or other out building shall be maintained upon any Common Elements at any time, except for such temporary structures as shall be maintained by Declarant for purposes of construction and sale of Condominium Units or any expansion of the Condominium. No clothing, laundry, rugs or wash shall be hung from or spread upon any balcony, window, patio or exterior portion of a Unit or in or upon any Common Element.

(h) No Owner or other resident shall install any electrical or telephone wire, television antenna, or other antenna, air conditioning unit or other machine or device on the exterior of any building or upon any patio or balcony in the Condominium or in such a fashion that it protrudes through the roof or any windows, or any walls of the building.

(i) No Owner shall allow occupancy of more than five residents in a three-bedroom Unit or a two-bedroom and den Unit, four residents in a two-bedroom Unit or one-bedroom and den Unit, and two residents in a one-bedroom Unit. PROVIDED, HOWEVER, that no Owner who qualified at the time of the acquisition of the Unit by such Owner shall be required to move by reason of occupancy of the Unit by a child or children born to or adopted by the Owner after occupancy commences.

(j) The maintenance, keeping, breeding, boarding and/or raising of animals of any kind, including household pets, regardless of breed, species, size, shape, quality or quantity, shall be and is hereby prohibited at all times within any Unit or upon any Common Elements.

Section 5. House Rules and Regulations. The Board of Directors is hereby authorized from time to time to promulgate, amend and enforce "House Rules and Regulations" concerning the operation and use of the Condominium; provided that such Rules and Regulations are not contrary to or inconsistent with the Condominium Act, the Declaration or these By-Laws. A copy of the House Rules and Regulations shall be furnished by the Board of Directors to each Unit Owner prior to the time the same becomes effective.

#### ARTICLE VIII

##### Maintenance and Repair

Section 1. Maintenance by Unit Owners. Except for maintenance requirements herein imposed upon the Association, if any, the Owner of any Unit shall, at his/her own expense, maintain the interior of his/her Unit and any and all equipment, appliances or fixtures therein situate, and its other appurtenances (including, without limitation, any balcony, deck, terrace or patio appurtenant to such Unit and designated on the Record Plat as a Limited Common Element reserved for exclusive use by the Owner of a particular Unit), in good order, condition and repair, free and clear of ice and snow, and in such clean and sanitary condition as may at any time be necessary to maintain the good appearance of his Unit and shall, at his/her own expense, maintain, repair or replace any plumbing and electrical fixtures, outlets and receptacles, lighting fixtures, heat pumps, refrigerators, freezers, dishwashers, clothes washers, clothes dryers, disposals, ranges, range hoods, and/or other equipment that may be in or appurtenant to such Unit.

(a) The Owner of any Unit shall, at his/her own expense, maintain and repair all windows and doors within or to the Unit. Each Unit Owner shall, at his/her own expense, clean both of the surfaces of all windows of the Unit and both of the surfaces of all entry doors of the Unit, including both of the surfaces of any door leading to any balcony, deck, terrace or patio appurtenant to such Unit and designated on the Record Plat as a Limited Common Element reserved for exclusive use by the Owner of a particular Unit. Notwithstanding the foregoing, the painting of the exterior of all Unit entry doors or Unit balcony, deck, terrace or patio doors shall be the responsibility of the Association, and the Unit Owners are prohibited from painting or otherwise altering the finishes thereon without the prior written approval of the Board of Directors as provided in Section 1 of ARTICLE IX of these By-Laws.

(b) 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) In addition to the foregoing, each Unit Owner shall be responsible for all damage to any other Units or to the Common Elements resulting from his/her failure to make any of the repairs required by this Section 1 and shall also be responsible for all damage thereto caused or permitted by his/her negligence, misuse or neglect.

(d) All repairs and replacements shall be substantially similar to the original construction and installation in accordance with standards established by the Board of Directors. Each Unit Owner shall

perform required maintenance and repairs in such manner as shall not unreasonably disturb or interfere with other Unit Owners. Each Unit Owner shall promptly report to the Board of Directors or the Management Agent any defect or need for repairs for which the Board of Directors is responsible.

