PREPARED BY & RETURN TO:
REES, BROOME & DIAZ, P.C
B133 LEESBURG PIKE, 9TH FLOOR
VIENNA, VIRGINIA 22182
(203) 790 - 1911
HAP # 94((9))2



DECLARATION OF

PLAT: 20040210-0012502

THE BARR-DULLES COMMERCIAL CONDOMINIUM

ARTICLE I

CREATION: DEFINED TERMS

- Section 1.1 Creation of the Condominium: (A) Pursuant to the provisions of Chapter 4.2, Title 55 of the Code of Virginia, as amended (the "Condominium Act"), BARR-DULLES LIMITED PARTNERSHIP, ("The Declarant"), the fee simple owner of the land more particularly described in Exhibit "A" attached hereto, located in Loudoun County, Virginia ("Submitted Land"), hereby submits the Submitted Land, together with all improvements, easements, rights and appurtenances thereunto belonging (the "Condominium Property") to the provisions of the Condominium Act and hereby creates with respect to the Condominium Property, a condominium.
- (B) Each Unit Owner shall own his Unit in fee simple absolute, in addition to an undivided fee simple interest as tenants in common with the other unit owners in the Common Elements.
- Section 1.2. <u>Definitions</u>: Except as otherwise defined in the Condominium Instruments for the Condominium, all capitalized terms in the Condominium Instruments shall have the meanings specified in Section 55-79.41 of the Condominium Act.
- Section 1.3 Name of the Condominium: The condominium established hereby shall be known as THE BARR-DULLES COMMERCIAL CONDOMINIUM ("The Condominium").

<u>ARTICLE II</u>

BUILDINGS ON THE LAND: UNIT BOUNDARIES

- Section 2.1 Location Of Buildings And Units: The location and dimensions of the buildings on the Submitted Land are shown on the "Plat" attached as Exhibit "D" hereto.
- Section 2.2 Units: (A) The location of units within each building and their dimensions are shown on the "Plans" labeled as Exhibit E. The Common Element Interest Table attached as Exhibit C is a list of all Units, their identifying numbers, location (all as shown more fully on the Plats and Plans), type and the Common Element Interest appurtenant to each Unit determined on the basis of size. The "size" of each Unit is the total number of square feet contained therein determined by reference to the dimensions shown on the Plats and Plans.
- (B) Pursuant to Section 55-79.55 of the Condominium Act, each Unit in the Condominium has been allocated an interest in the Common Elements of the Condominium based on each Unit size. Each Unit shall be entitled to a percentage of the total votes in the





Association based upon the proportion of each Unit's square footage as compared to the total square footage of all Units within the condominium. Based on the square footage allocation, Unit A shall have a 47 percent interest in the Common Elements of the Condominium; Unit B shall have a 39 percent interest in the Common Elements of the Condominium; and, Unit C shall have a 14 percent interest in the Common Elements of the Condominium.

Section 2.3 Unit Boundaries: The boundaries of each Unit are as follows:

- (A) Upper and Lower (horizontal) Boundaries: The upper and lower boundaries of the Unit are the following boundaries extended to an intersection with the vertical (perimetric) boundaries:
- (1) Upper Boundary: The horizontal plane of the top of the roof of each Unit, including any improvements thereon, extending to the vertical boundaries of each Unit, and the air rights above the Unit site. For the undeveloped Units, the upper boundary shall include the air rights above the Unit site, until development, when the upper boundary shall be the horizontal plane of the top of the roof of the Unit, including any improvements thereon and the air rights above the Unit site.
- (2) Lower Boundary: The horizontal plane of the bottom surface of the undecorated concrete floor slab extending to the vertical boundaries of each Unit, except for the undeveloped Units, where the lower boundary is the horizontal plane of the surface of the ground which encompasses the Unit site.

(B) Vertical (perimetric) Boundaries:

- (1) <u>UNIT 1</u>: Beginning at point #4 in the description of submitted land set forth in Exhibit A hereto, which is a point on the northerly line of N/F Moran Road Limited Partnership, thence running N 86 09' 44" E 60.30 feet to the point of beginning; Thence running N 09 32' 28" W 251.95 feet to a point; Thence running N 80 27' 32" E 362.00 feet to a point; Thence running S 09 32' 28" E 251.95 feet to a point; Thence running S 80 27' 32" W 362.00 feet to the point and place of beginning and containing 2.09377 acres of land, more or less.
- set forth in Exhibit A hereto, said point being on the southern line of N/F Tuscarora Plastics Inc., thence running S 73 44' 53" E 104.01 feet to the point of beginning; Thence N 65 25' 22" E 148.41 feet to a point; Thence N 82 15' 24" E 90.36 feet to a point; Thence N 80 27' 32" E 244.50 feet to a point; Thence S 09 32' 28" E 191.00 feet to a point; Thence S 80 27' 32" W 432.29 feet to a point; Thence N 25 59' 16" W 161.96 feet to the point and place of beginning and containing 1.96371 acres of land more or less.
- (3) <u>UNIT 3</u>: Beginning at point #7 in the description of submitted land set forth in Exhibit A hereto, said point being on the southerly line of N/F Tuscarora Plastics Inc. thence S 62 47' 25" E 68.76 feet to the point of beginning; Thence N 03 28' 28" W 112.00 feet to a point; Thence N 86 31' 32" E 155.31 feet to a point; Thence S 03 28' 28" E 112.00



feet to a point; Thence S 86 31' 32" W 155.31 feet to the point and place of beginning and containing 0.39932 acres of land, more or less.

- (C) The Unit includes all portions of a utility system serving only that Unit (whether or not located within the Unit boundaries), which apparatus is part of the Unit. Any portion of a utility system or other apparatus serving more than one Unit (e.g., pipes, conduits, ducts) which is located partially within and partially outside any Unit is part of the Common Elements. Any portion of any utility system serving only one Unit which is located outside the Unit is a part of the Unit it serves.
- (D) The Common Elements of the Condominium shall include all portions of the Condominium other than the Units.
- Section 2.4 Maintenance Responsibilities: Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the foregoing boundary descriptions, the provisions of the Bylaws of The Barr-Dulles Commercial Condominium Unit Owners Association (the "Bylaws") shall govern the division of maintenance and repair responsibilities between the Unit Owner and The Barr-Dulles Commercial Condominium Unit Owners Association (the "Unit Owners Association"). In some cases, the Unit Owners Association may have the power, but not the responsibility, to perform maintenance, repairs or replacements of various components of the portions of the condominium defined as part of the Unit, such as windows and balconies.
- Section 2.5 Relocation of Unit Boundaries and Subdivision of Units: Relocation of boundaries between Units and subdivision of Units is permitted subject to compliance with the provisions therefor in Article VI, Section 7 of the Bylaws and in Sections 55-79.69 and 55-79.70 of the Condominium Act.
- Section 2.6 Declarant's Obligation's to Complete Improvements: The Declarant has no obligation to complete improvements labeled on Exhibit "D" as "NOT YET COMPLETED" that have been begun but not yet completed and has no obligation to begin improvements labeled "NOT YET BEGUN." The size and capacity of the improvements are as set forth on the Plats labeled as Exhibit "D" and Plans labeled as Exhibit "E".

ARTICLE III

COMMON ELEMENTS

Section 3.1 <u>Limited Common Elements</u>:

(A) Except to the extent otherwise provided herein or in any of the other Condominium Instruments, the Declarant designates those items specified in Section 55-79.50(e) of the Condominium Act as Limited Common Elements, as well as those items which are marked and identified on the "Plats" and "Plans" attached as Exhibit "D" and "E". To the extent there is any inconsistency between this Declaration and the Plats and Plans, this Declaration shall



control. If, prior to settlement on a Unit, a person acquires the right to an assignable Limited Common Element, the Declarant shall evidence the right of such assignment in the deed to the Unit to which such Limited Common Element shall appertain. If a Unit Owner acquires the right to the exclusive use of an assignable Limited Common Element subsequent to settlement on the Unit, the Declarant may but need not evidence such Unit Owner's right to such an assignment in a separate written agreement with the Unit Owner.

- (B) Pursuant to Section 55-79.54(a)(6) of the Condominium Act, the Declarant reserves the exclusive right to assign parking spaces as Limited Common Elements for the exclusive use of certain Unit Owners to whose Units these parking spaces shall be appurtenant. The Declarant may assign such a Common Element as a Limited Common Element parking space pursuant to the provisions of Section 55-79.57 of the Condominium Act by causing an appropriate amendment to this Declaration or to the Plans to be signed and recorded.
- Section 3.2 Reserved Common Elements: The Board of Directors of the Unit Owners Association shall have the power in its discretion from time to time to grant revocable licenses in designated Common Elements to the Unit Owners Association or to any Unit Owner(s) and to establish reasonable charges for the use and maintenance thereof. The Common Elements or portions thereof so designated shall be referred to as Reserved Common Elements. Such designation by the Board of Directors shall not be construed as a sale or disposition of the Common Elements.
- Section 3.3 Alteration of Common Elements by the Declarant: The Declarant reserves the right to modify, alter, remove or improve defective, obsolete or non-functional portions of the Common Elements, including without limitation any equipment, fixtures and appurtenances, when in the Declarant's sole judgment it is necessary or desirable to do so, until the expiration of the applicable warranty period and statutory limitations period applicable thereof. The Declarant reserves the right to alter the Common Element space currently designated for use as parking for use as storage space instead and the additional right to redesignate such space as Limited Common Elements.
- Section 3.4 Parking: Except for parking spaces which may be assigned or reserved pursuant to Sections 3.1 and 3.2 hereof, or contained within the Unit boundaries as set forth on the Condominium Plat attached hereto as Exhibit D and subject to such parking or other easements which may exist in favor of Declarant, or others, all other parking spaces located on the Condominium Property and such legal rights as may exist for use of the parking spaces on private or public streets abutting the Condominium Property, shall be deemed Common Elements and shall be available for use of all Unit Owners on a first come-first served basis.



ARTICLE IV

EASEMENTS AND OTHER ENCUMBRANCES, ETC.

- Section 4.1. Easements, Rights-of-Way of Record: The Submitted Land is subject to certain easements, rights-of-way and covenants of record. The location of said easements and rights-of-way as well as the Deed Book and page references wherein said easements and rights-of-way were imposed may be shown on the Plat attached as Exhibit "D" hereto.
- Subjacent Support: Easement for Ingress and Egress through Common Elements, Lateral and
- (A) Each Unit Owner is hereby granted an easement in common with each other Unit Owner for ingress and egress through all Common Elements, subject to such reasonable rules, regulations and restrictions as may be imposed by the Unit Owners Association. Each Condominium Unit is hereby burdened with and subjected to an easement for ingress and egress through all Common Elements by persons lawfully using or entitled to the same.
- (B) Each Unit and Common Element shall have an easement for lateral and subjacent support from every other Unit and Common Element.
- Section 4.3 Declarant's Right to Grant Easements: The Declarant shall have the right, for a period of seven (7) years commencing upon settlement of the first unit sold in the Condominium Property, to grant and reserve easements and rights-of-way through, under, over and across the Common Elements for access for construction purposes, and for the installation, maintenance and inspection of the lines and appurtenances for public or private water, sewer, drainage, gas, electricity, telephone, cable services, wireless telecommunications, and other utilities.
- Section 4.4 Easement for Development of Improvements on Units: There is reserved to the Declarant and/or its successors, such easements over, across and under the Submitted Land for the purposes of ingress, egress to and construction, installation and maintenance of such drainage areas or structures, utility lines or systems (including, but not limited to, water, storm and sanitary sewer, gas, cable television, wireless telecommunications, electricity and telephone) as may be reasonably necessary for the completion and improvement of the incomplete Units and for the normal operation of improvements and maintenance in any Unit or on any portion of the Common Elements.
- Section 4.5 Easements for Encroachments: Declarant and each Unit Owner, to the extent required, shall have an easement pursuant to Section 55-79.60 of the Condominium Act.
- Section 4.6 Easement for Removal of Common Elements, Etc.: There is reserved to the Declarant and/or its contractors, agents and employees the right of entry onto the Common Elements of the Condominium for the purposes of performing such improvements, repairs, alterations, restoration or removal of the Common Elements of the Condominium as Declarant may reasonably deem necessary. This reservation shall be construed so as to permit Declarant



and/or its agents to remove and/or replace any and all Common Elements requiring repair, modification or alteration. This easement does not allow the Declarant to remove any land or any item except for repair or replacement.

