

CORCORAN MEWS CONDOMINIUM

DECLARATION

THIS DECLARATION is entered into this 9th day of February, 1977, by HAROLD ZIRKIN on behalf of himself and his heirs, executors, administrators and legal representatives (hereinafter referred to as the "Declarant").

1. Submission of Property.

The Declarant hereby submits the land located in the District of Columbia and more particularly described in Exhibit A annexed hereto, together with the buildings and improvements thereon owned by the Declarant in fee simple absolute to the provisions of the Second Extension of the Emergency Condominium Regulation Act of 1976 of the District of Columbia, in order to create a plan of condominium ownership in such property. The property is shown on the Condominium Plat and Recorded among the records of the Office of the Surveyor in the District of Columbia in Condominium Book 20, at Page 10.

2. Name of Condominium.

The name of the condominium is "Corcoran Mews Condominium."

3. Definitions and Terms.

The following terms when used in the Declaration and in the other documents constituting the Condominium Instruments are intended to be consonant with the meanings ascribed to them by the Act and are defined herein as follows:

"Act" means the Second Extension of the Emergency Condominium Regulation Act of 1976 of the District of Columbia.

"Association" or "Unit Owners' Association" means all of the Unit Owners acting as a group in accordance with the By-Laws.

"Board of Directors" means the persons designated or elected as such in accordance with the By-Laws.

"Building" means any one of the buildings designed for residential use and containing Units which do or will comprise part of the Condominium more particularly shown on the Condominium Plat.

"By-Laws" means the by-laws which are attached hereto and made a part hereof as Exhibit B as they may be amended from time to time.

"Common Elements" shall mean all portions of the Condominium other than the Units, as more fully set forth in Paragraph 6 of the Declaration, and shall include the Limited Common Elements.

"Common Expenses" shall mean all lawful expenditures made or incurred by or on behalf of the Association, together with all lawful assessments for the creation and maintenance of reserves pursuant to the provisions of the Condominium Instruments.

"Common Profits" shall mean all income collected or accrued by or on behalf of the Association, other than income derived from any special assessment of only some Unit Owners with respect to a Limited Common Element.

"Condominium" shall mean the real property and any incident thereto or interest therein which is more particularly described in Paragraph 1 and which is being submitted to the provisions of the Act by the Recording of this Declaration and the other Condominium Instruments.

"Condominium Instruments" means this Declaration, the By-Laws, the Condominium Plat and the Condominium Plans, and any and all exhibits, schedules or certificates thereto, and all amendments thereto which are Recorded pursuant to the provisions of the Act.

"Condominium Plat" means one or more plats of survey of the Condominium, and any amendments thereto, in accordance with Section 214(a) of the Act and as Recorded and filed with the Surveyor of the District of Columbia.

"Condominium Plans" means the Plans of each Building in accordance with Section 214(b) of the Act which are Recorded and which show the location and boundaries of each Unit.

"Condominium Unit" shall mean a Unit together with the Undivided Interest in the Common Elements appertaining to that Unit.

"Declarant" means Harold Zirkin and his heirs, executors, administrators and legal representatives.

"Declaration" means this Instrument and such amendments thereof as may be Recorded from time to time.

"First Mortgagee" means the holder of any first mortgage or the beneficiary under any first deed of trust encumbering a Unit. The term "mortgage" shall be deemed to include the term "deed of trust."

"Identifying Number" shall mean one or more letters or numbers, or both, that identify only one Unit in the Condominium.

"Land" means the real property described in Exhibit A to this Declaration, exclusive of the Building, and all easements and rights appurtenant thereto.

"Limited Common Elements" means those portions of the Common Elements reserved for the exclusive use of those entitled to the use of one or more, but less than all, of the Units, as more fully set forth in Paragraph 5 of the Declaration and in the Condominium Plat.

"Majority of Unit Owners" means the Unit Owners of fifty-one percent (51%) or more of the aggregate percentage interests in the Condominium. If fifty-one percent (51%) or more of the votes in the Association appertain to twenty-five percent (25%) or less of

the Units, then in any case where a majority vote is required by the Act or the Condominium Instruments, the requirement for such a specified majority of the votes shall be deemed to include, in addition to the specific majority of the votes, assent by the Unit Owners of a like majority of the Units.

"Par Value" means the number of dollars (or points) assigned to each Unit by the Declaration as set forth in Rider I attached hereto and made a part hereof.

"Parking Space" means parking space designated on the Condominium Plats to be used for automobile parking and which is initially assigned to a Unit Owner by the Declarant.

"Person" shall mean a natural person, corporation, partnership, association, trust or other entity capable of holding title to real property, or any combination of any of the foregoing.

"Record" or any form of the verb "to record" shall mean recordation in substantial accordance with the provisions of those laws codified in Title 45 of the District of Columbia Code or in substantial accordance with the requirements of the Office of the Surveyor of the District of Columbia.

"Rules and Regulations" means those rules and regulations adopted from time to time by the Board of Directors that are deemed necessary for the enjoyment of the Condominium, provided they are not in conflict with the Act or the Condominium Instruments.

"Undivided Interest" means the percentage interest of each Unit in the Common Elements set forth in Rider I.

"Unit" means a portion of the Condominium designed and intended for individual ownership and is described in Paragraph 4 hereof.

"Unit Owner" shall mean one or more persons who own a Condominium Unit in fee simple.

4. Description of Units; Boundaries.

The location of each Building which is part of the Condominium is more particularly shown on the Condominium Plat.

The Condominium contains thirty-five (35) Units. The location and dimensions of the horizontal and vertical boundaries of each Unit together with its Identifying Number, floor area and relative location is set forth in the Condominium Plans.

Each Unit consists of the volumes or cubicles of space which are enclosed by the lower, upper and lateral or perimetrical boundaries set forth below:

A. Lower Boundaries:

(1) In the case of a Unit which is located in the basement of a Building, the lower boundary is a horizontal plane, the elevation of which coincides with the elevation of the upper surface of the unfinished concrete floor thereof, extended to intersect the lateral or perimetrical boundaries thereof.

(2) In the case of a Unit which is located on the first floor or a duplex Unit, the lower boundary is a horizontal plane, the elevation of which coincides with the unfinished upper surface of the floor dividing the first floor from the basement, extended to intersect the lateral or perimetrical boundaries thereof.

(3) In the case of a Unit which is located on the second floor, the lower boundary is a horizontal plane, the elevation of which coincides with the unfinished upper surface of the floor dividing the second floor from the first floor, extended to intersect the lateral or perimetrical boundaries thereof.

(4) In the case of a Unit which is located on the third floor, the lower boundary is a horizontal plane, the elevation of which coincides with the unfinished upper surface of the floor dividing the third floor from the second floor, extended to intersect the lateral or perimetrical boundaries thereof.

B. Upper Boundaries: [Planes]

(1) In the case of a Unit which is located in the basement of a building, the upper boundary is a horizontal plane, the elevation of which coincides with the lower surface of the unfinished ceiling separating the first floor from the basement, extended to intersect the lateral or perimetrical boundaries thereof.

(2) In the case of a Unit which is located on the first floor of a Building, the upper boundary is a horizontal plane, the elevation of which coincides with the lower surface of the unfinished ceiling separating the second floor from the first floor, extended to intersect the lateral or perimetrical boundaries thereof.

(3) In the case of a Unit which is located on the second floor of a Building, the upper boundary is a horizontal plane, the elevation of which coincides with the lower surface of the unfinished ceiling separating the third floor from the second floor, extended to intersect the lateral or perimetrical boundaries thereof.

(4) In the case of a Unit which is located on the third floor of a Building, the upper boundary is a horizontal plane, the elevation of which coincides with the lower surface of the unfinished ceiling separating the third floor from the roof.

(5) In the case of a duplex Unit, the upper boundary is a horizontal plane, the elevation of which coincides with the lower surface of the unfinished ceiling separating the second floor from the third floor or the roof or roof terrace, as the case may be.

C. Lateral or Perimetrical Boundaries.

The lateral or perimetrical boundaries of a Unit are vertical planes which coincide with the unfinished surfaces of the perimeter walls and the walls dividing the Units, including the inside surfaces of all windows, doors and vents, extended to intersect the upper and lower boundaries of the Unit and to intersect the other lateral or perimetrical boundaries thereof.

D. Additional Items Included.

In addition, each Unit contains: (i) all non-structural interior partition walls (and, in the case of duplex Units, floors and ceiling) located within the boundaries of the Unit excepting such part as may comprise part of the Common Elements; (ii) the decorated surfaces of all boundary walls, ceilings and floors consisting ~~inter alia and as~~ appropriate, wallpaper, paint, interior brick surface, lath, wallboard, plastering, carpeting, floor and wall tiles and other floor coverings and all other finishing materials; and (iii) all immediately visible fixtures, appliances, mechanical and electrical systems and equipment, heating and air cooling systems and equipment, fireplaces and dampers installed for the sole and exclusive use of the Unit, commencing at the point of disconnection from the structural body of any Building and from utility lines, pipes or systems serving any Unit.

E. Exclusions from Units.

A Unit shall be deemed not to include: any pipes, wires, conduits or other public utility lines, ventilation or other ducts, bearing walls or structural portions of a Building running through a Unit which are utilized for or serve more than one Unit, and all other property of any kind including fixtures, flue liners and chimney within any Unit, which is not removable without jeopardizing the soundness, safety or usefulness of the remainder of the Condominium.