Section 2. Maintenance by Unit Owners' Association. The Association may, from time to time, through its By-Laws, accept the obligation to make certain repairs or perform maintenance services to facilities owned by the individual Owners and apportion the cost thereof as a common expense; PROVIDED, HOWEVER, that nothing herein shall require the Association to paint, repair, or otherwise maintain the interior of any Unit or any fixtures or equipment located therein. The Board of Directors, may, however, in its sole discretion, undertake from time to time such painting, repair or maintenance at the sole cost and expense of a Unit Owner requesting the same.

Section 3. Maintenance Schedule. Set forth in the Appendix attached to these By-Laws is a Schedule delineating certain items for which the Board of Directors will initially accept the responsibility of maintenance and repair, and those items for which the Unit Owners will have the initial responsibility for maintenance and repair. The responsibility for maintenance and repair of any item not expressly listed in the Appendix shall be determined in accordance with the other provisions of the Declaration and these By-Laws. The Board of Directors may, from time to time, revise the provisions of the Appendix, PROVIDED, HOWEVER, the Board of Directors shall have the power to diminish, but not enlarge the responsibility of the Unit Owners to maintain and/or repair items beyond that set forth elsewhere in the Declaration and these By-Laws.

Section 4. Limitation of Liability. The Association shall not be liable for any failure of any services to be obtained by the Association or paid for out of the common expense funds including, but not limited to, those enumerated in Section 1 of ARTICLE VI of these By-Laws or for injury or damage to person or property caused by the act of God or by the Owner of any Unit, or 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 wire, pipe, drain, conduit, appliance or equipment. The Association shall not be liable to the Owner of any Unit for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements including, but not limited to, Unit Owner parking areas, storage areas, pool and sauna locker rooms and other recreational or hobby facilities. No diminution or abatement of common expense 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 to any Unit or from any action taken by the Association to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

## ARTICLE IX

### Architectural Control

Section 1. Additions, Alterations or Improvement by Unit Owners.

(a) No Unit Owner shall make any structural addition, alteration or improvement in or to his/her Unit without the prior written consent of the Board of Directors or its designated committee. No Unit Owner shall paint or alter the exterior of the Building, including the doors and windows, the balcony railing or partition or the exterior of the Unit's entrance or balcony or terrace doors 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 structural addition, alteration or improvement (by painting or otherwise) in or to such Unit Owner's Unit within forty-five (45) days after such request, and its failure to do so within the stipulated time shall constitute a consent of the Board of Directors to the proposed addition, alteration or improvement.

(b) If the Board of Directors shall have given its approval for a requested alteration, addition or improvement, and if any governmental authority shall require the execution of a permit by the Association in order for a Unit Owner to make such alteration, addition or improvement, then the Board of Directors, at the expense of the Unit Owner, shall make application for and shall execute such permit on behalf of the Association, upon condition that the Unit Owner requesting the same shall execute an agreement to indemnify and hold harmless the Board of Directors and the Association against the claims of any contractor, subcontractor or materialman on account of such alteration, addition or improvement, or the claims by any person or entity for personal injury or damage to property arising therefrom. Said indemnification agreement shall be in such form as the Board of Directors may approve. The Unit Owner shall provide the Board of Directors with an appropriate certificate of insurance and/or other security for purposes of indemnification as the Board of Directors may reasonably request.

Section 2. Carpets. In order to eliminate any noise caused or occasioned by walking on the floors in any Unit, the Unit Owner shall install all necessary carpeting or rugs which will eliminate all such noise. The Board of Directors shall have the right, in its sole discretion, to determine what size and quality of carpeting is necessary to comply with this provision, and may require that carpeting be installed prior to allowing occupant to move in.

Section 3. 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 excess of Ten Thousand Dollars [\$10,000], the making of such additions, alterations or improvements shall be approved by a majority of the Unit Owners representing the total outstanding vote of the Condominium, and 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 Ten Thousand Dollars [\$10,000] or less 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 eighty percent [80%] of the members of the Board of Directors, such additions, alterations or improvements are exclusively or substantially exclusively for the benefit of the Unit Owner or Owners requesting the same, the Board of Directors may condition its approval of such alterations, additions or improvements upon acceptance of an assessment for the same by the Unit Owner so benefited or by all or a portion of all of the Unit Owners if there be more than one benefited.