- Section 4.7 Easement for Construction: (A) Declarant expressly reserves the right to enter upon the Common Elements for the purpose of performing such construction or remediation as Declarant shall deem advisable in conjunction with its construction of the Units and/or Common Elements. Declarant shall further have the unrestricted right to temporarily store in or upon the Common Elements such building and construction equipment or supplies used in connection with its construction activities for the Units and Common Elements. The right herein reserved shall be deemed to include the right of Declarant to temporarily locate upon the Common Elements such temporary construction trailers or offices as may in Declarant's sole judgment be deemed necessary for its construction activity.
- (B) Each Unit Owner shall have the right to enter upon the Common Elements for the purpose of performing such construction or remediation as each Unit Owner shall deem advisable in conjunction with its construction of its Unit. Each Unit Owner shall further have the unrestricted right to temporarily store in or upon the Common Elements such building and construction equipment or supplies used in connection with its construction activities for its Unit. The rights herein set forth shall be deemed to include the right of each Unit Owner to temporarily locate upon the Common Elements such temporary construction trailers or offices as may in the Unit Owner's sole judgment be deemed necessary for its construction activity.
- (C) Upon completion of said remediation or construction the Declarant or Unit Owner, as applicable shall repair or replace any Common Elements damaged by the aforesaid use in order to restore the Common Elements to its condition prior to the commencement of the said use.
- Section 4.8 Dedications and Easements Required by Governmental Authority: The Declarant hereby reserves the right to grant any easements, rights-of-way and licenses required by any government or governmental agency over and through all or any portion of the Submitted Land or any Common Elements at any time a part of the Condominium.

ARTICLE V

DEVELOPMENT OPTIONS

- Section 5.1 Convertible Land: The Condominium does not include any Convertible Land, as defined in Section 55-79.41 of the Condominium Act.
- Section 5.2 Expansion of the Condominium: The Condominium is not an Expandable Condominium, as defined in Section 55-79.41 of the Condominium Act.
- Space, as defined in Section 55-79.41 of the Condominium Act.



Section 5.4 <u>Contractible Condominium</u>: The Condominium is not a Contractible Condominium, as defined in Section 55-79.41 of the Condominium Act.

ARTICLE VI

RIGHT TO LEASE OR SELL UNITS

Declarant shall own in fee simple each Condominium Unit not sold to a purchaser or otherwise transferred. Declarant retains the right to enter into leases with any third parties for the occupancy of any of the Units owned by Declarant on such terms and conditions as may be acceptable to Declarant. Upon expiration of Declarant Control Period, Declarant's right to lease any Unit is subject to the provisions of the Condominium Instruments.

ARTICLE VII

PRIORITY OF MORTGAGES

Except as specifically provided in the Condominium Instruments, no provision of the Condominium Instruments shall be construed to grant to any Unit Owner, or to any other person, any priority over any right of Mortgagees.

ARTICLE VIII

NO OBLIGATIONS

Nothing contained in the Condominium Instruments shall be deemed to impose upon Declarant, or its successors or assigns, any obligation of any nature to build or provide any buildings except to the extent required by the Condominium Act.

ARTICLE IX

BYLAWS OF THE CONDOMINIUM

Pursuant to Section 55-79.73(a) of The Condominium Act, the Bylaws attached as Exhibit "B" to this Declaration, are recorded simultaneously herewith to provide for the self-government of the Condominium by the Unit Owners Association.



ARTICLE X

SPECIAL DECLARANT RIGHTS, ETC.

Special Declarant Rights shall be those reserve for the benefit of the Declarant as specified in the Condominium Act and the Condominium Instruments. Any transfer of any Special Declarant Right shall be in accordance with of the Condominium Act. The Special Declarant Rights shall expire at the end of the Declarant Control Period.

ARTICLE XI

AMENDMENT TO DECLARATION

No amendment to the Declaration may be made without the prior written approval of the owners of Sixty Percent of the Common Element Interests where such approval is provided for in any section of Article IX of the Bylaws, or where such approval is required elsewhere in the Condominium Instruments or by Sections 55-79.71 and 55-79.72:2 of the Condominium Act.

IN WITNESS WHEREOF, the said have caused this Declaration to be executed on this day of JANUARY, 2004.

BARR DULLES LIMITED PARTNERSHIP

By: Richard C. Wolff, Managing Partner

STATE OF VA :
COUNTY OF FAIRFAX :

Subscribed, acknowledged and sworn to before me, the undersigned Notary Public in and for the County of FAILTAX, in the Commonwealth of Virginia, this 15 day of

JANUARY , 2004.

Notary Public /

My Commission Expires:

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K107/02830/00002/Declaration/040106 Final Version Declaration.doc



CHART OF MAINTENANCE RESPONSIBILITY

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ITEMS	GENERAL COMMON ELEMENTS UNDER ASSOCIATION RESPONSIBILITY	LIMITED COMMON ELEMENTS UNDER UNIT OWNER RESPONSIBILITY	UNIT COMPONENTS UNDER ASSOCIATION RESPONSIBILITY	UNIT COMPONENTS UNDER UNIT OWNER'S RESPONSIBILITY
Plumbing and related systems and components thereof.	All which serve more than one unit and the common elements.	None.	None.	All which serve only one unit.
Electrical and related systems and components thereof, including fixtures.	All which serve more than one unit and the common elements.	None.	None.	All which serve only one unit.
Heating and Cooling Systems	None.	None.	None.	All which serve only one unit, including roof condenser unit.
Exterminating	All in all regards.	None.	None.	None.
Windows	None.	None	None.	All in all regards.
Parking Spaces	All Common Element parking spaces.	All parking spaces assigned as Limited or Reserved Common Elements.	None.	All in all regards.
Building Exterior, Gutters and Downspouts	None.	None.	None.	All in all regards.
Roof	None.	None.	None.	All in all regards.



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ITEMS	GENERAL COMMON ELEMENTS UNDER ASSOCIATION RESPONSIBILITY	LIMITED COMMON ELEMENTS UNDER UNIT OWNER RESPONSIBILITY	UNIT COMPONENTS UNDER ASSOCIATION RESPONSIBILITY	UNIT COMPONENTS UNDER UNIT OWNER'S RESPONSIBILITY
Vertical Walls and Foundations	None.	None.	None.	All in all regards.
Grounds maintenance (including lawns, paved areas outside of unit elements, and underground utility systems.)	All common element grounds maintenance.	All in all regards if benefiting only one unit.	None.	All in all regards if located solely within one unit.
Unit entry doors	None.	None.	None.	All in all regards that serve only one unit.
Storm water management facility	All in all regards.	None.	None.	None.
Entrance or Advertising Signs	None.	All in all regards if assigned only to one unit.	None.	All in all regards that serve only one unit.
Loading docks and trash pads	All in all regards that serve more than one unit.	None.	None.	All in all regards that serve only one unit





Description of a parcel of land known as The Condominiums at Barr-Dulles Business Center now in the name of Barr-Dulles Limited Partnership lying and being in Mercer District, Loudoun County, Virginia as recorded at Instrument #20031230-0167308 among the land records of Loudoun County, Virginia but more particularly described as follows:

Beginning at a point (1) lying on the westerly right of way line of Powers Court, said point being a common corner with the southeasterly corner of N/F Superior Investments LLC (Deed Book 2052 Pg. 2311);

Thence with the westerly right of way line of Powers Court and continuing with the land of N/F Donatelli Bays Limited Partnership (Deed Book 1758 Pg. 1362) S 03° 28' 28" E 982.16 feet to a point (2) in the northerly line of N/F Fish Construction Company Inc. (Deed Book 1832 Pg. 2294);

Thence with the line of N/F Fish Construction Company Inc. S 80° 27' 32" W 430.70 feet to a point (3) on the easterly line of N/F Moran Road Limited Partnership (Instrument # 20031230-0167308);

Thence with the easterly line of N/F Moran Road Limited Partnership the following courses and distances:

N 25° 59' 16" W 106.34 feet to a point (4) N 09° 32' 28" W 157.17 feet to a point (5) N 25° 59' 16" W 355.99 feet to a point (6)

On the southerly line of N/F Tuscarora Plastics Inc. (Deed Book 849 Pg. 323);

Thence with the southerly line of N/F Tuscarora Plastics Inc. N 65° 25' 22" E 383.72 feet to a point (7) and N 03° 43' 43" W 179.09 feet to a point (8) on the southerly line of N/F Superior Investments LLC;

Thence with the southerly line of N/F Superior Investments LLC N 60° 53' 22" E 293.64 feet to a point and place of beginning and containing 9.55899 acres of land more or less.

In accordance with Title 55 of the Code of Virginia (The Virginia Condominium Act) the above described land is further subdivided into the following three units:

UNIT I

Beginning at point #4 in the above referenced description of submitted land which is a point on the northerly line of N/F Moran Road Limited Partnership, thence running N 86° 09' 44" E 60.30 feet to the point of beginning;



Thence running N 09° 32' 28" W 251.95 feet to a point; Thence running N 80° 27' 32" E 362.00 feet to a point; Thence running S 09° 32' 28" E 251.95 feet to a point; Thence running S 80° 27' 32" W 362.00 feet to the point and place of beginning and containing 2.09377 acres of land, more or less.

Beginning at point #6 in the above description of submitted land said point being on the southern line of N/F Tuscarora Plastics Inc., thence running S 73° 44' 53" E 104.01 feet to the point of beginning;

Thence N 65° 25' 22" E 148.41 feet to a point; Thence N 82° 15' 24" E 90.36 feet to a point; Thence N 80° 27' 32" E 244.50 feet to a point; Thence S 09° 32' 28" E 191.00 feet to a point; Thence S 80° 27' 32" W 432.29 feet to a point;

Thence N 25° 59' 16" W 161.96 feet to the point and place of beginning and containing 1.96371 acres of land more or less.

Beginning at point #7 in the above description of submitted land said point being on the southerly line of N/F Tuscarora Plastics Inc. thence S 62° 47' 25" E 68.76 feet to the point of beginning;

Thence N 03° 28' 28" W 112.00 feet to a point; Thence N 86° 31' 32" E 155.31 feet to a point; Thence S 03° 28' 28" E 112.00 feet to a point; Thence S 86° 31' 32" W 155.31 feet to the point and place of beginning and containing 0.39932 acres of land, more or less.

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EXHIBIT B

BYLAWS OF THE BARR-DULLES COMMERCIAL CONDOMINIUM UNIT OWNERS ASSOCIATION

ARTICLE I

GENERAL

Section 1. <u>Applicability</u>. These Bylaws provide for the self-government of THE BARR-DULLES COMMERCIAL CONDOMINIUM UNIT OWNERS ASSOCIATION (the "Unit Owners Association") pursuant to the requirements of Chapter 4.2 of Title 55 of the Code of Virginia, as amended from time to time, known as the Virginia Condominium Act (hereinafter the "Condominium Act"). The Barr-Dulles Commercial Condominium (the "Condominium") is located within Loudoun County in the Commonwealth of Virginia.

Section 2. <u>Compliance</u>. Pursuant to the provisions of Section 55-79.53 of the Condominium Act, every Unit Owner and all those entitled to occupy a Unit (hereinafter "Unit") shall comply with the provisions of these Bylaws.

Section 3. <u>Definitions</u>. Capitalized terms used in these Bylaws which are not defined shall have the meanings specified for such terms in the Declaration of the Condominium ("Declaration"), or if not defined therein, the meanings specified for such terms in Section 55-79.41 of the Condominium Act. When used herein, the phrase "Common Elements" shall refer, unless otherwise stated, to the general common elements and the limited common elements as set forth in the Declaration.