5. Limited Common Elements.

A. The balcony, roof terraces, patios, and porches, shown and graphically described as Limited Common Elements in the Condominium Plat and Condominium Plans are Limited Common Elements appurtenant to each of the Units to which they are attached or assigned. These Limited Common Elements are reserved for the use of the Unit to which they are appurtenant, by reason of attachment or assignment, to the exclusion of all other Units, and these shall pass with a Unit, as appurtenant thereto, ~~the exclusive rights to use the Limited Common~~ Elements so appurtenant or assigned, unless the Unit Owner has assigned the same as hereinafter provided. Each Limited Common Element is owned in common by all of the Unit Owners, but is restricted to the use and benefit of the Unit or Units to which it serves.

B. The Limited Common Elements shall also include certain on-site parking spaces. Declarant shall have the right to assign particular parking spaces to particular Units. This assignment shall be made by an agreement in writing and shall not be recorded in the public records. Upon the assignment of such parking space to a Unit, the Unit Owner shall

have such rights therein as may be stated in said agreement in writing, except that no charge may be made by the Condominium to said Unit Owner for the use thereof, it being the intention hereof that the cost of maintenance and administration of all parking spaces shall be included as part of the Common Expenses applicable to all Units for the purposes of assessment. All rights which the Unit Owner of the Unit may have in such parking space shall be an appurtenance to said Unit and upon the conveyance of or passing of title to the Unit to which such assignment is made, such exclusive right shall pass as an appurtenance thereto, provided that the Unit Owner had not previously reassigned such parking space.

C. Any Unit Owner may reassign the parking space which may be assigned to his Unit to another Unit Owner independently of and separately from his Unit. Application for such shall be made by the Unit Owners concerned to the President of the Association or to such other officer or officers as are designated by the Association. The officer or officers to whom such application is made shall prepare and execute an appropriate amendment to the Condominium Instruments for reassigning the rights and obligations with respect to the said parking space. Such amendment shall be delivered to the Unit Owners of the Units concerned upon payment by them of all reasonable costs for the preparation and acknowledgment thereof. Said amendment shall become effective when the Unit Owners of the Units concerned have executed and Recorded it.

D. The use of any Limited Common Element shall be restricted to the Unit Owner of the Unit to which such Limited Common Element is appurtenant or assigned, to his tenants in residence and to their guests, invitees and licensees.

6. Common Elements.

A. All areas and facilities of the Condominium that are not Units or Limited Common Elements as hereinabove defined, comprise the Common Elements. The Common Elements include, but are not limited to the following: (i) the Land, (ii) the foundations, roofs (excluding roof terraces which are designated as Limited Common Elements), slabs, floors, ceilings, chimneys, perimeter walls, structural interior walls, hallways, foyers or corridors, pipes, watermains, wires, conduits, air ducts, air-conditioning compressor, condensation piping, lateral serving stacks, public utility lines and meters not owned by the utility suppliers and other service installations, regardless of location, maintenance and storage areas, janitor closets, and (iii) trees, shrubbery, gardens, exterior lighting devices of common use or necessary to the existence, upkeep, use and safety of the Building and other Condominium property.

B. There is allocated to each Condominium Unit an Undivided Interest in the Common Elements proportionate to the Par Value of each Unit. Rider I sets forth the Identifying Number, Par Value and Undivided Interest in the Common Elements for each Condominium Unit. Each Unit Owner shall share in the Common Expenses in proportion to the Undivided Interests allocated to his Condominium Unit, and shall similarly share in any Common Profits which are in excess of the Common Expenses.

C. The aforesaid allocation of Undivided Interest in the Common Elements and sharing of Common Expenses in proportion thereto shall remain unchanged without regard to the purchase price of the Unit or its location or the square footage or cubic footage of space contained therein, or the use of the Limited Common Elements appurtenant or assigned to it or the reassignment of a parking space from one Unit Owner to another.

D. The statement of Par Value for a Unit on Rider I shall not be deemed to reflect or control the sales price or fair market value of any Unit, and no opinion, appraisal or fair market transaction at a different figure shall affect the Par Value of any Unit, or any Undivided Interest in the Common Elements, voting rights in the Association, liability for Common Expenses or rights to Common Profits, assigned on the basis thereof.

E. The use of the Common Elements shall be limited to the Unit Owners in residence, to their tenants in residence and to their guests, invitees and licensees.

F. The Undivided Interest in the Common Elements shall not be separate from the Unit and shall be deemed to be conveyed or encumbered with the Unit even though such Undivided Interest is not expressly mentioned or described in the document of conveyance or encumbrance, except that the use of a parking space may be reassigned from one Unit Owner to another independently of and separately from his Unit as provided in the Declaration and the Act.

G. The Common Elements shall remain undivided and no Unit Owner may bring any action for partition or division of the Common Elements unless and until the Condominium is terminated.

H. No Unit Owner may exempt himself from liability with respect to the Common Expenses by waiver of the enjoyment of the right to use any of the Common Elements or by abandonment of his Unit or otherwise.

I. The use of the Common Elements shall be governed by the Condominium Instruments and by the Rules and Regulations.

J. The Board of Directors may suspend or limit the right of any Unit Owner or other person to use any part of the Common Elements upon failure of such Unit Owner or other person to observe the provisions of the Condominium Instruments and the Rules and Regulations governing the use of the Common Elements.

7. Easements.

A. To the extent that any Unit or Common Element encroaches on any other Unit or Common Element, whether by reason of any deviation from the Condominium Plat and Condominium Plans in the construction, repair, renovation, restoration or replacement of any improvement, or by reason of the settling or shifting of any land or improvement, a valid easement for such encroachment shall exist; provided, however, such easement shall not relieve Unit Owners of liability in cases of willful and intentional misconduct by them or their agents or employees.

B. The Declarant shall have a transferable easement over and on the Common Elements for the purpose of making improvements on the Condominium and for the purpose of doing all things reasonably necessary and proper in connection therewith.

C. The Declarant and the Declarant's authorized agents, representatives and employees shall have an easement to use any two Units owned by the Declarant as sales offices, management offices and model Units in the Condominium and such two Units need not remain the same two Units; provided, however, such easement shall cease upon Declarant's ceasing to be a Unit Owner.

8. Use and Compliance with Condominium Instruments.

A. Each Unit is intended to be, and shall be, used as a private residence. With the written consent of the Board of Directors a Unit may be used as a professional office subject, however, to the applicable zoning regulations and all other applicable laws, rules and regulations of the District of Columbia.

B. Every Unit Owner shall, and by acceptance of the deed to his Unit does covenant on behalf of himself, his heirs, successors and assigns that he will comply strictly with the terms, covenants and conditions set forth in the Condominium Instruments, the Rules and Regulations, and the resolutions and decisions adopted pursuant thereto. Failure to comply with any of the foregoing shall be grounds for an action to recover sums due, for damages or injunctive relief or any or all of them, maintainable by the Board of Directors on behalf of the Association or, in a proper case, by an aggrieved Unit Owner. In any such action in law or in equity which is successfully brought by or on behalf of the Association, the Association shall be entitled to recover all reasonable costs and expenses of any such action, including reasonable attorney's fees.

C. All present and future Unit Owners, tenants and occupants of Units or any other person who might use the facilities of the Condominium in any manner are subject to and bound by the provisions of the Condominium Instruments and the Rules and Regulations, and the mere acquisition, rental or occupancy of a Unit shall signify acceptance and ratification to be so subject and so bound.

9. Voting Rights of Unit Owners.

Except as provided otherwise in the Condominium Instruments or required by the Condominium Act, each Unit Owner shall have one vote on all matters required or permitted by this Declaration, the By-Laws or the Condominium Act to be voted upon at a meeting of the Association, except that a Unit Owner who owns more than one Unit shall have one vote for each Unit owned.

10. Administration.

The administration of the Condominium shall be by the Association and its Board of Directors, officers and agents in accordance with the provisions of the Condominium Instruments. All of the Unit Owners shall together constitute the Association. Every Unit Owner shall be automatically a

member of the Association until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Other than as an incident to a lawful transfer of title to a Unit, membership in the Association shall be non-transferable and any attempted transfer shall be null and void.

11. Alterations, Combinations and Subdivisions.

A. Any Unit Owner may make any improvements or alterations within his Unit that do not impair the structural integrity of any structure or otherwise lessen the support of any portion of the Condominium; provided, however, that no Unit Owner shall do anything which would change the exterior appearance of his Unit or the appearance of any Limited Common Elements without the express written consent of the Board of Directors.

B. Boundaries between adjoining Units shall not be relocated and no Unit Owner shall subdivide or partition any Unit, or combine any Unit with another.

C. If a Unit Owner acquires an adjoining Unit, or an adjoining part of a Unit of an adjoining Unit, then such Unit Owner shall have the right to remove all or part of any intervening partition or to create doorways or other apertures therein, notwithstanding the fact that such partition may in whole or in part be a Common Element, so long as no portion of any bearing wall or bearing column is weakened or removed and no portion of any Common Element other than that partition is damaged, destroyed or endangered. Such creation of doorways or other apertures shall not be deemed an alteration of boundaries within the meaning of Section 11B hereof.