## ARTICLE X

### Insurance

Section 1. Insurance. The Board of Directors shall obtain and maintain, to the extent available, from companies admitted to do business in the Commonwealth of Virginia, and upon insurance forms which have been approved by the State Corporation Commission of the Commonwealth of Virginia, at least the following insurance:

(a) A "master" or "blanket" policy of property insurance on the Condominium in an amount equal to the full replacement value (i.e., one hundred percent [100%] of current "replacement cost" exclusive of land, foundation, excavation and other items normally excluded from coverage, but including all building service equipment and the like and any fixtures or equipment within all Units with an "Agreed Amount Endorsement" or its equivalent, if available, or an Inflation Guard Endorsement, and such other endorsements, to the extent available, as may be required to be carried by the Federal National Mortgage Association [hereinafter referred to as "FNMA"], Federal Home Loan Mortgage Association [hereinafter referred to as "FHLMC"], any private mortgage insurance company [hereinafter referred to as "PMI"] or the Veterans Administration [hereinafter referred to as "VA"], or other similar institution which may purchase or insure payment on a substantial number of notes secured by deeds of trust on Units contained in the Condominium. The amount of such "replacement cost" shall be redetermined annually by the Board of Directors. Such coverage shall afford protection against, at least, the following:

- (i) loss or damage by fire or other hazards covered by the standard extended coverage endorsement and additional extended coverage endorsement;
- (ii) such other risks as shall customarily be covered with respect to projects similar in construction, location and use, including, but not limited to, as appropriate, vandalism, malicious mischief, boiler and machinery explosion or damage, sprinkler leakage, debris removal, cost of demolition, windstorm and water damage, and such other insurance as the Board of Directors may from time to time determine; and

(b) A comprehensive policy of public liability insurance in such amounts and in such forms as may be considered appropriate by the Board of Directors including, but not limited to, water damage legal liability coverage, coverage for liability for damage to property of others, hired automobile liability coverage, non-owned automobile liability coverage and coverage for any and all other liability arising out of or incident to the ownership and/or use of the Condominium or any portion thereof, and such other risks as shall customarily be covered with respect to projects similar in construction, location and use. All such policies shall include a "Severability of Interest Endorsement" or equivalent coverage which would preclude the company from denying the claim of a Unit Owner because of the negligent acts of the Association, the Board of Directors or another Owner, with such limits as may be considered acceptable to FNMA, FHLMC, PMI, VA, or other similar institution which may purchase or insure payment of a substantial number of notes secured by deeds of trust on Units contained in the Condominium [except to the extent such coverage is not available or has been waived in writing by any of the above] but in any event, not less than One Million Dollars [\$1,000,000] covering all claims for personal injury and/or damage arising out of a single occurrence.

(c) Workmen's compensation insurance to the extent necessary to comply with any applicable law; and

(d) Adequate fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees and employees of the Association and other persons or entities who handle, or are responsible for handling funds of the Association, including, but not limited to, employees of the Management Agent. The premiums of such fidelity bonds shall be paid by the Association and shall meet the following requirements:

- (i) all such fidelity bonds shall name the Association as an obligee; and
- (ii) such fidelity bonds shall be written in such amounts as may be required by FNMA, FHLMC, PMI, VA, or other similar institution which may purchase or insure payment on a substantial number of notes secured by deeds of trust on Units contained in the Condominium except to the extent such coverage is not available or has been waived in writing by any of the above; and
- (iii) such fidelity bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and

(e) Such other policies of insurance, including insurance for other risks of a similar or dissimilar nature, as are required to be carried by FNMA, FHLMC, PMI and VA [except to the extent such coverage is not available or has been waived in writing by any of the above], and by the provisions of these By-Laws or as shall hereafter be considered appropriate by the Board of Directors.