ARTICLE II

UNIT OWNERS ASSOCIATION

Section 1. <u>Composition</u>. All of the Owners of Units contained in the Condominium, acting as a group in accordance with the Condominium Act, the Declaration and these Bylaws, shall constitute the Unit Owners Association who shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the contributions to the Common Expenses, arranging for the management of the Condominium and performing all of the other acts that may be required to be performed by the Unit Owners Association, by the Condominium Act and the Declaration. Except as to those matters which either the Condominium Act or the Declaration specifically require to be performed by the vote of the Owners, the administration of



the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth in Article III of these Bylaws.

- Section 2. <u>Annual Meetings</u>. The Unit Owners Association shall hold at least one annual meeting each year. The annual meetings of the Association shall be held each year on a date selected by the Board of Directors. At such annual meetings, the Board of Directors shall be announced in accordance with the requirements of Article III of these Bylaws.
- Section 3. <u>Place of Meetings</u>. Meetings of the Unit Owners Association shall be held at such suitable place convenient to the Unit Owners as may be designated by the Board of Directors.
- Section 4. Special Meetings. The President shall call a special meeting of the Unit Owners Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Unit Owners representing not less than fifty percent (50%) of the aggregate number of votes within the Condominium. The notice of any special meeting shall state the time, place and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.
- Section 5. Notice of Meetings. It shall be the duty of the Secretary, or other officer specified by the Board, to mail a notice of each annual or special meeting of the Unit Owners pursuant to the provisions of Section 55-79.75 of the Condominium Act, as amended, by mailing by regular United States mail or delivery by hand to each Unit Owner of record at the address of his or her unit or to such other address as may be designated by said Unit Owner at least twenty-one (21) days prior to any annual meeting and at least seven (7) days prior to any special meeting of the Unit Owners Association. Upon good cause, the Board of Directors may postpone the annual meeting provided notice of such postponement is delivered to the Owners at least 72 hours in advance of the annual meeting and the postponed meeting is rescheduled to a date within 30-45 days of the original annual meeting but upon at least twenty-one (21) days prior notice as referenced above.
- Section 6. Adjournment of Meetings. If any meetings of the Unit Owners Association cannot be held because a quorum is not present, a majority of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called in which event any business which could have been transacted at the meeting originally called may be transacted without further notice provided a quorum is present, either in person or by proxy, at the second meeting.
- Section 7. Order of Business. The order of business of all meetings of the Unit Owners Association shall be determined by the President.
- Section 8. <u>Title to Units</u>. Title to a Unit may be taken in the name of one or more Persons or other legal entities (hereinafter "Person"), in any manner permitted by law. The Unit Owners



Association may acquire, hold and transfer full legal title to one or more units in the Condominium in its own name.

Section 9. Voting. At every meeting of the Unit Owners Association, each of the Units shall have the right to cast a vote proportionate to its undivided interest in the Common Elements, as set forth in Exhibit C to the Declaration. Where the ownership of a Unit is in more than one person, the person who shall be entitled to cast the vote of such Unit may be any record Owner of said Unit duly authorized or the representative of the Unit Owner if the Unit Owner is a corporation, partnership, limited liability company, trust, or some other legal entity other than a natural person, unless any other record Owner of said Unit shall, at the time the vote is cast, object to the casting of said vote, in which event the person who shall be entitled to cast the vote of such Unit shall be the person named in a certificate executed by all record Owners of said Units. Any voting certificate executed pursuant to this section shall remain valid until revoked by a subsequent certificate similarly executed. In the event that no certificate is supplied and there is a disagreement between Owners of a Unit over how a vote will be cast, no record Owner of the Unit shall be entitled to cast the vote. Subject to the requirements of the Condominium Act and the Condominium Instruments, wherever the approval or disapproval of a Unit Owner is required by the Condominium Act, the Declaration or these Bylaws, such approval or disapproval shall be made only by the person who would be entitled to cast the vote of such Unit at any meeting of the Unit Owners Association. Except where a greater number is required by the Condominium Act, the Declaration or these Bylaws, the assent of Unit Owners representing more than sixty percent (60%) of the total percentage of ownership of units present and voting in person or by proxy at one time at a duly convened meeting at which a quorum is present ("Majority of the Owners") is required to adopt decisions at any meeting of the Unit Owners Association. Any other specified percentage of the Unit Owners means the Unit Owners owning such number of Units in the aggregate. No Unit Owner, or spouse or representative of a Unit Owner, may vote at any meeting of the Unit Owners Association or be elected to or serve on the Board of Directors if the Unit Owner is delinquent in the payment of assessments, fees or costs due the Unit Owners Association and/or the Unit Owners Association has perfected a lien against his or her Unit and the amount necessary to pay such assessments, fees or costs or release such lien has not been paid, in cash, certified funds or other form acceptable to the Board of Directors, within seventy-two (72) hours prior to the time of such meeting or election.

Section 10. Proxies. A vote may be cast in person or by proxy. Such proxy may be granted by any Unit Owner in favor of another Unit Owner or any other person designated. Proxies shall be dated, duly executed in writing and shall be valid only for the particular meeting designated therein, or any adjournments thereof, and must be filed with the Secretary at or before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of notice of revocation from any of the persons owning such Unit. Any proxy which is undated or any proxy not executed by a person having authority at time of execution thereof to execute deeds on behalf of that person shall be void. Uninstructed proxies (i.e.: proxies that do not instruct the proxy holder how to vote) shall contain a statement that leaving the proxy



uninstructed shall entitle the proxy holder to vote as he or she deems appropriate on the issue or issues coming before the Unit Owners Association.

Section 11. <u>Conduct of Meeting</u>. The President shall preside over all meetings of the Unit Owners Association and the Secretary, or other designee named by the Board, shall keep the minutes of the meeting and record in a Minute Book all resolutions adopted at the meeting as well as a record of all transactions occurring thereat. <u>Robert's Rules of Order</u> (latest edition) shall govern the conduct of all meetings of the Unit Owners Association when not in conflict with the Declaration, these Bylaws or the Condominium Act.

Section 12. Quorum. The presence, either in person or by proxy, of members representing at least fifty percent (50%) of the total votes of the Condominium shall be requisite for, and shall constitute a quorum for the transaction of business of all meetings of the Unit Owners Association.

ARTICLE III

BOARD OF DIRECTORS

Section I. <u>Number, Qualification and Appointment</u>. The affairs of the Unit Owners Association shall be governed by a Board of Directors. The Board of Directors shall be composed of three (3) persons, all of whom shall be Unit Owners (or designees of Unit Owners in the Unit Owners legal entities other than natural persons), spouses of Unit Owners, and Mortgagees (or designees of Mortgagees). Each Unit shall appoint one Director to the Board of Directors.

Section 2. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Unit Owners Association and may do all such acts and things as are not by the Condominium Act, the Declaration or by these Bylaws required to be exercised and done by the Unit Owners. The Board of Directors shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the benefit of the Condominium; provided, that such Rules and Regulations shall not be in conflict with the Condominium Act, the Declaration or these Bylaws. The Board of Directors shall delegate to one of its members, or to a person employed for such purpose, the authority to act on behalf of the Board of Directors on such matters relating to the duties of the Managing Agent (as defined in Section 3 of this Article), if any, which may arise between meetings of the Board of Directors. In addition to the duties imposed by these Bylaws, the Board of Directors shall on behalf of the Unit Owners Association:

- (a) Prepare an annual budget, in which shall be established the assessments of each Unit Owner for his or her share of the Common Expenses.
- (b) Make assessments against Unit Owners to defray the cost and expenses of the Condominium, establish the means and methods of collecting such assessments from the Unit Owners and establish the period of the installment payment of the annual assessment for Common



Expenses. Unless otherwise determined by the Board of Directors, the annual assessment against each Unit Owner for his or her proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for that month.

- (c) Provide for the operation, care, upkeep and maintenance of all of the Common Elements and services.
- (d) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements and for the provision of services for the Unit Owners Association and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed part of the property of the Unit Owners Association.
- (e) Collect the assessments against the Unit Owners, deposit the proceeds thereof in depositories as designated by the Board of Directors and use the proceeds to carry out the administration of the Condominium Property.
 - (f) Make and amend the Rules and Regulations.
- (g) Open bank accounts on behalf of the Unit Owners Association and designate the signatories thereon.
- (h) Make, or contract for the making of, repairs, additions and improvements to or alterations of the Condominium Property and repairs to and restoration of the Condominium Property, in accordance with these Bylaws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or other threat to the Condominium Property and property values.
- (i) Enforce by legal means the provisions of the Declaration, these Bylaws and the Rules and Regulations and act on behalf of the Unit Owners with respect to all matters arising out of any eminent domain proceeding.
- (j) Obtain and carry insurance against casualties and liabilities, as provided in the Declaration and these Bylaws, pay the premiums therefor and adjust and settle any claims thereunder, including determining the responsibility for the payment of any deductible amount thereunder.
- (k) Pay the cost of all authorized services rendered to the Unit Owners Association and not billed to Owners of individual Units or otherwise provided for in these Bylaws.



- (i) Keep books with detailed accounts in chronological order of the receipts and expenditures affecting the Property, and the administration of the Condominium Property, specifying the expenses of maintenance and repair of the Common Elements and any other expenses incurred. Such books and vouchers accrediting the entries thereupon shall be available for examination by the Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner set and announced by the Board of Directors for the general knowledge of the Unit Owners. The Association may charge, and collect from the Unit Owner prior to providing an inspection or copies, a fee equal to the actual administrative costs associated with the review and/or copying of the books and records. All books and records shall be kept in accordance with generally accepted accounting principles, and the same shall be audited at least once each year by an independent accountant retained by the Board of Directors who shall not be resident of the Condominium or a Unit Owner. The cost of such audit shall be a Common Expense.
- (m) Borrow money on behalf of the Unit Owners Association when required in connection with any instances relating to the operation, care, upkeep, enhancement and maintenance of the Common Elements, provided, however, that the consent of at least two-thirds in number of all Unit Owners, obtained by either a mail ballot or at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall be required to borrow any sum in excess of Twenty Percent (20%) of the annual budget. If any sum borrowed by the Board of Directors on behalf of the Unit Owners Association pursuant to the authority contained in this subsection (m) is not repaid by the Unit Owners Association, a Unit Owner who pays to the creditor such proportion thereof as his Common Element Interest bears to the total of the Percentage Interests in the Condominium shall be entitled to obtain from the creditor a release of any judgment or other lien which such creditor shall have filed or shall have the right to file against such Unit Owner's Unit.
- (n) Acquire, hold and dispose of Condominium Units and the Board may also mortgage the same provided that any borrowing is in compliance with the terms of subsection (n) of this Section.
- (o) In its sole discretion, designate from time to time certain Common Elements as "Reserved Common Elements" and impose such restrictions and conditions on the use thereof as the Board of Directors deem appropriate.
- (p) Furnish the statement required by Section 55-79.84.H of the Condominium Act, within ten (10) days after the receipt of a written request therefor from any Owner.
- (q) Do such other things and acts not inconsistent with the Condominium Act, the Declaration or these Bylaws which the Board of Directors may be authorized to do on behalf of or pursuant to a resolution of the Unit Owners Association.