12. Termination.

If there is any Unit Owner other than the Declarant, then the Condominium shall be terminated only by the agreement of Unit Owners of Units to which eighty percent (80%) of the votes (based upon Percentage Interest) of the Unit Owners' Association and with the prior written approval of at least seventy-five percent (75%) of the First Mortgagees (based upon one vote for each first mortgage owned). Such termination agreement shall become effective when it is executed by all of the Unit owners and is duly Recorded; whereupon, all of the property which constituted the Condominium shall be owned by the Unit Owners as tenants in common in proportion to their respective Undivided Interest in the Common Elements immediately prior to such recodation; provided, however, that so long as such tenancy in common lasts, each Unit Owner or the heirs, successors or assigns thereof shall have an exclusive right of occupancy of that portion of such property which formerly constituted such Unit Owner's Unit. Upon the effectiveness of any such termination agreement, the rights of the Unit Owners to the net assets of the Association shall be in proportion to their respective liabilities for Common Expenses prior to such effectiveness.

13. Liability for Unpaid Assessments.

Upon any voluntary transfer of a legal or equitable interest in a Unit, except as security for a debt, all unpaid Common Expenses then due and payable from the grantor shall

be paid or else the grantee shall become jointly and severally liable with the grantor. However, any such grantee shall be entitled upon request to a recordable statement from the Board of Directors, setting forth the amount of the unpaid assessments against the grantor. Upon any involuntary transfer of a legal or equitable interest in a Unit, the transferee shall not be liable for such assessments as become due and payable prior to his acquisition of such interest. To the extent not collected from the predecessor in title, such arrears shall be deemed a Common Expense, collectible from all Unit Owners (including such transferee) in proportion to their liabilities for the Common Expenses.

14. Provisions Applicable to Declarant.

If there is no Unit Owner other than the Declarant, the Declarant may terminate the Condominium or amend the Condominium Instruments, and any such termination or amendment shall become effective upon being Recorded if the same has been executed by the Declarant.

15. Amendment.

A. Once there is a Unit Owner other than the Declarant, no amendment to the Condominium Instruments shall change (i) the boundaries of any Unit, (ii) the Undivided Interest in the Common Elements appertaining to any Unit, (iii) the liability for Common Expenses or rights to Common Profits appertaining to any Unit, or (iv) the number of votes in the Association appertaining to any Unit, except to the extent expressly permitted or required by the Act and subject to the provisions of the Condominium Instruments.

B. Other than with respect to amendments prohibited by Subparagraph A above, once there is a Unit Owner other than the Declarant, the Condominium Instruments may be amended, subject to the provisions of Paragraph 12 hereof, by agreement of Unit Owners of Units to which two-thirds (2/3) of the votes (based upon one vote for each Unit owned) in the Association appertain, except in cases for which the Act provides for different methods of amendment.

C. Any permitted amendment of the Condominium Instruments or ratification thereof shall be in writing and executed by the principal officer or officers of the Association; any such amendment shall become effective when Recorded.

D. With respect to any amendment or amendments that could affect the Limited Common Elements, no amendment to any Condominium Instrument shall alter any rights or obligations with respect to any Limited Common Element without the consent of all Unit Owners adversely affected thereby as evidenced by their execution of such amendment.

16. Miscellaneous.

A. Captions used in this Declaration are inserted solely as a matter of convenience and shall not define or limit any of the terms or provisions hereof.

B. Whenever the context so permits, the use of the plural shall include the singular, the singular shall include the plural, and any gender shall be deemed to include all genders.

C. All provisions of this Declaration and the other Condominium Instruments shall be deemed severable, and any unlawful provision thereof shall be void.

17. Effective Date.

The Declaration shall become effective on the date when it, the By-Laws, the Condominium Plat and Condominium Plans are Recorded.

18. Invalidity.

It is the intention of the Declarant that the provisions of this Declaration are severable so that if any provision, condition, covenant, or restriction thereof shall be invalid or void under any applicable federal, state or local law or ordinance, the remainder shall be unaffected thereby. In the event that any provision, condition, covenant or restriction thereof is, at the time of recording this Declaration, void, voidable, or unenforceable as being contrary to any applicable law or ordinance, the Declarant, its successors and assigns and all persons claiming by, through or under this Declaration, covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability, or unenforceability, shall be deemed to apply retrospectively to this Declaration, thereby operating to validate the provisions of this instrument which otherwise might be invalid and it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein declared as fully as if they had been in effect at the time of this instrument.

IN WITNESS WHEREOF, the Declarant, intending to be legally bound, has executed this Declaration, the day and year first above written.

Harold Zirkin

DISTRICT OF COLUMBIA) to wit:

I, _____, a Notary Public in and for the district aforesaid, DO HEREBY CERTIFY THAT Harold Zirkin, Declarant in the foregoing instrument bearing date the _____ of _____, 1977, personally appeared before me in said district, the said Harold Zirkin, being personally known to me as the person named as Declarant acknowledged said instrument to be his act and deed, and that he delivered the same as such.

Witness my hand and official seal this _____ day of _____, 1977.

Notary Public

My Commission expires:

EXHIBIT A

CORCORAN MEWS CONDOMINIUM

LEGAL DESCRIPTION

Lot 228 in S. Jon Gerstenfeld's combination of lots
in Square 155, as per plat Recorded in Liber 145,
folio 150 in the Office of the Surveyor of the
District of Columbia.

RIDER I

CORCORAN MEWS CONDOMINIUM

UNDIVIDED INTEREST ALLOCATED TO EACH UNIT

<u>Identifying Numbers</u>	<u>Par Value</u>	<u>Percentage of Undivided Interest in the Common Elements</u>	
1745	Corcoran St., N.W.	\$25,500	2.00
1748-1A	Corcoran St., N.W.	39,950	3.10
1748-1B	Corcoran St., N.W.	37,500	2.90
1748-2A	Corcoran St., N.W.	39,950	3.10
1748-2B	Corcoran St., N.W.	39,500	3.00
1748-3A	Corcoran St., N.W.	43,500	3.30
1748-3B	Corcoran St., N.W.	46,500	3.60
1750-A	Corcoran St., N.W.	25,500	2.00
1750-B	Corcoran St., N.W.	31,950	2.50
1752-1A	Corcoran St., N.W.	40,950	3.20
1752-1B	Corcoran St., N.W.	28,000	2.20
1752-2A	Corcoran St., N.W.	39,950	3.10
1752-2B	Corcoran St., N.W.	31,500	2.40
1752-3A	Corcoran St., N.W.	41,500	3.20
1752-3B	Corcoran St., N.W.	41,500	3.20
1754-46R	Corcoran St., N.W.	45,000	3.50
1754-46B	Corcoran St., N.W.	31,950	2.50
1754-48R	Corcoran St., N.W.	39,950	3.10
1754-48B	Corcoran St., N.W.	31,950	2.50
1754-50R	Corcoran St., N.W.	43,500	3.30
1754-50B	Corcoran St., N.W.	21,950	1.70
1754-52R	Corcoran St., N.W.	47,500	3.70
1754-52B	Corcoran St., N.W.	38,950	3.00
1754-54R	Corcoran St., N.W.	43,500	3.30
1754-54B	Corcoran St., N.W.	31,950	2.50
1754-56R	Corcoran St., N.W.	39,950	3.10
1754-56B	Corcoran St., N.W.	31,950	2.50
1756-1A	Corcoran St., N.W.	39,950	3.10
1756-1B	Corcoran St., N.W.	37,500	2.90
1756-2A	Corcoran St., N.W.	39,950	3.10
1756-2B	Corcoran St., N.W.	39,500	3.00
1756-3A	Corcoran St., N.W.	41,950	3.20
1756-3B	Corcoran St., N.W.	43,500	3.30
1756-1/2A	Corcoran St., N.W.	25,500	2.00
1756-1/2B	Corcoran St., N.W.	24,500	1.90

EXHIBIT E
CORCORAN MEWS CONDOMINIUM
BY-LAWS

ARTICLE I

Identification of the Property and Definitions

1. Identification of the Property.

These By-Laws are the By-Laws which are adopted pursuant to the District of Columbia Second Extension of the Emergency Condominium Regulation Act of 1976 for the self-government of the Condominium known as CORCORAN MEWS CONDOMINIUM by an Association of all the Unit Owners. Said Condominium was submitted to the provisions of the Act by a Declaration Recorded simultaneously herewith.

2. Definitions.

The following terms when used in these By-Laws shall have the same meanings ascribed to them in Paragraph 3 of the Declaration referred to above: "Act"; "Association"; "Unit Owners' Association"; "Board of Directors"; "Building"; "By-Laws"; "Common Elements"; "Common Expenses"; "Common Profits"; "Condominium"; "Condominium Instruments"; "Condominium Plat"; "Condominium Plans"; "Condominium Unit"; "Declarant"; "Declaration"; "First Mortgagee"; "Mortgage"; "Identifying Number"; "Limited Common Elements"; "Par Value"; "Person"; "Record"; "Rules and Regulations"; "Undivided Interest"; "Unit"; "Unit Owner".

ARTICLE II

Administration; Applicability

1. Administration.

The administration and management of Corcoran Mews Condominium and the actions of the Unit Owners and the Unit Owners' Association and its Board of Directors and Officers shall be governed by the By-Laws.

2. Applicability.

All present and future Unit Owners and their tenants, licensees, invitees, servants, agents, employees and any other person or persons that shall be permitted to use the Condominium shall be subject to the By-Laws and to the Rules and Regulations of the Association. Acquisition, rental or occupancy of any Unit shall be conclusively deemed to mean that the Unit Owner, tenant or occupant has accepted and ratified the By-Laws and the Rules and Regulations of the Association and will comply with them.