Section 2. Limitations. Any insurance or fidelity bond obtained pursuant to the requirements of this ARTICLE X shall be subject to the following provisions:

(a) All policies shall be written with a company or companies licensed to do business in the Commonwealth of Virginia and holding a financial rating by Best's Insurance Reports of "Class VI" or better, and a Best's Insurance Report Policyholder's rating of "A" or better.

(b) Exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors or its authorized representative, including any trustee with which the Association may enter into any Insurance Trust Agreement, or any successor trustee, each of which shall hereinafter be referred to as the "Insurance Trustee". All proceeds covering any loss shall be payable to the Insurance Trustee, or to his successor. All proceeds from an insured loss under such policy shall be held for the use and benefit of the Association and the Owners of all Units and their respective mortgagees as interest may appear. Such insurance proceeds shall be applied and distributed in accordance with the Section 2 of Article XI of these By-Laws or Section B of Article IX of the Declaration.

(c) In no event shall the insurance coverage obtained and maintained pursuant to the requirements of this ARTICLE X be brought into contribution with insurance issued in the name of any individual Unit Owner, purchased as herein permitted, by such Owner of a Unit or their mortgagee.

(d) All policies and fidelity bonds shall provide that such policies or bonds may not be cancelled or substantially modified [including cancellation for nonpayment of premium] without at least thirty [30] days prior written notice to any and all insureds named thereon, including any and all mortgagees, FNMA, FHLMC, PMI, VA or other similar institution which may purchase a substantial number of notes secured by deeds of trust on Units contained in the Condominium.

(e) All policies of property insurance shall provide that, notwithstanding any provisions thereof which give the carrier the right to elect to restore damage in lieu of making a cash settlement, such option shall not be exercisable without the prior written approval of the Association [or any Insurance Trustee] or when in conflict with the provisions of any Insurance Trust Agreement to which the Association may be a party, or any requirement of any statute, the Declaration or these By-Laws.

(f) All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Association, the Board of Directors, their agents and employees, the respective Unit Owners, such Owners' respective agents, employees or tenants, and a waiver of any defenses based upon co-insurance or upon invalidity arising from acts of the insured. Independent contractors shall not be considered agents, employees or servants of the Board of Directors or of the respective Unit Owners within the meaning of said waiver.

(g) The insurance policy shall contain a provision that the insurance shall not be prejudiced:

- (i) by any act or neglect of any occupants of the building when such act or neglect is not within the control of the Unit Owners collectively; or
- (ii) by failure of the Unit Owners collectively to comply with any warranty or condition with regard to any portion of the premises over which the Unit Owners collectively have no control.

Section 3. Payment of Insurance Deductible. In the event of damage to any Unit which is covered by the Condominium Master Insurance Policy, the Association shall be responsible for payment of deductible amounts under the Policy except where:

- (i) the damage to such Unit was caused by the negligence of the Unit Owner; or
- (ii) the damage to such Unit, absent the coverage by the Condominium Master Insurance Policy, would have been

the maintenance responsibility of the individual Unit Owner.

Section 4. Individual Policies - Recommendation of Declarant. The Owner of any Unit [including the holder of any mortgage thereon] may obtain, at his/her own expense additional insurance to provide coverage of his/her individual Unit and its contents. Such insurance shall be written either by the same carrier as that purchased by the Board of Directors pursuant to this ARTICLE X of these By-Laws, or if written by another carrier, shall provide that it shall be without contribution as against the same. Such insurance shall contain the same waiver of subrogation provision as that set forth in Section 2(f) of this ARTICLE X. The Declarant recommends that each Owner of a Unit in the Condominium obtain, in addition to the insurance hereinabove provided to be obtained by the Board of Directors, a "Condominium Homeowners Policy", or equivalent, to insure against loss or damage to personal property used or incidental to the occupancy of the Unit, additional living expense, plate glass damage, water damage, vandalism or malicious mischief, theft, personal liability and the like. Such policy should include a "Condominium Unit Owner's Endorsement" covering losses to improvements and betterments to the Unit made or acquired at the expense of the Owner.