- (r) Establish a reserve replacement account and obtain any reserve replacement studies required by the Condominium Act.
- (s) Negotiate and adjust with any contractor, subcontractor or vendor any warranty or claim involving the Common Elements made by or on behalf of any Unit Owner or the Unit Owners Association.
- Section 3. Managing Agent. The Board of Directors may employ for the Unit Owners Association a "Managing Agent" at a compensation established by the Board of Directors.
- Directors shall authorize, including, but not limited to, the duties listed in subparagraphs (a), (c), (d), (e), (h), (i), (j), (k), (l), (m), (q), (r), and (s) of Section 2 of this Article III. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by these Bylaws other than the powers set forth in subparagraphs (b), (f), (g) (n), (o), (p) and (t) of Section 2 of this Article III. The Managing Agent shall perform the obligations, duties and services relating to management of the property and the maintenance of reserve funds in compliance with the provisions of these Bylaws.
- (b) <u>Standards</u>. The Board of Directors shall impose appropriate standards of performance upon the Managing Agent. Unless the Managing Agent is instructed otherwise by the Board of Directors, the Managing Agent shall comply with the following standards:
- (1) The cash or accrual method of accounting as defined by generally accepted accounting principles shall be employed.
- (2) Two or more persons shall be responsible for handling cash to maintain adequate financial control procedures.
- (3) Cash accounts of the Unit Owners Association shall not be commingled with any other accounts;
- (4) A monthly financial report shall be prepared for the Unit Owners Association disclosing:
 - (A) All receipts and disbursements activity for the preceding month;
- (B) The status of all accounts in an "actual" versus "projected" (budget) format; and
- (C) Any actual or pending obligations which are in excess of budgeted amounts by an amount exceeding the operating reserves or ten percent of a major budget category (as distinct from a specific line item in an expanded chart of accounts).



Section 4. <u>Term of Office</u>. The term of office of each director shall be fixed at one (1) year. A director shall serve until his or her successor is appointed.

Section 5. Removal of Members of the Board of Directors. A Director may only be removed by the Unit Owner who appointed the Director, who shall also have the sole authority to appoint the successor Director, who shall serve until his successor is appointed at the next Annual Meeting.

Section 6. <u>Vacancies</u>. Vacancies in the Board of Directors caused by any reason shall be filled by appointment by the Owner who appointed the Director who resigned or was removed from office. Each person so appointed shall be a member of the Board of Directors for the remainder of the term of the member being replaced and until a successor shall be appointed at an Annual Meeting of the Unit Owners Association.

Section 7. <u>Organizational Meeting</u>. The date of the first meeting of the members of the Board of Directors appointed at the Annual Meeting of the Unit Owners Association shall be determined by the Board immediately following the Unit Owners Association meeting and no further notice shall be necessary to the newly elected members of the Board of Directors. Such meeting shall occur within thirty (30) days of the adjournment of the annual meeting.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least once every three (3) months. Notice of regular meetings of the Board of Directors shall be given to each director personally, by mail, telephone, e-mail or telefax, at least three (3) business days prior to the day named for such meeting. Telephonic meetings are permissible provided that all directors may simultaneously hear each other and that the Owners are alerted to a time and place where they could listen to the meeting (provided the meeting is not convened in executive session).

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days notice to each Director, given personally, by mail, electronic transmission, telephone or telefax, which notice shall state the time, place and purpose of the meetings. 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 two directors. Telephonic meetings are permissible provided that all Directors may simultaneously hear each other and that the Owners are alerted to a time and place where they could listen to the meeting (provided the meeting is not convened in executive session).

Section 10. <u>Executive Session</u>. Meetings of the Board of Directors shall be open to all Owners except when closed by the Board pursuant to the provisions of the Condominium Act.

Section 11. Waiver of Notice. Any Director may, at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of



such notice. Attendance by a Director at any meeting of the Board of Directors shall constitute a waiver by the Director of any challenge to the meeting based upon improper notice provided that the Director may appear for the sole purpose of officially challenging that proper notice was given. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 12. <u>Fidelity Bonds</u>. The Board of Directors shall require adequate fidelity bonds for all officers and employees of the Unit Owners Association handling or responsible for Unit Owners Association funds. The premium of such bonds shall constitute a Common Expense.

Section 13. <u>Compensation</u>. No Director shall receive any compensation from the Unit Owners Association for exercising his duties and obligations as a Director.

Section 14. <u>Conduct of Meetings</u>. The President shall preside over all meetings of the Board of Directors and the Secretary, or such other Board designee, shall keep a Minute Book of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. <u>Robert's Rules of Order</u> (latest edition) shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration, these Bylaws or the Condominium Act.

Section 15. <u>Action Outside of a Meeting</u>. 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 to such action. Such consent shall be included with the minutes of the proceedings of the Board of Directors.

Section 16. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

ARTICLE IV

OFFICERS

Section 1. <u>Designation</u>. The principal officers of the Unit Owners Association shall be the President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint such other officers as in its judgment may be necessary. The President and the Treasurer, but no other officers, shall be required to be members of the Board of Directors. The offices of President and Secretary may not be held by the same person.



- Section 2. <u>Election of Officers</u>. The officers of the Unit Owners Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors and until a successor is elected.
- Section 3. <u>Removal of Officers</u>. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors.
- Section 4. <u>President</u>. The President shall be the chief executive officer of the Unit Owners Association. He shall preside at all meetings of the Unit Owners Association and of the Board of Directors. He shall have all of the general powers and duties which are incident to the office of President of a nonstock corporation organized under the Virginia Nonstock Corporation Act, including, but not limited to, the power to appoint and discharge committees from among the Owners, subject to the confirmation of the Board of Directors, from time to time, as he may in his discretion decide is appropriate in the conduct of the affairs of the Unit Owners Association.
- Section 5. <u>Secretary</u>. The Secretary shall keep the minutes of all meetings of the Unit Owners Association and of the Board of Directors. He shall have charge of such books and papers as the Board of Directors may direct, and he shall, in general, perform all the duties incident to the office of the secretary of a non-stock corporation organized under the Virginia Nonstock Corporation Act.
- Section 6. <u>Treasurer</u>. The Treasurer shall have the responsibility for overseeing the Unit Owners Association funds and securities and shall cause the keeping of full and accurate financial records and books of account showing all required financial data; he shall also oversee the deposit of all monies and other valuable effects in the name of the Board of Directors, or the Managing Agent, in such depositories as may from time to time be designated by the Board of Directors.
- Section 7. <u>Agreements, Contracts, Deeds, etc.</u> All agreements, contracts, deeds, leases, and other instruments of the Condominium shall be executed by any two (2) officers of the Unit Owners Association, or by such other person or persons as may be designated by the Board of Directors.
- Section 8. <u>Compensation of Officers</u>. No officer shall receive any compensation from the Unit Owners Association solely for exercising his duties and obligations as an officer.

ARTICLE V

LIABILITY AND INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. <u>Liability and Indemnification of Officers and Directors</u>. The Unit Owners Association shall indemnify every officer and director of the Unit Owners Association against any



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

- Section 2. <u>Common or Interested Directors</u>. The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Unit Owners Association. No contract or other transaction between the Unit Owners Association and one or more of its Directors, or between the Unit Owners Association and any corporation, firm or association in which one or more of the Directors of the Unit Owners 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 purposes, if any of the conditions specified in any of the following subparagraphs exists:
- (a) The fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or noted in the Minutes, and the Board authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or
- (b) The fact of the common directorate or interest is disclosed or known to the Unit Owners Association, or a majority thereof, and they approve or ratify the contract or transaction in good faith or by a vote sufficient for the purpose; or
- (c) The contract or transaction is commercially reasonable to the Unit Owners Association at the time it is authorized, ratified, approved or executed.

Common or interested Directors may be counted in determining the presence of a quorum of 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 the Unit Owners Association or not so interested.



Section 3. <u>Insurance Coverage</u>. The Board of Directors shall obtain on behalf of the Unit Owners Association such insurance coverage as may be reasonably necessary in order to effectively indemnify the officers and directors of the Unit Owners Association as provided in Section 1 of this Article V. The cost of said insurance shall constitute a Common Expense.

ARTICLE VI

OPERATION OF THE PROPERTY

Section 1. Determination of Common Expenses and Assessments.

- (a) <u>Fiscal Year</u>. The fiscal year shall consist of the twelve (12) month period commencing on the date determined by the Board of Directors, or as the same may be changed thereafter by the Board of Directors.
- (b) Preparation and Approval of Budget. Each year on or before thirty (30) days before the commencement of the next fiscal year, the Board of Directors shall adopt a budget containing an estimate of the total amount which it considers necessary to pay the cost of utility services, maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which the Board of Directors has all powers and responsibility with regard to maintenance, repair, renovation, restoration and replacement, and the cost of wages, materials, insurance premiums, service, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, these Bylaws and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Condominium and the rendering to the Owners of all related services. The budget may also include:
- (i) The cost of 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 Property 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 as provided in Article X of these Bylaws. The cost of the maintenance or repair of those parts of the Units to which the Board of Directors has all powers and responsibility with regard to maintenance, repair, renovation, restoration and replacement by virtue of these Bylaws or the Declaration shall not be a cost controlled by the terms of this subsection (i).



- (ii) Any amount necessary to discharge any lien or encumbrance levied against the Condominium, or any portion thereof, which may, in the opinion of the Board of Directors, constitute a lien against the Common Elements.
- (iii) Such budget may also include such reasonable amounts as the Board of Directors considers necessary to provide working funds for the Unit Owners Association, a general operating reserve, or reserves for contingencies and replacements.
- (iv) Any Common Expenses benefiting less than all of the Units or caused by the conduct of less than all those entitled to occupy the same or by their licensees or invitees pursuant to Section 55-79.83 of the Condominium Act may be specially assessed against the Unit or Units involved, in accordance with such reasonable provision as may be made by the Board of Directors for such cases.
- (c) <u>Transmittal of Budget</u>. The Board of Directors shall send to each Unit Owner a copy of the budget, in a reasonably itemized form, which sets forth the amount of the Common Expenses payable by each Unit Owner, at least thirty (30) 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.

Section 2. Assessment and Payment of Common Expenses.

- Except for those Common Expenses which may be specially assessed against the Unit or Units involved pursuant to the provisions of subparagraph (b) (iv) of Section 1 of this Article VI and except for those Common Expenses specially assessed pursuant to Section 55-79.83 of the Condominium Act, the total amount of the estimated funds required for the operation of the Condominium Property set forth in the budget for the fiscal year adopted by the Board of Directors shall be assessed against each Unit in proportion to its respective proportionate undivided interest in the Common Elements (i.e., its Common Element Interest) as set forth in the Declaration of the Condominium as the same may be amended from time to time. Said assessment shall be a lien against each Owner's Unit pursuant to Section 55-79.84 of the Condominium Act. On or before the first day of each fiscal year, and the first day of each succeeding eleven (11) months in such fiscal year, such Owner shall be obligated to pay to the Board of Directors or the Managing Agent (as determined by the Board of Directors), one-twelfth (1/12) of the assessment for such fiscal year made pursuant to the foregoing provisions. Any amount accumulated in excess of the amount required for actual expenses and reserves may, if the Board of Directors deems it advisable, be credited, according to each Unit Owner's Interest in the Common Element Interest, to the installments due in the succeeding months of that fiscal year. In the event any action is required to collect assessments hereunder, then and at the direction of the Board of Directors, the entire balance of assessments due on account of said Unit for the remainder of the fiscal year shall be due in full.
- (b) Right of Acceleration. The payment and collection of the assessments made pursuant to this Article VI shall be in accordance with the terms providing for the payment and



collection of assessments in these Bylaws and the Condominium Act, including without limitation the right reserved to the Board of Directors to accelerate payment of assessments and the right to recover attendant interest, actual attorney's fees and costs.