ARTICLE III

Unit Owners' Association

1. Qualification.

All Unit Owners in the Condominium shall constitute the Unit Owners' Association. Any Unit Owner, upon acquiring title to his Unit, shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership of such Unit ceases for any reason, at which time his membership in the Association shall automatically cease; provided, however, that any person who holds any interest in a Unit solely as security for the performance of an obligation shall not be a member of the Association. Except as to those powers and responsibilities which are required to be assigned to the Unit Owners' Association by the Act, Declaration or By-Laws, the administrative powers and responsibilities of the Condominium shall be delegated to the Board of Directors.

2. Place of Meetings.

Meetings of the Association shall be held at such place as may be designated by the Board of Directors and stated in the notice of the meeting.

3. Annual Meeting.

The first annual meeting of the Association shall be held at a time and place to be designated by the Board of Directors: (i) within two (2) years from the date that the first Unit is conveyed, or (ii) within ninety (90) days after seventy-five percent (75%) of the Units in the Condominium have been conveyed, whichever date shall first occur, or (iii) on such earlier date as may be established by the Board of Directors. Thereafter the annual meetings of the Association shall be held on the second Tuesday in September of each year. At such meetings, there shall be elected by ballot a Board of Directors in accordance with the requirements of these By-Laws. The Unit Owners also may conduct whatever other business may be required or permitted by law, the Declaration or the By-Laws, to be done by a vote of the Unit Owners.

4. Special Meetings.

A. Not later than the time that Units to which twenty-five percent (25%) of the Undivided Interests in the Common Elements appertain have been conveyed, a special meeting of the Association shall be held at which not less than twenty-five percent (25%) of the members of the Board of Directors shall be elected by Unit Owners other than the Declarant and shall serve until the date of the first annual meeting of the Association.

B. Not later than the time that Units to which fifty percent (50%) of the Undivided Interests in the Common Elements appertain have been conveyed, a special meeting of the Association shall be held at which not less than thirty-three and one-third percent (33-1/3%) of the members of the Board of Directors shall be elected by Unit Owners other than the Declarant and shall serve until the date of the first annual meeting of the Association.

C. In addition to the foregoing special meetings, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Unit Owners owning not less than thirty percent (30%) of the Undivided Interests.

5. Notices.

It shall be the duty of the Secretary to send a notice of each meeting of the Association to each Unit Owner at least twenty-one (21) days in advance of any annual meeting and at least seven (7) days in advance of any other meeting. All notices shall state the time, place and purpose or purposes of the meeting. Such notices shall be sent by United States mail to all Unit Owners of record at the address of their respective Units or to such other addresses as any of them may have designated to the Secretary in writing or any such notice may be hand-delivered by the Secretary, provided he/she obtains a receipt of acceptance of such notice from the Unit Owner.

6. Proxies.

The votes appertaining to any Unit may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Unit Owner, or, in cases where the Unit Owner is more than one Person, by or on behalf of all such Persons. No such proxy shall be revocable except by actual notice to the officer presiding over the meeting, by the Unit Owner or any of such Persons constituting the Unit Owner, that it be revoked. Any proxy shall be void if it is not dated, if it purports to be revocable without notice as aforesaid, or if the signatures of any of those executing the same have not been duly acknowledged. The proxy of any Person shall be void if not signed by a Person having authority, at the time of the execution thereof, to execute deeds on behalf of that Person. Any proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy.

7. Quorum.

A quorum shall be deemed to be present throughout any meeting of the Association until adjourned if Persons entitled to cast more than twenty-five percent (25%) of the votes are present, in person or by proxy, at the beginning of such meeting.

8. Association Action.

When a quorum is present at any meeting, a majority of the votes represented and voting shall decide any question brought before such meeting, unless the question is one upon which by express provision of the Act or the Condominium Documents a different vote is required, in which case such express provision shall govern.

9. Order of Business.

The order of business at all meetings of the Association shall be as follows: A. roll call; B. proof of notice of meeting; C. reading of minutes of preceding meeting;

D. reports of officers, if any; E. reports of committees, if any; F. election of inspectors of election, if applicable; G. election of directors, if applicable; H. unfinished business; and I. new business.

10. Conduct of Meeting.

The President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted by the meeting as well as a record of all transactions occurring thereat. Roberts Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Act or Condominium Documents.

ARTICLE IV

Board of Directors

1. Powers and Duties.

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

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

→ B. Making assessments against the Unit Owners to defray the Common Expenses establishing the means and methods of collecting such assessments from the Unit Owners, and establishing the period of the installment payments of the annual assessment. Unless otherwise determined by the Board of Directors, the annual assessment against each Unit Owner for his 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 said month.

(C) Providing for the operation, care, upkeep, maintenance and surveillance of all of the Common Elements and services to the Condominium.

D. Designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements, and providing services for the Condominium and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed the common property of the Unit Owners.

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

→ F. Making and amending Rules and Regulations respecting the use of the Condominium.

→ G. Opening of bank accounts on behalf of the Association and designating the signatories required therefor.

H. Making, or contracting for the making of, repairs, additions, and improvements to, or alterations of, the Condominium and repairs to, and restoration of, the Condominium, in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty.

→ I. Enforcing by legal means the provisions of the Declaration, these By-Laws and the Rules and Regulations for the use of the Condominium adopted by it, and bringing any proceedings which may be instituted on behalf of the Unit Owners.

J. Obtaining and carrying insurance against casualties and liabilities, as provided in Article VII of these By-Laws, and paying the premium cost thereof.

K. Paying the cost of all services rendered to the Condominium and not billed to Unit Owners of individual Units.

L. Keeping books with detailed accounts of the receipts and expenditures affecting the condominium, and the administration of the Condominium, specifying the maintenance and repair expenses of the Common Elements and any other expenses incurred. The said books and vouchers accrediting the entries thereupon shall be available for examination by the Unit Owners, their duly authorized agents or accountants or attorneys, during general business hours on working days at the times and in the manner that shall be set and announced by the Board of Directors for the general knowledge of the Unit Owners. All books and records shall be kept in accordance with generally accepted accounting practices, and the same shall be audited at least once a year by an outside auditor employed by the Board of Directors who shall not be a resident of the Condominium, or a Unit Owner therein. The cost of such audit shall be a Common Expense.

M. To do such things and acts not inconsistent with the Condominium Act and with the Condominium Instrument which it may be authorized to do by a resolution of the Association.

2. Managing Agent or Manager.

The Board of Directors may employ for the Condominium a professional Managing Agent or Manager at a compensation to be approved by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including, but not limited to, the duties listed in paragraphs A, C, D, E, H, J, K, L and M of section 1 of this Article IV. The Board of Directors may delegate to the Managing Agent or Manager all of the powers granted to the Board of Directors by these By-Laws other than the powers set forth in paragraphs B, F, G and I of section 1 of this Article IV. Any agreement with the Managing Agent or Manager shall be in writing and shall provide that it may be terminated on sixty (60) days written notice. The term of any such agreement shall not exceed two years. The Declarant, or an affiliate of the Declarant, may be employed as Managing Agent or Manager. After the initial Managing Agent or Manager has been named, the Board of Directors shall not employ any new Managing Agent or Manager without thirty (30) days prior written notice to the institutional holders of all First Mortgages on the Units.

3. Number of Directors and Initial Selection of Board.

The number of directors which shall constitute the whole Board shall be not less than three (3) nor more than five (5). The initial Board of Directors shall be comprised of the three (3) persons appointed by the Declarant and shall serve (i) until the election of the Board of Directors takes place at the first annual meeting of the Association or (ii) until a special meeting is held for purposes of electing resident Board members as provided for in Article III. The Declarant appointees need not be residents of, nor Unit Owners in, the Condominium and the Declarant shall have the right in its sole discretion to replace such directors and designate their successors if vacancies occur for any reason.

4. Election and Term of Office.

At the first annual meeting of the Association five (5) directors shall be elected. The term of office of three (3) directors shall be fixed at one (1) year and the term of office of two (2) directors shall be fixed at two (2) years. At the expiration of the initial term of office of each respective director, each successor shall be elected at subsequent annual meetings of the Association to serve a term of two (2) years. The directors shall hold office until their successors have been elected and hold their first meeting.

Notwithstanding anything contained in these By-Laws to the contrary, until the first annual meeting of the Association, the Declarant shall have the right to select a majority of the Board of Directors and to fill any vacancy occurring from the death, resignation or removal, by Declarant or Association, of any director chosen by the Declarant, and so long as the Declarant continues to be the owner of three (3) units in the Condominium, it shall have the right to select one member of the Board of Directors and to fill any vacancy occurring from the death, resignation or removal, by Declarant or Association, of any such director. This last paragraph of Article IV, section 4, may not be changed except by unanimous vote of all Unit Owners.

5. Organization Meeting.

The first meeting of the members of the Board of Directors following the annual meeting of the Association shall be held within ten (10) days after the meeting of which such members were elected at such place as shall be fixed by the directors. No notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present therein.

6. Regular Meetings.

Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors, but at least four (4) such meetings shall be held during each fiscal year after the first annual meeting of the Association. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

7. Special Meeting.

Special meetings of the Board of Directors may be called by the President on three (3) days notice to each director. Such notice shall be given personally or by mail, telephone or telegraph, and such notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) directors.