Section 5. Insurance Trustee. The Unit Owners' Association shall from time to time designate an Insurance Trustee who shall be the named insured along with the Unit Owners' Association. The Unit Owners' Association shall be responsible for fees and expenses of the Insurance Trustee which shall constitute a common expense of the Condominium. The Board of Directors may enter into an Insurance Trust Agreement with the Insurance Trustee which shall provide that the Insurance Trustee shall not be liable for payment of premiums, the renewal of the policies, the sufficiency of coverage, the form or contents of the policies, the correctness of any amounts received on the account of the proceeds of any insurance policies nor for the failure to collect any insurance proceeds. 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 By-Laws, for the benefit of the insureds and their beneficiaries thereunder. In making any distribution from insurance proceeds, the Insurance Trustee may rely solely upon a certificate of the Association, made by its President and Secretary, as to the amounts to be disbursed and the parties to whom said disbursements should be made.

## ARTICLE XI

### Casualty Damage - Reconstruction or Repair

Section 1. Notice to Mortgagees. In the event of substantial damage or destruction of any Units by fire or other peril, notice shall be sent immediately to the Institutional Holders of all first mortgages on the Units involved if there is no damage or destruction to Common Elements, and to all Institutional First Mortgagees if there is any substantial damage to or destruction of Common Elements. As used in this Section 1, the term "substantial damage" shall mean damage to any Unit in the amount of One Thousand Dollars [\$1,000] or more or damage to any of the Common Elements in the amount of Ten Thousand Dollars [\$10,000] or more.

Section 2. Use of Insurance Proceeds. In the event of damage to or destruction of the Building as a result of fire or other casualty, the Insurance Trustee named in the Condominium property endorsement shall receive and hold the amount payable under the Condominium insurance. The Insurance Trustee shall apply the same to the cost of reconstruction or repair of all damaged or destroyed Common Elements and, as to any damaged or destroyed Units, those portions covered by the Master Condominium Insurance Policy purchased by the Association pursuant to the requirements of ARTICLE X of these By-Laws (hereinafter referred to as the "Master Policy"), unless there is an agreement to terminate the Condominium, as provided in ARTICLE IX of the Declaration. If there is no decision to terminate then the Board of Directors shall arrange for the repair and restoration of the Common Elements and those portions of damaged

or destroyed Units covered by the Master Policy within sixty (60) days from the date the Insurance Trustee notifies the Board that it holds the insurance proceeds. The Insurance Trustee or the Board of Directors, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of net proceeds of insurance received by or payable to the Insurance Trustee shall constitute a common expense, and the Board of Directors shall assess all Unit Owners for such deficit in proportion to each Owner's Undivided Interest in the Common Elements. The Association shall not be responsible for the repair or restoration of any portion of any Unit not covered by the Master Policy unless it agrees to perform such work at the sole expense of the Unit Owner. If the Association does undertake to perform such work, each Unit Owner shall have the right to supervise the repair or restoration of his/her own Unit. All damaged or destroyed Common Elements and Units must be repaired or restored unless a decision to terminate the Condominium is made.

Section 3. Distribution of Proceeds on Termination. If the Condominium is terminated, the insurance proceeds shall be distributed by the Insurance Trustee as provided in Section B of ARTICLE IX of the Declaration.

## ARTICLE XII

### Taking by Eminent Domain

Section 1. Condemnation Awards and Reallocation of Interests in Common Elements. All condemnation awards and reallocations of interest in the Common Elements as a result of a taking by condemnation or eminent domain shall be made in accordance with the provisions of Section 55-79.44 of the Condominium Act which is incorporated herein by reference.

Section 2. Condemnation Trustee. Even though the payment for the taking of a portion of a Unit or of the Common Elements by eminent domain or the conveyance under threat thereof may be payable to Unit Owners, the Unit Owners shall deposit the awards with a Condemnation Trustee designated by the Board of Directors of the Association. In the event of failure of the Unit Owner to do so, in the discretion of the Board of Directors, a special assessment shall be made against a defaulting Unit Owner in the amount of his/her award, and the amount of such award shall be set off against the sums hereinafter made payable to such Unit Owner. The proceeds of the award shall be distributed in the manner provided in ARTICLE IX of the Declaration for proceeds upon termination of the Condominium.