- Repair and Replacement Reserve. The Board of Directors shall include in the (c) annual budget amounts needed to establish and maintain replacement and repair reserves for the Common Elements. Such contributions shall be paid monthly and be in an amount to be designated from time to time by the Board of Directors. Such funds shall be conclusively deemed to be a Common Expense. Such funds shall be deposited in an account with a lending institution, the accounts of which are insured by an agency of the United States of America, 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. Such funds also may, in the discretion of the Board of Directors, be invested in Money Market Funds which, although they themselves are not guaranteed by the United States Government, invest solely in United States Government securities (or in State bonds which are backed in principal by the State). The replacement reserve may be expended only for the purpose of the maintenance, repair, renovation, restoration and replacement of the Common Elements; the replacement and repair of those parts of Units as to which the Board of Directors has responsibility with regard to maintenance, repair, renovation, restoration and replacement; and the replacement and repair of equipment of the Condominium as designated by the Board of Directors. The amounts required to be allocated to the replacement reserve may be reduced by appropriate resolution of the Board of Directors, upon the accumulation in such replacement reserve of a sum equal to the full replacement value of the items for which the reserve is established. Full replacement value shall be annually determined by the Board of Directors for casualty insurance purposes. The proportionate interest of any Unit Owner in any replacement reserve shall be considered an appurtenance of the Owner's 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.
- Special Assessments. In the event extraordinary expenditures not originally included (d) in the annual budget become necessary during the year, the Board of Directors may at any time levy a special assessment, which shall be assessed against the Units in proportion to each Unit's Common Element Interest. Said special assessments 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 special assessment on all Unit Owners by a statement in writing giving the amount and reason therefor, and such special 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 special assessment. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if the special assessment is not payable in installments, the amount of such assessment. The payment and collection of the assessment made pursuant to the foregoing provisions shall be in accordance with the terms providing for payment and collection of assessments in these Bylaws and the Condominium Act, including without limitation, the right reserved to the Board to accelerate payment of assessments and the right to recovery of interest, attorney's fees and costs. Notwithstanding anything to the contrary herein contained, any special assessment in excess of



twenty percent (20%) of the total annual budget of the Condominium in any twelve month period shall be effective only with the approval of a Majority of the Owners.

(c) Effect of Failure to Prepare or Adopt. 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 allocable share of the Common Expenses 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 charge at the then existing monthly rate established for the previous fiscal period until the new annual or adjusted budget shall have been mailed or delivered.

Section 3. Payment of Common Expense. All Unit Owners to the extent set forth shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of this Article VI and such expenses not paid when due shall constitute a default under these Bylaws and the Declaration. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his or her Unit subsequent to a sale, transfer or other conveyance of the Unit by the Unit Owner. The purchaser of a Unit shall be jointly and severally liable with the selling Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of conveyance, without prejudice to the purchaser's right to receive from the selling Unit Owner the amounts paid by the purchaser therefor. Any Unit Owner may be entitled to a statement from the Board of Directors or Managing Agent setting forth the amount of the unpaid assessments against the Unit Owner pursuant to Section 55-79.84H of the Condominium Act. The statement must be furnished or made available within ten (10) business days of the receipt of the request. Provided, further, that each Mortgagee who comes into possession of a Unit by virtue of foreclosure or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Unit free of any claims for unpaid assessments or charges against such Unit which accrue prior to the time such Mortgagee comes into possession thereof, except for claims for a pro-rata share of such assessments or charges resulting from a prorata reallocation of such assessments or charges to all Units including the mortgaged Unit.

Section 4. <u>Collection of Assessments</u>. The Board of Directors shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty (30) days from the date due for payment thereof.

Section 5. Maintenance, Repair, Replacement and Other Common Expenses.

(a) By the Board of Directors. The Board of Directors shall be responsible for the maintenance, repair and replacement (unless, if in the opinion of not less than a majority of the Board of Directors, such expense was necessitated by the negligence, misuse or neglect of a Unit Owner or the condition originated in a unit regardless of whether the Unit Owner was negligent) of all of the Common Elements as defined herein or in the Declaration, whether located inside or outside of the Units, the cost of which shall be charged to all Unit Owners as a Common Expense, provided, however, that each Unit Owner shall perform normal maintenance on the Limited



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Common Elements appurtenant to his Unit and any portion of the remaining Common Elements which the Board of Directors pursuant to the Rules and Regulations has given him permission to utilize, including, without limitation, the items enumerated in subsection (b) hereof.

(b) By the Owner.

- appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all maintenance, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his or her Unit. In addition, each Unit Owner shall be responsible for all damage to any other Units or to the Common Elements resulting from his or her failure to make any of the repairs required by this Section. Each Unit Owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with the other Unit Owners. Each Unit Owner shall promptly report to the Board of Directors or the Managing Agent any defect or need for repairs for which the Board of Directors is responsible.
- (11 any) shall perform the normal maintenance for such limited common Element including keeping it in a clean and sanitary condition, free of snow and ice, and shall be responsible for all repairs thereto caused or permitted by the negligence, misuse or neglect of the Owner, his family, tenants, guests and invitees. All renovation, restoration, repair or replacement of the Limited Common Elements shall be made by the Owner of the Unit to which such Limited Common Element is assigned. In the event such Unit Owner fails to make any necessary renovation, restoration, repair or replacement, the Association, upon fifteen (15) days written notice, may make such renovation, restoration, repair or replacement and the expense thereof shall be assessed against the Owner of the Unit to which the Limited Common Element is appurtenant.
- (3) Any Unit Owner permitted by the Board of Directors to use a specific portion of the Common Elements for storage is responsible for the maintenance and care of such portion and shall use such portion in a safe and sanitary manner.
- (c) <u>Consequential Liability</u>. Notwithstanding anything within these Bylaws to the contrary, the Unit Owners Association shall not be responsible for any expenses or damages associated with the failure of the water supplies or other services that are obtained as a Common Expense nor for any damage to any person or property resulting from electricity, water, snow, ice, undomesticated animals or any other cause because such cause originated in or over the common elements or from any pipe, drain, conduit, appliance or equipment except in the event of the negligence of the Association. This includes any deductible portion under any policy of insurance obtained by the Association.
- (d) Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation and shall be of first-class quality. However the Board, when considering the repair and replacement of the Common Elements, is not



required to make such repairs or replacements with the original type of materials or styles if the alternatives are, in the opinion of the Board, superior and fulfill the same function as the components being replaced. The method of approving payment vouchers for all repairs and replacements shall be determined by the Board of Directors.

Section 6. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors the Common Elements shall require additions, alterations or improvements costing a sum in excess of twenty percent (20%) of the total annual budget of the Condominium for any consecutive twelve (12) month period, the making of such additions, alterations or improvements shall be approved by at least a Majority of the Owners. Subject to the provisions of Article VI, Section 2(d) of these Bylaws, any additions, alterations, or improvements costing a sum less than twenty percent (20%) of the total annual budget of the Condominium for any consecutive twelve month period 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 a majority 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 Unit Owners requesting the same, such requesting Unit Owner or Unit Owners shall be assessed therefor in such proportions as they jointly approve, or if they are unable to agree thereon, in such proportions as may be determined by the Board of Directors.

Section 7. Additions, Alterations, or Improvements by the Owners. No Unit Owner shall make any structural addition, alteration or improvement in or to his or her Unit or to a Limited Common Element without the prior written consent of the Board of Directors. No Unit Owner shall paint or alter the exterior appearance of her Unit, including the doors and windows, nor shall any Unit Owner paint or alter the exterior appearance of any building or do anything inside the Unit that alters the exterior appearance of the Unit, without the prior written consent of the Board of Directors. Subject to the procedural requirements adopted by the Board of Directors, the Board shall be obligated to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Owner's Unit within forty-five (45) days after receipt of such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed structural addition, alteration or improvement except to the extent that such addition, alteration or improvement constitutes a health or safety threat to the other residents of the Condominium. If any application to any governmental authority for a permit to make any such structural addition, alteration or improvement in or to any Unit requires execution by the Unit Owners Association, and provided consent has been given by the Board of Directors, then the application shall be executed on behalf of the Unit Owners Association by the Board of Directors only, without, however, incurring any liability on the part of the Board of Directors, the Unit Owners Association, Managing Agent or any of them to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having claim for injury to person or damage to property arising therefrom. Subject to the approval of the Board of Directors and any Owner affected, any Unit may be sub-divided or may be altered so as to relocate the boundaries between such Unit and any adjoining Units. The Secretary, at the cost of



the Unit Owner, shall record any necessary amendment to the Declaration to effect such action as provided in the Condominium Act.

Section 8. <u>Undeveloped Units</u>. As indicated on the Plats and Plans attached to the Declaration, certain Units are "Undeveloped" and, as of the time of recordation of the Declaration, are unbuilt structures. The Owner of each Undeveloped Unit shall have the right to construct such structures on the Undeveloped Unit space to serve reasonable commercial, business and industrial purposes, subject to the limitations of the Condominium Act, the Declaration, these Bylaws and any Rules and Regulations adopted by the Board of Directors. Before engaging in any construction or additions to Undeveloped Unit space, the Owner must submit an application to the Board of Directors describing the proposed structure, the uses anticipated for the structure and a construction schedule and drawings. The Board of Directors shall have forty-five (45) days to review the application and provide its approval or disapproval of the plans. Failure of the Board to respond within forty-five (45) days shall constitute acceptance of the plan and application. The Board of Directors shall evaluate every application for development of the Undeveloped Units for its compatibility with the remainder of the project and all other commercially reasonable criteria.

Section 9. Easements in Favor of Unit Owners Association.

- (a) There is reserved to the Unit Owners Association or its delegate, the right of entry to any Unit and an easement for access therein, as provided by Section 55-79.79 the Condominium Act, when and as necessary, in connection with any repairs, maintenance, landscaping or construction for which the Unit Owners Association is responsible, or for which any Unit Owner is responsible hereunder. Any damage caused by such entry shall be repaired at the expense of the Unit Owners Association (except where such entry is made necessary because of the Unit Owner or to fulfill the responsibilities of the Unit Owner, in which cases the amounts shall be specially assessed against such Unit Owner). Provided, however, that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, however, such right of entry shall be immediate, whether the Unit Owner is present at the time or not and whether notice as been attempted or not.
- (b) The Board of Directors may charge each Unit Owner for the expense of all maintenance, repair or replacement to the Common Elements, or to those parts of Units as to which the Unit Owner's Association has the responsibility to maintain and repair, rendered necessary by the Unit Owner's act, neglect or carelessness, or the act, neglect or carelessness of any member of Unit Owner's family or the Unit Owner's employees, agents, licensees, tenants, invitees, or guests of the employees, agents, licensees and invitees of tenants. The payment and collection of any charge made pursuant to the foregoing provision shall be in accordance with the terms providing for payment and collection of assessments in these Bylaws and the Condominium Act, including, without limitation, the right reserved to the Board to accelerate payment of assessments and the right to recovery of interest, attorney's fees and costs.



Section 10. <u>Tenant Eviction</u>. In the event that the tenant of any Unit Owner shall fail to comply with any of the terms of the Declaration, these Bylaws and the Rules and Regulations, the Board of Directors may require that the Unit Owner to secure compliance and, for repeated violations, institute legal action to force the eviction of his or her tenant(s). After a notice an opportunity to be heard has been provided to the Unit Owner and tenant, and the Unit Owner fails to commence or pursue evictions proceedings, the Association may institute and pursue proceedings to evict a tenant or tenants for violations of the Declaration, these Bylaws and the Rules and Regulations. In such cases the Association shall be entitled to recover its costs and expenses, including legal fees, associated with such action.

Section 11. <u>Annual Audit</u>. An audit of the accounts of the Unit Owners Association shall be made annually in the manner as the Board of Directors may decide, <u>provided</u>, <u>however</u>, that after having received the Board's audit at the annual meeting, a Majority of the Owners may require that the accounts of the Unit Owners Association may be audited as a Common Expense by a public accountant. Upon written request of any institutional holder of a first mortgage, such holder shall be entitled to receive a copy of the annual audited financial statement within sixty (60) days after the end of each fiscal year.

ARTICLE VII

INSURANCE

Section 1. Authority to Purchase.

- (a) Except as otherwise provided in Section 5 of this Article VII, all insurance policies relating to the property shall be purchased by the Board of Directors. Neither the Board of Directors nor the Managing Agent shall be liable for failure to obtain any coverage required by this requirement or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverage from reputable insurance companies or if such coverage is available only at a demonstrably unreasonable cost.
- (1) Each such policy shall, in addition to those requirements found in the Declaration, provide that:
- (A) The insurer waives its right of subrogation to any claims against the Board of Directors, the Unit Owners Association, the Managing Agent or the Unit Owners and their respective agents, and in the case of Unit Owners, their employees, agents, licensees, invitees and tenants.
- (B) Such policy can not be canceled, invalidated or suspended on account of the conduct of any member of the Board, officer or employee of the Board of Directors, Owner (including his invitees, agents and employees) or the Managing Agent without a prior



demand in writing that the Board of Directors or the Managing Agent cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured.