8. Waiver of Notice.

Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

9. Board of Director's Quorum.

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

10. Vacancies.

Except as provided in sections 3 and 4 of this Article IV, vacancies in the Board of Directors caused by any reason other than removal of a director by a vote of the Association shall be filled by a vote of the majority of the remaining

directors, even though they may constitute less than a quorum of the Board; and each person so elected shall be a director until a successor is elected at the next annual meeting of the Association.

11. Removal of Directors.

Except as provided in sections 3 and 4 of this Article IV, a director may be removed with or without cause, and his successor elected, at any duly called meeting of the Association at which a quorum is present, by an affirmative vote of a majority of the votes represented and voting. Any director whose removal has been proposed by the Unit Owners shall be given at least ten (10) days notice of the calling of the meeting and the purpose thereof an opportunity to be heard at the meeting.

12. Compensation.

No director shall receive any compensation from the Condominium for acting as such.

13. Conduct of Meeting.

The President shall preside over all meetings of the Board of Directors and the Secretary 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. Roberts Rules of Order shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Act or Condominium Instruments.

14. Report of Board of Directors.

The Board of Directors shall present at each annual meeting, and when called for by vote of the Association at any special meeting of the Association, a full and clear statement of the business and condition of the Condominium.

15. Fidelity Bonds.

The Board of Directors may require that all officers, agents (including Manager or Managing Agent) and employees of the Association handling or responsible for funds furnish adequate fidelity bonds or other insurance acceptable to the Board. The premiums on such bonds or insurance shall constitute a Common Expense.

16. Liability of the Board of Directors.

The members of the Board of Directors shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the directors from and against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Unit Owners unless any such contract shall have been made in bad faith or contrary to the provisions of the Condominium Instruments. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them

on behalf of the Unit Owners. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors shall be limited to such proportion of the total liability thereunder as his Par Value bears to the total Par Value of all of the Unit Owners. Every agreement made by the Board of Directors or by the Managing Agent or Manager on behalf of the Unit Owners shall, if obtainable, provide that the members of the Board of Directors, or the Managing Agent or Manager, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his Par Value bears to the total Par Value of all Unit Owners. The Unit Owners shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he is or was a director of officer, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believes to be in, or not opposed to, the best interests of the Unit Owners.

ARTICLE V

Officers

1. Designation.

The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint assistant secretaries and such other officers as in its judgment may be necessary. With the exception of the President, no officer need be a member of the Board of Directors. Two or more offices may be held by the same person, except that the President shall not hold any other office.

2. Election of Officers.

The officers of the Association shall be elected annually by the Board of Directors at its annual meeting and shall hold office at the pleasure of the Board.

3. Removal of Officers; Vacancies.

The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed, with or without cause, by the affirmative vote of a majority of the whole Board. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

4. President.

The President shall be the chief executive officer; he shall preside at meetings of the Association and the Board of Directors and shall be an ex-officio member of all committees;

he shall have general and active management of the business of the Association and shall see that all orders and resolutions of the Board of Directors are carried into effect.

5. Vice President.

The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board of Directors shall prescribe. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint a member of the Board to do so on an interim basis.

6. Secretary.

The Secretary shall attend all sessions of the Board of Directors and all meetings of the Association and record all votes and the minutes of all proceedings in a book to be kept by him for that purpose and shall perform like duties for committees when required. He shall give, or cause to be given, notice of all meetings of the Association, the Board of Directors and committees and shall perform such other duties as may be prescribed by the Board of Directors or President. The Secretary shall compile and keep current at the principal office of the Condominium, a complete list of the Unit Owners and their last known post office addresses. This list shall be open to inspection by all Unit Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days. The Secretary shall also keep current and retain custody of the minute book of the Association, containing the minutes of all annual and special meetings of the Association and all sessions of the Board of Directors including resolutions.

7. Treasurer.

The Treasurer shall have the custody of all funds and securities that are not under the control of the Manager or Managing Agent, and, with the assistance of the Manager or Managing Agent, shall keep full and accurate records of receipts and disbursements and shall deposit all monies and other valuable effects in such depositories as may be designated by the Board of Directors. He shall disburse funds as ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and directors, at the regular meetings of the Board of Directors, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Association.

If required by the Board of Directors, he shall give a bond, the premium therefor to be considered a Common Expense, in such sum, and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his office and for the restoration, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control.

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

All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or

obligations of over \$1,000, shall be executed by any two officers of the Association or by such other person or persons as may be designated by the Board of Directors. All such instruments for expenditures or obligations of less than \$1,000 may be executed by any one officer of the Association or by such other person as may be designated by the

ARTICLE VI

Operation of the Property

1. Determination of Common Expenses and Assessments Against Unit Owners.

A. Fiscal Year. The fiscal year of the Condominium shall consist of the twelve month period commencing on January 1 of each year and terminating on December 31.

B. Preparation and Approval of Budget. Each year on or before January 1, the Board of Directors shall adopt a Budget for the Condominium containing an estimate of the total amount which it considers necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Board of Directors to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be contracted by the Board of Directors or declared to be Common Expenses by the Condominium Instruments or a resolution of the Association, and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Condominium and the rendering to the Unit Owners of all related services. Such budget shall also include such reasonable reserves as the Board of Directors considers necessary for the purposes hereinafter set forth. 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, on or before December 15, preceding the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Unit Owner's contributions for the Common Expenses of the Condominium.

C. Assessment and Payment of Common Expenses. The total amount of the estimated funds required for the operation of the Condominium set forth in the budget for the fiscal year adopted by the Board of Directors shall be assessed against each Unit Owner in proportion to his respective Par Value, and shall be a lien against each Unit Owner's Unit as of the first day of the fiscal year to which such budget applies. On or before the first day of each fiscal year, and the first day of each of the preceding eleven (11) months in such fiscal year, each Unit Owner shall be obligated to pay to the Board of Directors, the Manager or 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. Within sixty (60) days after the end of each fiscal year, the Board of Directors shall supply to all Unit Owners an itemized accounting of the Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts

collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves and any Common Profits shall, in the discretion of the Board of Directors, either be returned to the Unit Owners in accordance with each Unit Owner's Undivided Interest or be credited according to each Unit Owner's account to the next monthly installments due from Unit Owners under the current fiscal year's budget, until exhausted. Any net shortage shall, if the Board of Directors deems it advisable, be added according to each Unit Owner's Par Value to the installments due in the succeeding six months after the rendering of the accounting.

D. Reserve Fund for Maintenance, Repairs and Replacements. The Board of Directors shall establish and maintain a reasonable fund for capital improvements and for maintenance, repairs and replacements, by providing for such a reserve fund in the budget, segregating such reserve fund on the books of the Condominium, and allocating and paying monthly to such reserve fund one-twelfth (1/12) of the total amount budgeted for such reserve fund for the current fiscal year. The portion of the Unit Owner's assessments paid into such reserve fund shall be conclusively deemed to be contributions to the capital of the Condominium by the Unit Owners. Such reserve fund may be expended for the purposes of capital improvements and replacements, and maintenance and repairs. If for any reason, including non-payment of any Unit Owner's assessment, such reserve fund is inadequate to defray the cost of a required capital improvement or replacement, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Unit Owners according to the respective Undivided Interest of their Units, and which may be payable into such reserve fund in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefore, and such future assessments shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if the additional assessment is not payable in installments, the amount of such assessments.

E. Special Assessments. In addition to the assessments authorized above, the Board of Directors may levy, as a contribution to the capital of the Condominium, a special assessment, for the purpose of defraying the cost of any unexpected repair or other nonrecurring contingency, or to meet any deficiencies occurring from time to time. The fund resulting from said special assessments shall be segregated on the books of the Condominium and expended solely for the purposes set forth in the preceding sentence. Said fund shall be initially funded by an initial capital contribution by each Unit Owner equal to two (2) month's assessment, and payable by each Unit Owner upon the purchase of his Unit from the Declarant and may be replenished or built up by budgetary allocation of assessments for such purposes. Any additional special assessments shall be assessed in the same manner set

forth in Paragraph D of this Section with respect to additional assessments payable to the reserve fund for replacements.

F. Initial Budget. When the first Board of Directors takes office, it shall determine the budget, as defined in this Section, for the period commencing upon the sale of the first Unit by the Declarant and ending on December 31 of the fiscal year in which their election occurs. Assessments shall be levied against the Unit Owners during said period as provided in Paragraph C of this Section.

G. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of 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 monthly payment which is due more than ten (10) days after such new annual or adjusted budget shall have been mailed or delivered.

H. Accounts. All sums collected by the Board of Directors with respect to assessments against the Unit Owners may be commingled into a single fund, but shall be held for each Unit Owner in accordance with his Undivided Interest.

2. Payment of Common Expenses.

All Unit Owners shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article VI. No Unit Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to a sale, transfer or other conveyance by him of such Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of the conveyance, without prejudice to the Purchaser's right to recover from the selling Unit Owner the amounts paid by the purchaser therefor; provided, however, that any such purchaser shall be entitled to a statement from the Board of Directors, the Managing Agent or the Manager, setting forth the amount of the unpaid assessments against the selling Unit Owner and such purchaser shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth; and provided, further, that if a First Mortgagee of record or other purchaser of a Unit obtains title to the Unit as a result of foreclosure or deed (or assignment) in lieu of foreclosure of a first mortgage, such purchaser, its successors and assigns shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Expenses assessed prior to the acquisition of title to such Unit by such purchaser pursuant to the foreclosure sale, conveyance or assignment. Such unpaid share of Common Expenses assessed prior to the acquisition of title to such Unit by such purchaser pursuant to the foreclosure sale, conveyance or assignment shall be collectible from all Unit Owners, including the purchaser, in proportion to their respective Undivided Interest.