Section 3. Notice to Mortgagees and Priority of Mortgage Lien. The Association shall provide written notice to all Institutional First Mortgagees of any condemnation proceeding against the Condominium or any portion thereof. Notwithstanding any provision contained in these By-Laws no Unit Owner nor any other party shall be entitled to priority over any Institutional First Mortgagee with respect to the distribution of the proceeds of any award or settlement to the Unit Owner as a result of any condemnation or eminent domain proceeding or a taking as the result of the threat of such proceeding.

## ARTICLE XIII

### Fiscal Management

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January every year, except that the first fiscal year of the Association shall begin at the date of organization. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors.

Section 2. Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with good accounting practices.

Section 3. Auditing. At the close of each fiscal year, the books and records of the Association shall be audited by an independent Certified Public Accountant whose report shall be prepared and certified in accordance with generally accepted auditing standards. Based upon such report, the Association shall furnish the Unit Owners with an annual financial statement including the income and disbursements of the Association. The Institutional First Mortgagees shall have the right to require the submission of annual audited reports and other financial data within ninety (90) days following the end of any fiscal year of the Condominium.

Section 4. Inspection of Books. The books and accounts of the Association, and vouchers accrediting the entries made thereupon, shall be available for examination by the Unit Owners and/or their duly authorized agents or attorneys, and to the Institutional First Mortgagees and/or their duly authorized agents or attorneys, during normal business hours and for purposes reasonably related to their interests as Unit Owners.

Section 5. Execution of Association Documents. With the prior authorization of the Board of Directors, all notes and contracts shall be executed on behalf of the Association by either the President or Vice President, both of whom are hereby individually designated as attorney-in-fact to execute all documents on behalf of the Association. All checks shall be executed on behalf of the Association by such officers, agents or other persons as are from time to time so authorized by the Board of Directors. The Board of Directors may by resolution from time to time appoint any person as a limited attorney-in-fact to execute specific documents from time to time.

Section 6. Resale Certificate. In the event of any resale of a Unit by a Unit Owner other than the Declarant, the Association shall furnish to the selling Unit Owner an Assessment Certificate in accordance with Section 55-79.84(h) of the Condominium Act and Section 10 of ARTICLE VI of these By-Laws, and a Resale Certificate in accordance with the provisions of Section 55-79.97 of the Condominium Act. The Board of Directors may charge the selling Unit Owner for its cost of the preparation of such Resale Certificate.

#### ARTICLE XIV

##### Notices

Notices. All notices, demands, bills, statements or other communications under these By-Laws other than notices of annual or special meetings, as provided in Section 4 of Article III of these By-Laws, shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified mail, return receipt requested, first-class prepaid:

(a) If to a Unit Owner, at the address which 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

(b) If to the Unit Owners' Association, the Board of Directors, or the Management Agent, at the principal office of the Management Agent, or at such other address as shall be designated by notice in writing to the Unit Owners.

(c) Notice given to the last Unit Owner of record shall be deemed notice to the true, actual and beneficial Owner of the Unit. It is the responsibility of each new Unit Owner to notify the Secretary of the Association of the transfer of title. The failure to so notify the Secretary of the Association shall constitute the last Unit Owner of record as the attorney-in-fact for the new Unit Owner to receive all notices. A request for a Resale Certificate shall not constitute notice of the transfer of title.

APPENDIX TO THE BY-LAWS  
MAINTENANCE RESPONSIBILITIES

This chart is meant to be illustrative only and the titles and headings used herein are not intended to describe or encompass all maintenance functions or responsibilities or to reflect the precise character and nature of the ownership of a particular component. The ownership of all elements is set forth in the Declaration and maintenance functions and responsibilities are set forth more fully in the Declaration and the By-Laws.