- (C) Such policy may not be canceled or substantially modified without at least thirty (30) days prior written notice to the Board of Directors and the Managing Agent and, in the case of physical damage insurance, to all Mortgagees of Units.
- (D) The named insured under any such policies shall be the Unit Owners Association of the Condominium, as a trustee for the Unit Owners, or its authorized representative, including any trustee with which such Unit Owners Association may enter into any Insurance Trust Agreement, or any successor trustee, each of which shall be referred to as the "Insurance Trustee" who shall have exclusive authority to negotiate losses under these policies.
- (b) All policies of insurance shall be written by reputable companies licensed to do business in the Commonwealth of Virginia, if available.
 - (c) Such policies shall also provide, to the extent available:
- (1) The insurer of the Master policy shall issue, upon request, to each Unit Owner or their Mortgagee a certificate or sub-policy specifying the portion of the Master policy allocated to each Owner's Unit and the Common Element Interest appurtenant thereto.
- (2) That the net proceeds of such policies, if greater than Twenty-five Thousand Dollars (\$25,000.00) shall be payable to the Insurance Trustee, if any is designated.
- in favor of each Mortgagee of a Unit to the extent of the portion of the coverage of the Master policy allocated to such Unit, which shall provide that the loss, if any, thereunder shall be payable to such Mortgagee and the Unit Owner as their interests may appear, subject, however, to the loss payment and adjustment provisions in favor of the Board of Directors and the Insurance Trustee, if one is designated.
- (d) That the "no control" clause be part of the Master policy which states that coverage must not be prejudiced by (a) any act or neglect of the Owners of Units when such act or neglect is not within the control of the Unit Owners Association or (b) any failure of the Unit Owners Association to comply with any warranty or condition regarding any portion of the premises over which the Unit Owners Association has no control.

Section 2. Physical Damage Insurance.

At the first meeting of the Board of Directors following the recordation of the Condominium Instruments, the Board of Directors, will choose one of either option (a) or (b) of this subsection to govern the manner in which physical damage insurance will cover the Condominium



Property. If the Board does not unanimously agree on either option (a) or option (b), then it must select option (b) of this subsection to govern the manner in which physical damage insurance will cover the Condominium Property.

(a) Option (a)

- (i) The Board of Directors shall obtain and maintain a "master" or "blanket" policy of property insurance equal to full replacement value (i.e., 100% of current "replacement cost", with a reasonable deductible amount, exclusive of land, foundation, excavation and other items normally excluded from coverage) with an Agreed Amount Endorsement to the Condominium Property, including the Common Elements, the Units, all building service equipment, air conditioning equipment and the like, and any fixtures or equipment within the Unit including all fixtures initially installed therein at the time of initial completion of the Unit, but not including furniture, furnishings, equipment, goods, products or other personal property supplied or installed by Unit Owners following the initial completion of the Unit. Furthermore a "Demolition and Contingent Liability from Operation of Building Laws Endorsement" and an "Increased Cost of Construction Endorsement" shall be procured as required. The amount of coverage is to be redetermined annually by the Board of Directors with the assistance of the insuring company. The Master Insurance Policy must afford protection against at least the following:
- (1) loss or damage by fire and other hazards covered by the standard extended coverage endorsement and by sprinkler leakage, debris removal, vandalism, malicious mischief, windstorm and to the extent determined by the discretion of the Board of Directors, water damage.
 - (2) Such other risks as are customarily covered in similar projects.

Such policy shall also provide:

- (1) That despite any provisions giving the carrier the right to elect to restore damage in lieu of a cash settlement, such operation shall not be exercisable without the prior written approval of the Unit Owners Association (or any Insurance Trustee) or, when in conflict with provisions of any Insurance Trust Agreement to which the Association may be a party, or any requirement of law.
- (2) The following endorsements (or equivalent): (i) "no control"; (ii) "increased cost of construction" or "condominium replacement cost"; and (iii) "agreed amount" or elimination of co-insurance clause.
- (3) A "no other insurance" clause expressly excluding individual Unit Owners' policies from its operation so that the physical damage policy purchased by the Board of Directors shall be deemed primary coverage and any individual Unit Owners'



policies shall be deemed excess coverage and in no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder provide for or be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees unless required by law;

or

(b) Option (b)

(ii) The Board of Directors shall obtain and maintain a "master" or "blanket" policy of property insurance equal to full replacement value of the Common Element only (i.e., 100% of current "replacement cost", with a reasonable deductible amount, exclusive of land, foundation, excavation and other items normally excluded from coverage) with an Agreed Amount Endorsement to the Common Elements.

Each Unit Owner shall obtain a "blanket" policy of property insurance equal to full replacement value of the Unit Owner's Unit (i.e., 100% of current "replacement cost", with a reasonable deductible amount, exclusive of land, foundation, excavation and other items normally excluded from coverage), including all building service equipment, air conditioning equipment and the like, and any fixtures or equipment within the Unit including all fixtures initially installed therein at the time of completion of the Unit and the replacements thereto installed at the time of completion of the Unit. Furthermore, each Unit Owner shall procure "Demolition and Contingent Liability from Operation of Building Laws Endorsement" and an "Increased Cost of Construction Endorsement." The Unit Owner's Physical Damage Insurance Policy must afford protection against at least the following:

- (1) loss or damage by fire and other hazards covered by the standard extended coverage endorsement and by sprinkler leakage, debris removal, vandalism, malicious mischief, windstorm and water damage.
 - (2) Such other risks as are customarily covered in similar projects.

(iii) Such policy shall also provide:

(1) That despite any provisions giving the carrier the right to elect to restore damage in lieu of a cash settlement, such operation shall not be exercisable without the prior written approval of the Unit Owners Association (or any Insurance Trustee) or, when in conflict with provisions of any Insurance Trust Agreement to which the Association may be a party, or any requirement of law.



- (2) The following endorsements (or equivalent): (i) "no control"; (ii) "increased cost of construction" or "condominium replacement cost"; and (iii) "agreed amount" or elimination of co-insurance clause.
- (c) If a Unit Owner fails to obtain or maintain the necessary physical damage insurance described in this Section 2, the Board of Directors shall have the power to obtain physical damage insurance covering such Unit Owner's Unit, the cost of which shall be assessed as a special assessment against such Unit.
- (d) Following the Board of Directors' election of either option (a) or (b) of this subsection as set forth above, the Association shall record an Amendment to the Condominium Instruments among the land records of Loudoun County, Virginia, evidencing the manner in which physical damage insurance shall be procured to cover the Units and Common Elements.

Section 3. Liability Insurance. The Board of Directors shall obtain and maintain comprehensive general liability libel, slander, false arrest and invasion of privacy coverage and liability coverage for acts of the Unit Owners Association, officers and directors of the Unit Owners Association, and property damage insurance in a limit no less than One Million Dollars (\$1,000,000.00) per occurrence, insuring the Unit Owners Association, each member of the Board of Directors, the Managing Agent, each Owner, against any liability to the public or to the Unit Owners (and their invitees, agents and employees) arising out of or incidental to the ownership and/or use of the Common Elements. Such insurance shall be issued on a comprehensive liability basis and shall contain: (i) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured: (ii) hired and non-owned vehicle coverage; (iii) host liquor liability coverage with respect to events sponsored by the Unit Owners Association; (iv) deletion of the normal products exclusion with respect to events sponsored by the Unit Owners Association, and (v) a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of the Unit Owners Association or of another Unit Owner. The Board of Directors shall review such limits once each year, but in no event shall such insurance be less than One Million Dollars (\$1,000,000.00) covering all claims for bodily injury or property damage arising out of one occurrence. Reasonable amounts of "umbrella" liability insurance in excess of the primary limits shall also be obtained.

Section 4. Other Insurance. The Board of Directors shall obtain and maintain:

(a) Adequate fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees and employees of the Unit Owners Association and all others who handle, or are responsible for handling, funds of the Unit Owners Association, including the Managing Agent. Such fidelity bonds shall: (i) name the Unit Owners Association as an obligee; (ii) be written in an amount not less than one-half the total annual condominium assessments for the year, and (iii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression;



- (b) Workmen's compensation insurance if and to the extent necessary to meet the requirements of law;
- (c) Such other insurance as the Board of Directors may determine or as may be requested from time to time by a Majority of the Owners.

Section 5. Separate Insurance. If the Association records an Amendment to the condominium Instruments evidencing that the Board has elected to obtain and maintain for the Unit Owners Association a "master" or "blanket" policy of property insurance equal to full replacement value the Units and Common Elements, each Unit Owner or any tenant of such Unit Owner shall, at his own expense, obtain additional insurance for his own Unit and for his own benefit and to obtain insurance coverage upon his business, professional and personal property, for any "Betterments and Improvements" made to the Unit and for his personal liability, provided that no Unit Owner or tenant shall acquire or maintain such additional insurance coverage so as to decrease the amount which the Board of Directors, on behalf of all Unit Owners, may realize under any insurance policy which it may have in force on the property at any particular time or to cause any insurance coverage maintained by the Board of Directors to be brought into contribution with such additional insurance coverage obtained by the Unit Owner. All such additional policies shall contain waivers of subrogation. No Unit Owner or tenant shall obtain separate insurance policies, except as provided in this Section 5. Any Unit Owner who obtains individual insurance policies covering any portion of the property other than property belonging to such Unit Owner, shall be required to file a copy of such individual policy or policies with the Board of Directors within thirty (30) days after the purchase of such insurance. Such Unit Owner shall also promptly notify, in writing, the Board of Directors in the event of cancellation.

Section 6. Insurance Trustee.

- (a) The Board of Directors shall have the right (but shall not be required) to designate any bank, trust company, management agent, savings and loan association, building and loan association, insurance company or any institutional lender, or the Unit Owners Association, as the Insurance Trustee, and all parties beneficially interested in such insurance coverage shall be bound thereby. The Insurance Trustee at the time of the deposit of such policies and endorsements shall acknowledge that the policies and any proceeds there from will be held in accordance with the terms of these Bylaws.
- (b) The Insurance Trustee shall not be liable for the payment of premiums, the renewal of the policies, the sufficiency of coverage, the form or content of the policies, the correctness of any amounts received by it on account of the proceeds of any insurance policies, nor 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 Bylaws, for the benefit of the Unit Owners and their respective Mortgagees.



Section 7. <u>Board of Directors as Agent</u>. The Board of Directors is hereby irrevocably appointed the agent for each Owner of a Unit and for each Mortgagee of a Unit and for each Unit Owner of any interest in the Condominium to adjust all claims, including determining responsibility for the deductible portion, arising under insurance policies purchased by the Board of Directors and to execute and deliver releases upon the payment of claims.

Section 8. <u>Premiums</u>. Premiums upon all insurance policies purchased by the Board of Directors shall be deemed to be a Common Expense.

ARTICLE VIII

REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY

Section I. When Repair and Reconstruction are Required. Except as otherwise provided in Section 4 of this Article, in the event of damage to or destruction of all or any portion of the Condominium covered by the Unit Owners Association's physical damage insurance policy as a result of fire or other casualty, the Board of Directors, or the Insurance Trustee, if any, shall arrange for and supervise the prompt repair and restoration of the Condominium Property (including any damaged Units, but not including any furniture, furnishings, fixtures, equipment or other personal property supplied or installed by the Owners in the Units).

Section 2. Procedure for Reconstruction and Repair.