3. Collection of Assessments.

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

4. Statement of Unpaid Assessments.

A. Upon written request to the Board of Directors by a Unit Owner or purchaser, the Board of Directors, or a duly designated agent or the Managing Agent thereof, shall furnish thereto a recordable statement setting forth the amount of unpaid assessments levied against the Unit for which said information was requested.

Failure to furnish or make available such a statement within five (5) business days from receipt of such request shall extinguish the lien for assessments.

B. The Board of Directors may impose a reasonable fee not to exceed Thirty Dollars (\$30.00) for each such statement requested and payment thereof shall be a prerequisite to the issuance of any statement.

5. Maintenance and Repair.

A. By the Board of Directors. The Board of Directors shall be responsible for the maintenance, repair and replacement (unless necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner), of the following the cost of which shall be charged to all Unit Owners as a Common Expense:

(1) All of the Common Elements, whether located inside or outside of the Units.

(2) All portions of the Units which contribute to the support of the Building, excluding, however, the surfaces of all walls, floors and ceilings of a Unit.

(3) All incidental damage caused to any Unit by such work as may be done or caused to be done by the Board of Directors in accordance herewith.

B. By the Unit Owner. Except for the portions of his Unit required to be maintained, repaired and replaced by the Board of Directors, each Unit Owner's responsibility shall include but not be limited to the maintenance, repair and replacement, at his own expense, of the following: any interior walls, interior surface of ceiling, windows and lighting, heating, air-conditioning unit and fireplace, including fire-box and damper, terraces, balconies (if applicable), kitchen and bathroom fixtures, appliances, equipment, range and refrigerator; and those parts of the plumbing system which are wholly contained within his Unit. Each Unit Owner shall keep the interior of his Unit and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of the Unit. In addition, each Unit Owner shall be responsible for all damage to any and all other Units or to the Common Elements resulting from his failure to make any of the repairs required to be made by him 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, the Managing Agent or Manager any defects or need for repairs for which the Board of Directors is responsible.

C. Manner of Repair and Replacement. All repairs and replacements shall be of first class quality and as nearly as practicable similar to the character of the construction or installation that existed immediately prior to the occasion that necessitated the repairs or replacements. Any repairs or replacements may be done with contemporary building materials and/or equipment.

6. Additions, Alterations or Improvements by Board of Directors.

Whenever in the judgment of the Board of Directors the Common Elements shall require additions, alterations or improvements costing in excess of Five Thousand Dollars (\$5,000) during any period of twelve (12) consecutive months, and the making of such additions, alterations or improvements shall have been approved by a majority of the Unit Owners, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Expense. Any additions, alterations or improvements costing Five Thousand Dollars (\$5,000) or less during any period of twelve (12) consecutive months may be made by the Board of Directors without approval of the Unit Owners and the cost thereof shall constitute part of the Common Expenses. Notwithstanding the foregoing, if, in the opinion of not less than 80% of the members of the Board of Directors, such additions, alterations or improvements are exclusively or substantially exclusively for the benefit of the Unit Owner or Unit Owners requesting the same, such requesting Unit Owner shall be assessed therefor in such proportion as they jointly approve or, if they are unable to agree thereon, in such proportions as may be determined by the Board of Directors.

7. Additions, Alterations or Improvements by Unit Owners.

No Unit Owner shall make any structural addition, alteration or improvement in or to his Unit without the prior written consent thereto of the Board of Directors. No Unit Owner shall paint or alter the exterior of the Building, including the doors and windows, without the prior written consent thereto of the Board of Directors. The Board of Directors shall be obligated to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement (by painting or otherwise) in such Unit Owner's Unit within forty-five (45) days after such request, and its failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition, alteration or improvement. Any application to any governmental authority for a permit to make an addition, alteration or improvement in or to any Unit shall be executed by the Board of Directors only, without however incurring any liability on the part of the Board of Directors or any of them to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this Section 7 shall not apply to Units owned by the Declarant until such Units have been initially sold by the Declarant and paid for.

8. Restrictions of Use of Units.

To assist the Condominium in providing for congenial occupancy and the protection of the value of the Units, it is necessary that the Board of Directors have the right and authority to exercise reasonable controls over the use of the Units. Violation of the following enumerated prohibitions shall not be permitted, and the Board of Directors is hereby authorized to take all steps necessary to prevent or discontinue any violations thereof, all at the expense of the violator:

A. No Unit Owner or other resident of the Condominium shall post any advertisements or posters of any kind in or on the Condominium except as authorized by the Board. This restriction shall not apply to advertisements, signs or posters utilized by the Declarant, or its agents, in selling the Units.

B. All Units shall be used only for private residential purposes, except that a Unit may be used for a professional office, subject, however, to the applicable zoning regulations and other laws, rules and regulations of the District of Columbia and with the written consent of the Board of Directors, and except for such temporary other uses as may be permitted by the Board of Directors from time to time. This provision shall not, however, be so construed as to prevent the Declarant from using any Unit for model, sales office or display purposes nor so as to prohibit the leasing of Units owned by the Declarant subject to all of the provisions of the Condominium Instruments. The Declarant in adopting the Condominium Instruments, specifically reserves an easement and express right and power to so utilize these Units. No activity shall be done or maintained in any Unit or upon any of the Common Elements which will not be in conformity with the zoning regulations of the District of Columbia.

C. No clothing, laundry, rugs or wash shall be hung from or spread upon or from any window or exterior portion of a Unit or in or upon any Common Element. All refuse and trash shall be deposited in bins designated for such purposes.

D. Absent the express written approval of the Board of Directors, no animal, including common household pets, shall be kept or maintained on the Condominium property, nor shall common household pets be kept, bred or maintained for commercial purposes on the Condominium property. Any Unit Owner who receives permission to keep or maintain any pet in the Condominium shall be responsible and may be assessed by the Board of Directors for any costs incurred by the Condominium in enforcing the Rules and Regulations prescribed or to be prescribed by the Board of Directors for the control and regulation of pets in the Condominium.

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E. Unit Owners, residents and lessees shall exercise extreme care to avoid unnecessary noise or the use of musical instruments, radios, television and amplifiers that may disturb other Unit Owners.

F. No nuisances shall be allowed in the Condominium nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Condominium by its residents.

G. No Unit Owner, resident or lessee shall install wiring for electrical or telephone installation, television antennae, or other equipment, which protrudes through the walls or the roof of any Building or is otherwise visible on the exterior of the Building except as presently installed or as authorized by the Board of Directors.

H. No Unit or Common Elements of the Condominium may be used for any unlawful, immoral or improper purpose.

I. A Unit Owner shall not place or cause to be placed in the public hallways, walkways, alleyways, or other Common Elements any bicycles, furniture, packages or objects of any kind. The public hallways, walkways and alleyways shall be used for no purpose other than for normal transit through them.

J. No Unit Owner, resident or lessee shall direct or engage any employee of the Condominium on any private business of such Unit Owner, resident or lessee, nor shall he direct, supervise or in any manner attempt to assert control over any such employee.

K. No activity shall be done or maintained in any Unit or upon any Common Elements which will increase the rate of insurance on any Unit or the Common Elements or result in the cancellation of insurance thereon, unless such activity is first approved in writing by the Board of Directors.

In the use of the Common Elements of the Condominium, Unit Owners shall obey and abide by all valid laws, ordinances and zoning and other governmental regulations affecting the same and all applicable rules and regulations adopted by the Board of Directors. The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the Units. ✓

Any owner of a Unit may lease said Unit provided that (i) a fully conformed copy of said lease or renewal thereof shall be delivered to the Board of Directors within ten (10) days of execution; (ii) any such lease shall be consistent with the provisions of the Condominium Instruments, as the same may be amended from time to time, and with the rules and regulations of the Condominium as may be promulgated from time to time; and (iii) that the Board of Directors have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the lessor thereunder, in the event of a default by the tenant in the performance of such lease. The restrictions of this paragraph shall not apply to the Declarant or any mortgagee who comes into possession of a Unit pursuant to a foreclosure sale, other judicial sale or any transfer or conveyance in lieu of foreclosure.

9. Right of Access.

A Unit Owner shall grant a right of access to his Unit to the Board of Directors or the Managing Agent, or the Manager or to any other person authorized by the board for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Element, or for the purpose of

performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere in the Building, or to correct any condition which violates the provisions of any mortgage covering another Unit, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of any emergency, such right of entry shall be immediate whether the Unit Owner is present at the time or not.

ARTICLE VII

Insurance, Destruction, Restoration, Condemnation and Distribution

1. Authority.

The Board of Directors shall obtain and maintain casualty and liability insurance under such terms and for such amounts as shall be deemed necessary by the Board, but in no event less than the amount required by Section 2 of this Article VII. The insurance premiums purchased by the Board shall be charged as items of Common Expense. Such insurance coverage shall provide for the issuance of certificates of insurance and mortgage endorsements to all First Mortgagees of the Units, if requested. Such insurance coverage shall be written on the Condominium and shall provide for the insurance proceeds covering any loss to be payable to the Board of Directors as Insurance Trustee for the benefit of each Unit Owner and his mortgagee according to his Par Value interest in the Condominium.