<u>COMPONENT</u>	<u>ASSOCIATION RESPONSIBILITY</u>	<u>UNIT OWNER RESPONSIBILITY</u>
General Common Elements (building structure, elevators, recreation facilities, etc. as defined in documents)	All - unless otherwise stated	
Unit Interior (walls, floors, fixtures, appliances, etc. as defined in documents)		All - unless otherwise stated
Plumbing	All lines serving more than one unit	All lines serving only one unit, including, but not limited to waste lines (including commode seals and wax rings); drain lines (to point of union with common waste/drain line(s)); supply lines (from point of union with common supply line)
Electrical Wiring & Electrical Submetering System & TV and radio distribution systems	All lines serving more than one unit and all portions of Electrical Submetering System	All lines serving only one unit, except for parts of electrical submetering system serving only one unit
Unit entrance doors to common hallway (including frames, sills and hardware)	Periodic cleaning and painting of surfaces facing common hallway	All other repairs and maintenance
Unit doors to exterior of building (including frames, sills, hardware)	Periodic painting of exterior surfaces	All other repairs and maintenance
Windows	Periodic washing of exterior surfaces not accessible from balcony	All other repairs and maintenance
Screens		All
Balconies - Railings	Repairs and maintenance other than cleaning	Cleaning
Heating, Ventilation and Air-Conditioning	All components serving more than one unit	All components serving only one unit or contained within a unit
(NOTE: Damage (from water, fire, etc.)	Caused by element within Association's scope of responsibility; up to amount covered by insurance	All deductibles, plus damage caused by element within Unit Owner's scope of responsibility

## EXHIBIT E

## SCHEDULE OF PERCENTAGES

This is the Exhibit E referred to in the Declaration of Crystal Park Condominium and is made a part thereof and incorporated therein by reference and shows the percentage share of ownership in the Common Elements for each Unit. The percentage share of the common expenses of the Condominium attributable to each Unit is the same as the percentage share of ownership in the Common Elements.

Initially, the Condominium will be composed of the Units located on the second and third floor level. All remaining space will be Residential Convertible Space which will constitute 80 percent of ownership of the initial Condominium. Section E(1) of this Schedule of Percentages sets forth this initial allocation of percentages. As Units on higher levels are completed, the Declaration will be amended to decrease the size of the convertible space by designating portions thereof as Condominium Units. In Section E(1), the first column indicates each of the initial units. The second column indicates the approximate square footage of each of the Units identified in the first column and the third column indicates the Undivided Interest in the Common Elements of the Condominium appertaining to each of the identified Units.

Section E(2) of this Schedule of Percentages sets forth the percentage of ownership for each Unit after conversion of all Residential Convertible Space. In Schedule E(2), the first column indicates all of the Units in the Condominium after conversion of all Residential Convertible Space. The second column indicates the approximate square footage of each of these units. The third column indicates the Undivided Interest in the Common Elements appertaining to each of these units after conversion of all the Residential Convertible Space, and the fourth column indicates what the minimum Undivided Interest in the Common Elements would be for each of these Units if Phase II is added to the Condominium.

Section E(1) - Initial Allocation of Undivided Interest

<u>CONDOMINIUM UNIT NUMBER</u>	<u>APPROXIMATE SQUARE FOOTAGE</u>	<u>INITIAL UNDIVIDED INTEREST OF EACH UNIT *</u>
201S, 301S	983	.50
202S, 302S	919	.47
203S, 303S	676	.34
204S, 304S	771	.39
205S, 305S	1,116	.57
206S, 306S	1,515	.77
207S, 307S	1,224	.62
208S, 308S	1,338	.68
209S, 309S	1,322	.67
210S, 310S	993	.51
211S, 311S	1,220	.62
212S, 312S	1,724	.88
213S, 313S	1,523	.78
214S, 314S	791	.40
215S, 315S	652	.33
216S, 316S	857	.44
217S, 317S	855	.44
218S, 318S	1,150	.59
RESIDENTIAL CONVERTIBLE SPACE	157,032	80.00

\* Also indicates percentage share of the common expenses of the Condominium attributable to each Unit.