- (a) <u>Cost Estimates</u>. Immediately after a fire or other casualty causing damage to any portion of the Condominium covered by the Unit Owners Association's physical damage insurance policy, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the building, (including any damaged Unit, but not including any other improvements, furniture, furnishings, fixtures or equipment installed by the Owners in the Unit) to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary.
- estimated costs of reconstruction and repair as determined by the Board of Directors, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments necessary to cover such insufficiency shall be made against the benefited Units in proportion to additional amounts necessary to repair such Units. Excess amounts required to repair the Common Elements shall be paid for as a Common Expense. Notwithstanding anything to the contrary herein contained, the Unit Owners Association shall not be responsible for any items of repair, replacement, or maintenance or consequential damage to any Unit, for which it would not otherwise be responsible under the provisions of these Bylaws unless the loss or consequential damage caused to said Unit and requiring repair, replacement or maintenance, was occasioned through the fault of the Unit Owners Association. This provision shall be deemed to include the payment by the benefited Unit



Owner(s) of any deductible amount under any Association insurance policy unless the Association would have been responsible for the repairs in the absence of insurance.

- (c) <u>Plans and Specifications</u>. Any such reconstruction or repair shall be substantially in accordance with the plans and specifications under which the property was originally constructed.
- (d) Encroachments. Reasonable encroachments upon or in favor of Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Unit Owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with the plans under which the Condominium Property was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the reconstructed building shall stand.

Section 3. Disbursements of Construction Funds.

- casualty and the funds collected by the Board of Directors from assessments against Unit Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair in the manner set forth in this Section. If the net proceeds of insurance collected on account of a casualty exceeds Twenty-Five Thousand Dollars (\$25,000.00), then the funds collected by the Board of Directors from assessments against the Unit Owners shall be deposited by the Board of Directors with the Insurance Trustee, if any, and the entire construction fund shall be disbursed as ordered by the Board of Directors.
- (b) Method of Disbursement. The construction fund shall be paid by the Board of Directors or the Insurance Trustee, as the case may be, in appropriate progress payments, to such contractor(s), supplier(s) and personnel performing the work of supplying the materials or services for the repair and reconstruction of the building as is designated by the Board of Directors.
- (c) <u>Surplus</u>. It shall be presumed that the first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds, and, if there is a balance in the construction fund after the payment of all the costs of the reconstruction and repair for which the fund is established, such balance shall, at the determination of the Board of Directors, either be deposited in the Unit Owners Association general operating account or rebated to the Unit Owners.
- (d) <u>Common Elements</u>. When the damage is to both Common Elements and Units, the insurance proceeds shall be applied first to the cost of repairing the Common Elements and the balance to the cost of repairing the Units.
- (e) <u>Certificate</u>. The Insurance Trustee, if any, shall be entitled to rely upon a certificate executed by the President and the Secretary, of the Unit Owners Association certifying:
 - (1) Whether or not the damaged property is to be reconstructed and repaired.



- The name of the payee and the amount to be paid with respect to (2)disbursements from any construction fund held by it or whether surplus funds to be distributed are less than the assessments paid by the Unit Owners; and
- All other matters concerning the holding and disbursing of any construction fund held by it. Any such certificate shall be delivered to the Insurance Trustee, if any, promptly after request.

Section 4. When Reconstruction is Not Required.

- In the event the Board of Directors elects not to repair insubstantial damage to the Common Elements, any insurance proceeds received on account of such damage shall be distributed among all Unit Owners in proportion to their Common Element Interests.
- If the Condominium shall be terminated pursuant to Section 55-79.72:1 of the (b) Condominium Act, the net assets of the Condominium together with the net proceeds of insurance policies, if any, shall be divided by the Board of Directors or the Insurance Trustee, as the case may be, among all Unit Owners in proportion to their respective Common Element Interests, after first paying out of the share of each Unit Owner, to the extent sufficient therefor, the amount of any unpaid liens on his Unit in the order of priority of such liens.

ARTICLE IX

MORTGAGES

Section 1. Notice to Board of Directors. An Unit Owner who mortgages his Unit shall be responsible for notifying the Board of Directors of the name and address of the Mortgagee. The Board of Directors shall maintain such information in a book entitled "Mortgagees of Units."

Section 2. Notices to Mortgagees. The Board of Directors, whenever so requested in writing by any holder, insurer or guarantor of a Mortgagee, shall promptly give timely notice of:

- any proposed amendment of the Condominium instruments affecting a change in: (a) (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto; (ii) the interest in the general or limited common elements appertaining to any Unit or the liability for common expenses appertaining thereto; (iii) the number of votes in the Unit Owners Association appertaining to any Unit; and (iv) the purposes to which any Unit or the common elements are restricted:
 - any proposed termination of the Condominium regime; (b)



- any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;
- any delinquency in the payment of assessments or charges owed by an Owner of a (d) Unit subject to the mortgage of such eligible holder, insurer or guarantor where such delinquency has continued for a period of sixty (60) days; and
- any lapse, cancellation or material modification of any insurance policy maintained by the Unit Owners Association.
- Section 3. Notice of Default. The Board of Directors shall be entitled to give written notice to a Mortgagee of any default by the Unit Owner in the performance of any obligations under the Condominium Act or Condominium Instruments, and, if such default is not cured within sixty (60) days, to promptly send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Board of Directors.
- Section 4. Examination of Books. Pursuant to the provisions of the Condominium Act, each Unit Owner and each Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times and upon reasonable notice, on a business day, but not more often than once a month.
- Section 5. Notices of Damages, Condemnation. The Board of Directors shall timely notify all Mortgagees whenever damage to the Common Elements exceeds ten thousand dollars (\$10,000.00), or whenever the Common Elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority
- Section 6. "First Mortgagee", "Mortgagee", and "Mortgagee". As used in this Article and generally in the Declaration and these Bylaws, "First Mortgagee" and the term "Mortgagee" means an institutional lender that holds a note secured by a First Deed of Trust or Mortgage encumbering a unit and recorded among the land records of the jurisdiction in which the Condominium is located that has notified the Unit Owners Association in writing of their status, and the term "Mortgage" includes any Deed of Trust recorded among the said land records.
- Section 7. Other Mortgagees Rights. All Mortgagees or their representatives shall be entitled to attend open meetings of the Unit Owners Association and shall have the right to speak thereat. In addition thereto, all Mortgagees shall have the right to examine the books and records of the Condominium and require a Unit Owner to provide them with the Unit Owners Association's annual financial reports and other budgetary information.

Instr: 20048210-0012501

ARTICLE X

COMPLIANCE AND DEFAULT

Section 1. Each Unit Owner must comply with all of the terms of the Declaration, these Bylaws and the remaining Condominium Instruments, as the same from time to time may be amended. Except as otherwise stated herein, a default by a Unit Owner shall create the following remedies:

- (a) <u>Legal Proceedings</u>. An action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in the Condominium Instruments, the Condominium Act, or any combination thereof and any other relief afforded by a court of competent jurisdiction may be sought by the Unit Owners Association, either upon resolution of a Majority of Owners or the Board of Directors, or if appropriate, by an aggrieved Unit Owner.
- (b) Additional Liability. The Unit Owners Association may assess a Unit Owner for the expense of all maintenance, repair or replacement rendered necessary by such Unit Owner's intentional act, negligence or failure to properly maintain his Unit or the intentional act, negligence or failure to properly perform of the Unit Owner's employees, agents, licencees, invitees and tenants, and for any condition originating in or through the Unit, without regard to whether the Unit Owners was negligent, but only to the extent that such expense is not covered by the proceeds of the Unit Owners Association's insurance.
- (c) <u>Cost of Attorneys' Fees</u>. In any proceeding arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs and reasonable attorney's fees of the proceeding.
- (d) No Waiver of Rights. If the Unit Owners Association, the Board of Directors, or any Unit Owner fails to enforce any right, provision, covenant or condition which may be granted by the Condominium Instruments, such failure shall not constitute a waiver of the right of the Unit Owners Association, the Board of Directors or any such Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies, and privileges granted to the Unit Owners Association, the Board of Directors or any Unit Owner pursuant to any term, provision, covenant or condition of the Condominium Instruments shall be deemed to be cumulative, and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Condominium Instruments, or at law or in equity.
- (e) <u>Interest</u>. In the event of a default by any Unit Owner in paying any sum assessed against such Owner's Unit which continues for a period in excess of fifteen (15) days, the Board



of Directors shall charge interest from the date due until paid, at a rate equal to the greater of eighteen percent (18%) per annum or the highest rate permitted as a matter of law.

- or Regulation adopted by the Board of Directors, or the breach of any Bylaw, or the breach of any provision of the Declaration shall give the Board of Directors the right, in addition to any other rights set forth in these Bylaws: (i) to enter the Unit in which such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the Declaration, these Bylaws or such Rules and Regulations, and the Board of Directors shall not be deemed to be guilty in any manner of trespass by reason of such entry; or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity the continuance of any such breach.
- (g) Other Penalties. Failure by a Unit Owner to comply with any of the terms of the Declaration, these Bylaws and the Rules and Regulations, shall subject such Unit Owner to other penalties, including, but not limited to, the imposition of special charges as a monetary sanction for any infraction. The Board of Directors shall follow such procedures as are required by the Condominium Act when imposing any special charges.

Section 2. Lien Assessments.

- (a) The total annual assessment of each Unit Owner for Common Expenses or any special assessment or any other sum duly levied, made pursuant to these Bylaws, along with costs and legal fees incurred in the collection of assessments, is an inchoate lien levied against the Unit of such Unit Owner as provided in Section 55-79.84 of the Condominium Act.
- (b) In the case of a default, the lien for assessments may be enforced and foreclosed in the manner provided by the laws of the Commonwealth of Virginia.
- (c) 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.
- (d) Any assessment levied pursuant to the Declaration or these Bylaws, or any installment thereof, which is not paid within fifteen (15) days after it is due, shall be subject to a late charge of not less than twenty-five dollars (\$25.00) per month for each monthly assessment in arrears or such other higher amounts as the Board of Directors may fix by resolution and imposed against all delinquencies. In addition, the Board of Directors may declare the installments which would otherwise be due during the remaining fiscal year immediately due and payable and may take those actions to collect such accelerated amounts as are provided in these Bylaws for the collection of assessments.



(e) The Unit Owners Association may enforce the lien for assessments in any manner permitted by the laws of Virginia, including by conducting a public sale of any Unit in accordance with the laws of Virginia. Each Owner hereby constitutes and appoints the Unit Owners Association, acting by and through any duly authorized officer, agent or attorney of the Unit Owners Association, as the true and lawful attorney-in-fact for each such Unit Owner, with the full right, power and authority to execute, acknowledge and/or deliver any and all deeds, contracts, instruments or other agreements as may be necessary or required with regard to advertising, noticing or conducting a public sale of any Unit or with regard to the transfer or conveyance of any Unit after any such public sale. The foregoing power of attorney is irrevocable and deemed coupled with an interest. Absent intentional misconduct or gross negligence, no person or entity exercising the foregoing power of attorney on behalf of any Unit Owner shall suffer or incur any liability, charge, injury, cost or expense in connection therewith and each Unit Owner hereby releases and remises any and all claims, demands and suits in connection therewith. The recitals in any deed of conveyance relating to a public sale of any Unit that: (i) the Unit Owner has received due and legal notice of assessment; (ii) the lien for assessment is valid, binding and enforceable; and (iii) any other required notice, including but not limited to notice of the time, place and terms of sale has been properly delivered to and received by the Unit Owner is, and shall be prima facie correct and accurate to the maximum extent permitted by law.

Section 3 <u>Subordination and Mortgage Protection</u>. Notwithstanding any other provisions hereof to the contrary, the lien of any assessment levied pursuant to these Bylaws upon any Unit (and any penalties, interest on assessments, late charges or the like) shall be subordinate to, and shall in no way affect the rights of the holder of a First Mortgage made in good faith for value received, provided however, that such subordination shall apply only to assessments which have become due and payable prior to a sale or transfer of such Unit pursuant to foreclosure, or any proceeding in lieu of foreclosure. Such sale or transfer shall not relieve the purchasers at such sale of the Unit from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment, which lien shall have the same effect and be enforced in the same manner as provided herein.