2. Coverage.

The Condominium shall be insured, to the extent available, against casualty in a minimum amount equal to the maximum insurable replacement value (i.e., 100% of replacement costs based upon the value of replacing the Building and all improvements of the Condominium utilizing contemporary building materials and technology) thereof (exclusive of excavations and foundations) as determined annually by the Board with assistance of the insurance company affording such coverage. The policy shall cover all the improvements of the Condominium except those made by a Unit Owner at his expense and shall contain a "condominium replacement cost" endorsement. Such coverage shall afford protection against:

- (i) loss or damage by fire, vandalism, malicious mischief, windstorm, and other hazards covered by the standard extended coverage endorsement; and
- (ii) such other risks as shall customarily be covered with respect to projects similar in construction, location and use as the Directors in their sound discretion may deem advisable.

Such coverage shall insure the Building (including all of the Units and the bathroom, laundry and kitchen equipment, fixtures and cabinets, and electrical fixtures, together with all air-conditioning, heating and other equipment, but not including furniture, furnishings or other personal property supplied or installed by Unit Owners) and other Condominium property including all personal property included in the Common Elements. The Condominium shall be insured against liability for personal injury and property damage in such amounts and in such forms as shall be required by the Board which, however, in no event shall be less than \$1,000,000 with respect to any one occurrence. All liability insurance shall contain cross-liability endorsements to cover liabilities of the Association as a group, the Board and each individual Unit Owner. The deductible, if any, or any policy of insurance purchased by the Board of Directors, shall be paid by the Association. Workmen's Compensation insurance shall be obtained where necessary to meet the requirements of law. In addition to the foregoing, the Board of Directors may obtain such additional insurance coverage as it may in its sole discretion deem advisable and appropriate.

3. Limitations.

Any insurance obtained pursuant to the requirements of this Article shall be subject to the following provisions:

A. All policies shall be written with a company or companies licensed to do business in the District of Columbia and which falls into a financial category, as designated in Best & Key Rating Guide of Class VI or better.

B. In no event shall the insurance coverage obtained and maintained pursuant to the requirements of this Article be brought into contribution with insurance purchased individually by any of the Unit Owners or their mortgagees, as herein permitted, and any "no other insurance" or similar clause in any policy obtained by the Board of Directors pursuant to the requirements of this Article shall exclude such policies from consideration.

C. All policies shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days prior written notice to any and all insureds named thereon, including any and all named mortgagees.

D. All policies of casualty insurance shall provide that, notwithstanding any provisions thereof which give the carrier the right to elect to restore or repair damage or reconstruct in lieu of making a cash settlement, such option shall not be exercisable without the prior written approval of the Board of Directors, when in conflict with the provisions of these By-Laws or the provisions of the Act.

E. All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Unit Owners, the Association, the Board, the Manager or Managing Agent, if any, and their respective agents, and of any defenses based upon coinsurance or invalidity arising from the acts of the insured.

F. Each of the policies of insurance obtained by the Board shall contain provisions (i) that they shall not be prejudiced by any act or neglect of any occupants or Unit Owners of the Condominium when such act or neglect is not within the control of the insured, or Unit Owners collectively, or (ii) that they shall not be prejudiced by failure of the insured, or Unit Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or Unit Owners collectively have no control.

4. Notice of Insurance Coverage.

When any policy of insurance has been obtained by or on behalf of the Board of Directors of the Association, written notice of the procurement thereof and of any subsequent changes therein or termination thereof shall be promptly furnished to each Unit Owner by the Secretary of the Association or designee.

5. Individual Policies.

Any Unit Owner and any mortgagee may obtain at his own expense additional insurance (including a "condominium unit owner's endorsement" for improvements and betterments to a Unit made or acquired at the expense of the Unit Owner). Such insurance should contain the same waiver of subrogation provision as that set forth in Section 3.E of this Article VII. It is recommended that each Unit Owner obtain, in addition to the insurance hereinabove provided to be obtained by the Board of Directors, a "Tenant's Homeowners Policy", or equivalent, to insure against loss or damage to personal property used or incidental to the occupancy of the Unit, additional living expense, vandalism or malicious mischief, theft, personal liability and the like. Such policy should include a "condominium unit owner's endorsement" covering losses to improvements and betterments to the Unit made or acquired at the expense of the Unit Owner.

No Unit Owner shall maintain insurance coverage which will tend to decrease the amount which the Board may realize under any insurance policy which it may have in force at any particular time; the Board of Directors may require that each Unit Owner shall file with the Manager or Managing Agent a copy of each individual policy of insurance purchased by the Unit Owner within thirty (30) days after its purchase; the Board may also require that each Unit Owner shall notify the Board of all improvements made by him to his Unit having a value in excess of \$1,000.

6. Insurance Trustee.

The Board of Directors shall serve as the Insurance Trustee. All insurance policies purchased by the Board shall be for the benefit of the Association, each Unit Owner and his First Mortgagee, as their respective interests may appear, and shall provide that proceeds payable pursuant to the policies shall be paid directly to the Board as the Insurance Trustee. All policies shall provide that adjustment of loss shall be made by the Board or its designee.

7. Covenants for Benefit of Mortgagees.

Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the Unit Owner entitled thereto, after first paying or making provision for the payment of the expenses of the Insurance Trustee, in the following manner:

A. Proceeds are to be paid first to repair or restore damage or destruction, as elsewhere provided herein. After defraying the cost of the repair or restoration, all remaining proceeds shall be payable jointly to the Unit Owners and mortgagees, if any, entitled thereto. This covenant is for the benefit of any mortgagee and may be enforced by such mortgagee.

B. If it is determined in the manner elsewhere provided herein that the damage for which the proceeds are paid shall not be reconstructed or repaired, then and in that event, the Condominium shall be deemed to be owned in common by the Unit Owners and shall be subject to an action for partition upon the suit of any Unit Owner or mortgagee in which event the net proceeds of sale together with the net proceeds of any insurance shall be distributed pro rata to the Unit Owners, after first paying off, out of the share of each Unit Owner, to the extent sufficient for that purpose, all liens, including mortgage liens, on the Unit of such Unit Owner. This is a covenant for the benefit of any mortgagee and may be enforced by such mortgagee.

8. Reconstruction.

If any part of the Condominium shall be damaged by casualty, the determination of whether or not to reconstruct or repair the same shall be made as follows:

A. Where there is partial destruction, which shall be deemed to mean destruction which does not render two-thirds or more of the Units untenable, there shall be compulsory reconstruction or repair.

B. Where there is total destruction, which shall be deemed to mean destruction which does render more than two-thirds of the Units untenable, reconstruction or repair shall not be compulsory unless at a meeting which shall be called within ninety (90) days after the occurrence of the casualty, or, if by such date the insurance loss has not been finally adjusted, then within thirty (30) days thereafter, all of the Unit Owners unanimously vote in favor of such reconstruction or repair.

C. If any Building or improvement standing or erected upon the Condominium shall be destroyed or damaged by some casualty and such destroyed or damaged property is to be reconstructed or repaired, the reconstruction or repair thereof shall, at least, be to the extent of the replacement value of the property destroyed or damaged; and as nearly as practicable to the character of the Building or improvement existing immediately prior to such casualty. Any reconstruction or repair shall be done in accordance with the outstanding building code requirements of the District of Columbia and may be done with contemporary building materials, and achieved by utilizing updated construction systems and technology.

If the damage is only to those parts of one Unit for which the responsibility of maintenance and repair is borne by the Unit Owner, then the Unit Owner shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Board.

9. Condemnation.

A taking of, injury to, or destruction of part or all of the property by the exercise of the power of eminent domain shall be considered to be included in the term damage or destruction as provided in Section 7 A and B for purposes of this Article VII and the award or settlement may, or any other compensation arising out of any taking or condemnation shall be treated in the same manner as insurance proceeds arising from a casualty loss.

10. Assessments if Insurance is Inadequate.

Immediately after a casualty causing damage to property for which the Board of Directors has the responsibility of maintenance and repair, the Board shall obtain reliable and detailed estimates of the cost to replace the damaged property in as good a condition as it was before the casualty. Such costs may include professional fees and premiums for such bonds as the Board desires. If the proceeds of insurance are not sufficient to defray such estimated costs, a special assessment shall be made against all the Unit Owners in proportion to their aforementioned Undivided Interest in sufficient amounts to provide funds to pay the estimated costs. If at any time during reconstruction and repair, or upon completion of reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against all the Unit Owners in proportion to their Undivided Interest in sufficient amounts to provide funds for the payment of such costs.

11. Disbursements.

Any and all disbursements of funds, whether such funds consist of insurance proceeds, special assessments, sales proceeds, or any combination thereof, to be made by the Insurance Trustee for any purpose whatsoever, shall be made pursuant to and in accordance with a certificate of the Association or the Board.

12. Notification.

The Board of Directors shall notify: (a) the mortgagee of a Unit whenever damage to the Unit covered by the mortgage exceeds \$1,000; and (b) all mortgagees whenever damage to the Common Elements exceeds \$10,000.

ARTICLE VIII

Mortgages

1. Notice to Board.

A Unit Owner who mortgages his Unit, shall notify the Board through the Manager or Managing Agent of the name and address of his mortgagee, if any; the Board shall maintain such information in a book entitled "Mortgagees of Units."

2. Notice of Unpaid Common Charges.

The Board whenever so requested in writing by a mortgagee, shall promptly report any then unpaid common charges due from or any other default by the owner of the mortgaged Unit.

3. Notice of Default.

The Board shall give written notice to a Unit Owner of any default by the Unit Owner in the performance of any obligations under the Act, Condominium Instruments, and, if such default is not cured within sixty (60) days, shall 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.

4. Examination of Books.

Each Unit Owner and each mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more often than once a month.

5. "Mortgagee" and "Mortgage".

As used in this Article VIII and generally in the Condominium Instruments, the term "Mortgagee" includes the holder of a note secured by a deed of trust or mortgage encumbering a Unit and recorded among the land records of the District of Columbia, and the term "Mortgage" includes any deed of trust recorded among the said land records.

6. Rights of First Mortgagees.

Unless at least seventy-five percent (75%) of the First Mortgagees (based upon one vote for each mortgage owned) and/or eighty percent (80%) of the Unit Owners (other than the Declarant) of the individual Units have given their prior written approval, the Association shall not:

A. change any Unit's Undivided Interest in Common Expenses and Common Profits or in the Common Elements;

B. partition or subdivide any Unit or that Unit's Undivided Interest in Common Expenses and Common Profits or in the Common Elements of the Condominium nor subdivide the Common Elements of the Condominium;

C. by act or omission seek to abandon condominium status of the project except as provided by statute in case of substantial loss to the Units and Common Elements of the Condominium;

D. modify the method of determining and collecting assessments; nor

E. use the proceeds of casualty insurance for any purpose other than restoration.

ARTICLE IX

Notice

1. Manner of Notice.

Unless specified otherwise, in other sections of these By-Laws, whenever any notice is required to be given under the provisions of the Act or of the Condominium Instruments to any mortgagee, Director or Unit Owner, it shall not be construed to require personal notice, but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a post-paid sealed wrapper, addressed to such mortgagee, Director or Unit Owner at such address as appears on the books of the Condominium, and such notice shall be deemed to be given at the time when the same shall be thus mailed.

2. Waiver of Notice.

Whenever any notice is required to be given under the provisions of the Act or the Condominium Instruments, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE X

Amendment of By-Laws

These By-Laws may be amended by the affirmative vote of Unit Owners representing at least sixty-six and two-thirds percent (66-2/3%) of the total Undivided Interests in the Condominium, at a meeting of the Association called for that purpose; provided, however, that all Mortgagees shall be given thirty (30) days notice of all proposed amendments. No amendments to the By-Laws shall become effective until recorded among the Land Records of the District of Columbia.

ARTICLE XI

Compliance and Default

1. Relief.

Each Unit Owner shall be governed by, and shall comply with, all of the terms of the Condominium Instruments and the Rules and Regulations, and any amendments of the same. A default by a Unit Owner shall entitle the Association acting through the Board of Directors, the Manager or the Managing Agent, to the following relief:

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A. Legal Proceedings.

Failure to comply with any of the terms of the Condominium Instruments and the Rules and Regulations shall be grounds for relief which may include without limiting the same, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in these By-Laws, or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association, the Board of Directors, the Manager or Managing Agent, or, if appropriate, by an aggrieved Unit Owner.

B. Additional Liability.

Each Unit Owner shall be liable for the expenses of all maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or the act, neglect or carelessness of any member of his family or his employees, agents or licensees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by an insurance company of its rights of subrogation.

C. Costs and Attorney's Fees.

In any proceeding arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorney's fees as may be determined by the court.

D. No Waiver of Rights.

The failure of the Association, the Board of Directors, or of Unit Owners to enforce any right, provision, covenant, or condition which may be granted by the Condominium Instruments or the Rules and Regulations shall not constitute a waiver of the right of the Association, the Board of Directors, or any Unit Owner pursuant to any term, provision, covenant or condition of the Condominium Instruments or the Rules and Regulations 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 the Rules and Regulations, or at law or in equity.

E. Interest.

In the event of a default by any Unit Owner against him which continues for a period in excess of fifteen (15) days, such Unit Owner shall be obligated to pay interest on the amounts due at the rate of eight percent (8%) per annum from the due date thereof.

F. Abatement and Enjoinment of Violations by Unit Owners.

The violation of any Rule or Regulation adopted by the Board of Directors, or the breach of any By-Law contained herein, or the breach of any provision of the Condominium Instruments, (after due notice to the Unit Owner and said violation or breach constitute an immediate danger to the Condominium and Unit Owners) shall give the Board of Directors the right,

thing or condition that may exist therein contrary to the intent and meaning of provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

2. Lien for Contributions.

A. The total annual contribution of each Unit Owner for the Common Expenses levied pursuant to these By-Laws is hereby declared to be a lien levied against the Unit of such Unit Owner within the purview of the Act, which lien shall be effective as of the first day of each fiscal year of the Condominium. The Board of Directors, or the Manager or Managing Agent, may file or record such other or further notice of lien, or such other or further document as may be required by the then laws of the District of Columbia to confirm the establishment of such lien.

B. In any case where an assessment against a Unit Owner is payable in installments, upon a default by such Unit Owner in the payment of any single installment, which continues for ten (10) days after written notice of such default has been sent to the Unit Owner, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated, at the option of the Board of Directors, and the then balance owing may be declared due and payable in full by the service of notice to such effect upon the defaulting Unit Owner by the Board of Directors or Managing Agent or Manager.

C. The lien for assessments may be foreclosed in the manner provided by the laws of the District of Columbia by suit brought in the name of the Board of Directors, acting on behalf of the Association. During the pendency of such suit the Unit Owner shall be required to pay a reasonable rental for the Unit for any period prior to sale pursuant to any judgment or order of any court having jurisdiction over such sale. The plaintiff in such proceeding shall have the right to the appointment of a receiver, if available under the then laws of the District of Columbia.

D. The lien for assessments shall be prior to all other liens and encumbrances except: (i) liens and encumbrances recorded prior to the recordation of the Declaration; (ii) liens of any first priority mortgage or deed of trust on such Unit recorded prior to the due date of such assessment or the due date of the first installment payable on such assessment; and (iii) liens for real estate taxes and municipal assessments or charges against the Unit.

3. Information to be Furnished in the Event of Resale by a Unit Owner.

A. The Board of Directors or a duly designated agent or the Managing Agent shall upon written request of any Unit Owner or purchaser of a Unit furnish to said Unit Owner or purchaser, within ten (10) days of such request (except for a request for a statement for unpaid assessments which must be furnished within five (5) days of date of such request), the following information:

1. Statement regarding any unpaid assessments.
 2. Statement concerning any rights of first refusal or other restraints on free alienability.
 3. Statement of any capital expenditures anticipated by the Association within the current or succeeding two fiscal years.
 4. Statement of the status and amount of any reserves for capital expenditures, contingencies, and improvements, and any portion of such reserves earmarked for any specified project by the Board of Directors.
 5. A copy of the statement of financial condition of the Association for the then most recent fiscal year for which such statement is available and the current operating budget, if any.
 6. Statement of the status of any pending suits or any judgments to which the Association is a party.
 7. Statement setting forth what insurance coverage is provided for all Unit Owners by the Association and a statement whether such coverage includes public liability, loss or damage, or fire and extended coverage insurance with respect to the unit and its contents.
 8. Statement that any improvements or alterations made to the Unit, or the Limited Common Elements assigned thereto, by the prior Unit Owner are not in violation of the Condominium Instruments.
- B. The Board of Directors may impose a reasonable fee not to exceed Fifty Dollars (\$50.00) to furnish all the information required in accordance with paragraph A hereof, and payment thereof shall be a prerequisite to the issuance of any such statement.

ARTICLE XII

Compliance, Conflict, and Miscellaneous Provisions

1. Compliance.

These By-Laws are set forth in compliance with the requirements of the Act (herein sometimes referred to as the "Act").

2. Conflict.

These By-Laws are subordinate and subject to all provisions of the Condominium Instruments and to the provisions of the Act. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Condominium Instruments or the Act. In the event of any conflict between these By-Laws and the Condominium Instruments, the provisions of the Condominium Instruments shall control; and in the event of any conflict between the Declaration and the Act, the provisions of the Act shall control.

2. Conflict.

These By-Laws are subordinate and subject to all provisions of the Condominium Instruments and to the provisions of the Act. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Condominium Instruments or the Act. In the event of any conflict between these By-Laws and the Condominium Instruments, the provisions of the Condominium Instruments shall control; and in the event of any conflict between the Declaration and the Act, the provisions of the Act shall control.

3. Severability.

These By-Laws are set forth to comply with the requirements of the District of Columbia. In case any of the By-Laws are in conflict with the provisions of any of its statutes, the provisions of the statutes will apply. If any provisions of these By-Laws or any section, sentence, clause, phrase, or word, or the application thereof in any circumstance is held invalid, the validity of the remainder of these By-Laws, shall not be affected thereby and to this end, the provisions hereof are declared to be severable.

4. Waiver.

No restriction, condition, obligation or provision of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

5. Captions.

The captions contained in these By-Laws are for convenience only and are not a part of these By-Laws and are not intended in any way to limit or enlarge the terms and provisions of these By-Laws.

6. Gender, etc.

Whenever in these By-Laws the context so requires, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

IN WITNESS WHEREOF, the foregoing were adopted as the By-Laws of the Association, at the first meeting of its Board of Directors.

Harold Zirkin, President