ARTICLE XI

USE RESTRICTIONS ON UNITS AND COMMON ELEMENTS

Section 1. <u>Use Restrictions</u>. Each Unit and the Common Elements shall be occupied and used as follows:

(a) No Unit shall be used for residential housing or other temporary residential purposes. Each Unit is to be used for business, industrial and commercial purposes. Any use of the Unit for hotel or transient purposes is prohibited.



- (b) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Condominium Property or any part thereof applicable for commercial use without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in the Unit or in the Common Elements which will result in the cancellation of insurance on the Property or any part thereof or which would be in violation of any law, regulation or administrative ruling. No waste will be committed in the Common Elements.
- (c) No immoral, improper, offensive or unlawful use shall be made of the Condominium Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. All laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion of the Condominium Property shall be complied with, by and at the sole expense of the Unit Owner or the Board of Directors, whichever shall have the obligation to maintain or repair such portion of the Condominium Property, and if the latter, then the cost of such compliance shall be a Common Expense.
- (d) No Owner shall obstruct any of the Common Elements nor shall any Unit Owner place or cause or permit anything to be placed on or in any of the Common Elements (except those areas designated for such storage by the Board of Directors) without the approval of the Board of Directors. Nothing shall be altered or constructed in or removed from the Common Elements except upon the prior written consent of the Board of Directors.
- (e) The sidewalks, entrances, passages and all of the Common Elements must not be obstructed or encumbered or used for any purpose, including loitering, other than ingress and egress to and from the premises; nor shall any other object be stored therein. No person or persons shall loiter in common areas adjacent to the Units.
- (f) No Unit shall be rented or leased for any period less than six (6) months. No Unit shall be leased other than on a written form of lease requiring the lessee to comply with the Condominium Act, Declaration, these Bylaws and Rules and Regulations of the Condominium, and providing that failure to comply constitutes a default under the lease and that the Association has the authority to require the Unit Owner to evict the tenant upon thirty (30) days request or to allow the Association to commence such proceedings on behalf and at the expense, including reasonable legal fees, of the Unit Owner. The Unit Owners Association's right of commence an action to evict the tenant of a Unit Owner as set forth herein, is deemed to exist whether the lease between the Unit Owner and the tenant provides for the same or not.
- (g) Vehicles may be parked on the Condominium Property only in parking areas designated exclusively for such purposes by the Board of Directors. Commercial deliveries and loading are subject to reasonable regulations passed by the Board of Directors.



- (h) The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any Unit or upon the Common Elements without the written approval of the Board of Directors.
- (i) No signs of any character shall be erected, posted or displayed upon, in, from or about any Unit or Common Elements without the prior written approval of the Board of Directors; provided, however, that such approval will not be unreasonably withheld. If no such decision is made within forty-five (45) days of the date of submission of a completed application, the application will be deemed to be approved. Likewise, nothing shall be done, placed or erected or allowed to remain within any Unit which would change the external appearance of the Property without the prior written approval of the Board of Directors.
- (j) The Board of Directors may, from time to time, promulgate reasonable rules and regulations regarding the use of the Common Elements and all parties using same shall abide by such rules and regulations.
- (k) No Unit Owner shall allow anything whatsoever to fall from the windows of his Unit, nor shall the Unit Owner sweep, throw or otherwise allow any dirt or other substances to fall from his Unit (or the Limited Common Elements appurtenant thereto) on to the Common Elements.
- (I) Refuse and bagged garbage shall be deposited in the areas and at the times designated from time to time by the Board of Directors.
- (m) There are 200 parking spaces located within the Units and Common Elements. For the purposes of expansion of any Units to comply with the Zoning and Building Permit requirements of Loudoun County, such parking spaces shall be allocated to each Unit in a percentage equal to the Common Element Interests assigned to such Units.
- (n) No Unit Owner may modify the exterior of their Unit without first submitting a written application to and receiving the prior written permission of the Board of Directors. Prior to making any decision on an application to modify the exterior of a Unit, the Board of Directors may require the Unit Owner to provide the Board with plans, drawings, material samples or any other materials that the Board deems necessary to enable it to render a decision.
- Section 2. Rules and Regulations. Each Unit and the Common Elements shall be occupied and used in compliance with the Rules and Regulations which may be promulgated and amended by the Board of Directors. Copies of the Rules and Regulations shall be furnished by the Board of Directors to each Owner. Amendments to the Rules and Regulations shall be conspicuously posted or circulated to the Owners and copies thereof shall be furnished to each Owner upon request.
- Section 3. <u>Right of Access</u>. By acceptance of his deed of conveyance, each Unit Owner thereby grants a right of access to his Unit, as provided by the Condominium Act, to the Board of Directors or the Managing Agent, or any other person authorized by the Board of Directors or the



Managing Agent, for the purpose of enabling the exercise and discharge of their respective powers and responsibilities, including, without limitation, making inspections, correcting any condition originating in his Unit and threatening another Unit or the Common Elements, performing installations, alterations or repairs to the Common Elements or to correct any condition which violates any mortgage; provided, however, that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not and whether notice has been attempted or not.

Section 4. <u>Utility Charges</u>. The cost of utilities serving the Condominium Property, and not individually metered as approved by a majority of all of the Owners, to a Unit shall be a Common Expense.

Section 5. <u>Parking Spaces</u>. All parking spaces designated as such on the Plats and Plans that are not located within a Unit or assigned to a Unit as a Limited or Reserved Common Element shall be used by the Unit Owners for self-service parking purposes on a "first come, first served" permit basis except as the Board of Directors may otherwise determine. The cost of maintenance and repair of all Common Element parking areas shall be a Common Expense; however, the cost of maintenance and repair of any parking spaces located within a Unit boundary or assigned to a Unit as a Limited and Reserved Common Element shall be borne by the Owner of such Unit to which such parking space belongs or is assigned.

ARTICLE XII

CONDEMNATION

An award, settlement or other compensation arising from the taking of, injury to, or destruction of part or all of the Condominium by condemnation or the exercise of the power of eminent domain, and any reallocation of the Common Element Interests in the Condominium made in connection therewith, shall be made in accordance with Section 55-79.44 of the Condominium Act; provided, however, that: (i) the Unit Owners Association shall represent the Unit Owners in any condemnation or eminent domain proceedings, or in negotiations, settlements and agreements in connection therewith, whether judicial or non-judicial; and (ii) the Board of Directors acting on behalf of the Unit Owners Association shall have the power to act and shall act in such proceedings as the attorney-in-fact for the Unit Owners, and each Unit Owner by virtue of ownership of a Unit and membership in the Unit Owners Association shall be deemed to have appointed the Board of Directors his attorney-in-fact for such proceedings; and (iii) the Unit Owners Association may appoint a trustee to act for the Unit Owners in any condemnation or eminent domain proceeding; and (iv) the condemnation or eminent domain award or settlement shall be payable to the Unit Owners Association or the trustee for the benefit of the Unit Owners and Mortgagees, as their interests may appear.



ARTICLE XIII

MISCELLANEOUS

Section 1 Notices. All notices, demands, billing statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by regular mail, first class, postage 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 Managing Agent, at the principal office of the Managing Agent, or at such other address as shall be designated by the notice in writing to the Unit Owners pursuant to this Section.
- Section 2 <u>Invalidity</u>. The invalidity of any provision of these Bylaws shall not affect or impair the validity of the remainder of the Bylaws and to this end the provisions of these Bylaws are declared severable.
- Section 3 Resale of Unit. The Unit Owners Association, in complying with Section 55-79.97A of the Condominium Act, as amended, shall furnish to each proposed Unit purchaser prior to contract date, the appropriate statements as therein called for. The Board of Directors may charge the seller of any Unit up to the maximum amount allowable by law to comply with the statements called for pursuant to Sections 55-79.84H and 55-79.85 of the Condominium Act. In addition, the Board of Directors may fix such other amounts as are required in complying with Section 55-79.97A, 2 through 14 of the Condominium Act.
- Section 4 <u>Captions</u>. The captions (section headings) of these Bylaws are for convenience only and are not a part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions contained herein.
- Section 5 Gender Number. Whenever in these Bylaws the context so permits, the use of the singular shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

ARTICLE XIV

AMENDMENTS TO BYLAWS

Section 1. Amendments. These Bylaws may not be modified or amended except by approval of Unit Owners holding at least a sixty percent (60%) interest in the Common Elements of



the Condominium as set forth in Exhibit C of the Declaration. Any amendment to the Bylaws shall be recorded in accordance with the requirements of Section 55-79.49 of the Condominium Act.

Section 2. Successors and Assigns. Subject to the express terms of the Bylaws, the provisions of these Bylaws shall be binding upon and shall inure to the benefit of the Declarant, its respective heirs, legal representatives, successors and assigns, the Unit Owners Association, the Unit Owners and their respective heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF, the Declarant has caused these Bylaws to be executed on behalf of The Barr-Dulles Commercial Condominium Unit Owners Association this 15 day of JANVARY, 2004.

Barr-Dulles Limited Partnership. a Virginia Limited Partnership BY: RICHARD COLWOLFF PRESIDENT GEO. H. RUCKER REALTY CORP, GEN'L PARTHE Subscribed, acknowledged and sworn to before me, the undersigned Notary Public in and for the County of TAIRFAYE, in the Commonwealth of Virginia, this 15 day of

My Commission Expires:

COUNTY OF FAIRTAY

STATE OF



EXHIBIT "A" TO THE BYLAWS

BARR-DULLES COMMERCIAL CONDOMINIUM

MAINTENANCE RESPONSIBILITIES

NOTES

This chart is not intended to describe all maintenance functions, nor to delineate all respective responsibilities between the Unit Owners, severally, and the Unit Owners Association. The allocation of responsibility for maintenance does not always necessarily follow consistently with the nature of ownership, as determined by the Declaration.

In many cases maintenance responsibility is allocated to the Unit Owners Association in order to ensure central maintenance responsibility, uniformity and quality of repair, and to protect community health and safety. Where such maintenance is required due to the negligent act or omission of a Unit Owner (or such Unit Owner's tenants, employees, agents, licensees, invitees, visitors, or pets), the Unit Owners Association will perform the necessary maintenance at the sole expense of the Unit Owner(s).

Column I:

Items. Items appearing in this column are illustrative and not exhaustive.

Column II:

General Common Elements Under Unit Owners Association Responsibility. Responsibility for determining and providing for the maintenance, repair and replacement requirements of the General Common Elements and determining the costs thereof shall be primarily the responsibility of the Board of Directors and such designees to which it may delegate certain such responsibilities.

Column III:

Limited Common Elements Under Unit Owner Responsibility. Responsibility for determining the maintenance, repair and replacement requirements of the Limited Common Elements shall be a shared responsibility between the Board of Directors and the Unit Owners of a Unit to which a specific Limited Common Element is exclusively appurtenant, provided, however, that the Board shall have the final responsibility for determining the need for and accomplishing such maintenance, repair and replacement activities.



Column IV:

Unit Components Under Unit Owners Association Responsibility. The items in this column are legally and by definition a part of a Unit but are attached or directly connected to or associated with the general Common Expense items in such a way that a clear distinction between the Unit Owner and Unit Owners Association responsibility cannot be made. Moreover, such items frequently involve matters of concern relative to the general health, safety and welfare of all of the occupants of the building. Thus, certain costs which appear to benefit a single Unit Owner but which affect other Unit Owners are declared a Common Expense, especially when the correct functioning of an activity or element is integral to or supportive of the legally defined Common Elements and Common Expense.

Column V:

<u>Unit Components Under Unit Owners' Responsibility</u>. The items in this column are not intended to be exclusive and all-encompassing and do not affect responsibilities expressly provided for otherwise.

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EXHIBIT C COMMON ELEMENT INTEREST TABLE BARR-DULLES COMMERCIAL CONDOMNIUM

Unit Type	Size in Approximate Square Feet	Common Element Interest Per Unit	Total Units Per Type	Total Common Elements Interest Per Type	
· · · · · · · · · · · · · · · · · · ·	91,204	47 %	1 _	47%	
)	85,539	39%	1	39%	
3	17,395	14%	1	14%	

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EXHIBIT D

See-plat#1

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EXHIBIT E

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